

Remuneration Report for the year 2021 of AutoWallis Plc.

based on the Act LXVII of 2019 on the promotion of long-term shareholder participation and the amendment of certain laws for the purpose of legal harmonization (Hrszvtv.)

The Remuneration Policy required by law shall be adopted for the first time in the business year beginning after the entry into force of the law (in 2020) and shall be applied for the first time in the following business year, 2021.

1. Director

According to the law a director is a member or CEO of the company's executive (Board of Directors) or supervisory bodies (Supervisory Board) and, if there is such a function in the company a deputy CEO if they are not members of the company's executive or supervisory bodies.

The Company is managed by a 6-member Board of Directors and currently has a 5-member Supervisory Board. An Audit Committee with 5 members will be appointed from among the independent members of the Supervisory Board.

2. Remuneration report

The Company prepares an annual Remuneration Report on all remuneration determined for the Directors in the last business year.

3. Compliance with Remuneration Policy

Remuneration of AutoWallis Plc. in 2021 complies with the approved remuneration policy with the following criteria:

- operates fixed and variable as well as short- and long-term incentives,
- the remuneration is proportional to the tasks performed, the degree of responsibility, the Company's own assets, the net sales revenue, the number of employees, the ability to generate income and the weight and significance of the Company in the national economy,
- contributes to the Company's business strategy, long-term interests and sustainability, ensuring the transparency and accountability of corporate governance.

The established performance criteria encourage Directors to consider long-term interests of investors, owners and employees in their decisions. The performance-based remuneration for the Directors is in line with the strategic goals and values of the Company. In accordance with the activities of the Directors the bonus requirements contain weighted targets for group, business unit, member company and individual goals. Based on the indicator and deadline assigned to the target tasks, the performance can be clearly evaluated. Deferred access share option also encourages management to achieve long-term performance.

4. Annual change in remuneration over the last five business years

This provision of the Act shall apply in the first five business years of the application of the Remuneration Policy only to remuneration in accordance with the Remuneration Policy adopted pursuant to the Hrszvtv.

At the same time the Company's remuneration for the past 5 years was in line with current regulations, with the remuneration commensurate with performance and serving the Company's long-term goals, which provided adequate compensation for short-term interests. The average remuneration of the non-executive employees of the Company was in line with the remuneration of Directors.

In Q1-Q3 181% increase in personnel expenses far exceeded 132% increase in sales revenue. Wage increases in 2020 caused of changes in labour market play a significant role in this. Despite the increase in the number of employees, the average salary also increased. In addition to preserving the real value of salaries where possible, the Group sees the development of key competencies as a strategic investment and makes a major effort to provide growth-enhancing staffing and expertise. Remuneration of the Companies in the previous five business years followed the opportunities arising from the increase in the Group's performance and the labour market trends, as a result of which AutoWallis is now considered an attractive employer. Personnel expenses increased by 54% in 2020, 550% in 2019 and 28% in 2018.

5. Share options

Since August 2019 Company has had an MRP Organization in accordance with Act XLIV of 1992 on Employee Co-Ownership Program. The MRP Organization was initiated by the main owner of the Company, Wallis Asset Management Private Limited Company, so it does not incur any expenses or obligations for the Company (as well as the other owners) other than the operation of MRP Organization. The shareholding required for the start-up of the MRP Organization was provided free of charge by Wallis Asset Management Private Limited Company. Participants of MRP Organization are Directors according to the Remuneration Policy, and MRP covers employees and senior executives employed by the Company or any other company under the direct or indirect majority control of the Company as defined in the Articles of Association of the MRP Organization and the MRP Remuneration Policy and defined in the decision to initiate the program.

Participants in the MRP Organization gain a membership share in the MRP Organization for free. If one or more conditions specified for the relevant MRP Program under the MRP Remuneration Policy are met together, the participant will have the right to receive or acquire the number and composition of shares issued by the Company and the resulting dividend (dividend) specified under the MRP Remuneration Policy. The date on which the claim arose is the date on which one or more of the conditions specified in the MRP Remuneration Policy for the relevant MRP Program are met together, but not earlier than 24 months from the commencement of the MRP Program. Participants in the program will receive an effective share if the performance targets set in the program are met. On the same day, the MRP Organization will involve the participant's share by reducing the founding assets by the amount corresponding to the nominal value of the involved share at the same time.

The Company – to meet shareholder expectations and certain regulatory requirements – discloses the

most important measures about the Hungarian subsidiaries for the year ended on 31st December 2021. These measures are audited, but they are according to the Hungarian Accounting regulation (not IFRS).

Entity 31 Dec 2021 (amounts in kHUF)	WALLIS MOTOR DUNA Autókereskedelmi Korlátolt Felelősségű Társaság	WALLIS MOTOR PEST Autókereskedelmi Korlátolt Felelősségű Társaság	DALP Korlátolt Felelősségű Társaság
Total Assets	3 084 597	5 639 525	2 901 477
Profit before taxes	226 239	274 566	94 179
Equity	868 634	1 573 465	878 414

Entity 31 Dec 2021 (amounts in kHUF, HRK)	WAE Autóforgalmazási és Szolgáltató Korlátolt Felelősségű Társaság	WAE CEE Autóforgalmazási és Szolgáltató Korlátolt Felelősségű Társaság	Wallis Adria d.o.o. (amounts in HRK)
Total Assets	11 985 383	22 811 277	15 373 342
Profit before taxes	921 753	2 084 734	693 761
Equity	2 055 910	1 747 702	4 811 045

Entity 31 Dec 2021 (amounts in kHUF)	WALLIS BRITISH MOTORS Autókereskedelmi Korlátolt Felelősségű Társaság	WALLIS KEREPESI Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság	K85 Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság
Total Assets	2 240 082	1 853 995	708 549
Profit before taxes	61 821	358 154	9 907
Equity	266 586	931 210	559 210

Entity 31 Dec 2021 (amounts in kHUF)	ICL Autó Korlátolt Felelősségű Társaság	INICIÁL AUTÓHÁZ Korlátolt Felelősségű Társaság	WALLIS AUTÓKÖLCSONZÓ Kereskedelmi és Szolgáltató Korlátolt Felelősségű Társaság
Total Assets	4 044 839	4 073 215	4 862 605
Profit before taxes	266 872	187 044	183 926
Equity	297 609	2 531 108	189 337

Entity 31 Dec 2021 (amounts in kHUF)	AW Csoport Szolgáltató Korlátolt Felelősségű Társaság	AW Property Korlátolt Felelősségű Társaság	VCT78 Korlátolt Felelősségű Társaság
Total Assets	6 303 075	1 102 686	3 267 756
Profit before taxes	-	19 905	49 231
Equity	22 297	130 095	142 651

Entity 31 Dec 2021 (amounts in kHUF, EUR, HRK)	WAE HUN Korlátolt Felelősségű Társaság (amounts in kHUF)	WAE S d.o.o. (amounts in EUR)	WAE C (amounts in HRK)
Total Assets	1 881	164 473	1 572 916
Profit before taxes	-	41 963	444 210
Equity	981	73 477	390 488

Entity 31 Dec 2021 (amounts in EUR)	WallisMotor Ljubljajna d.o.o. (amounts in EUR)	AVTO Aktive SLO d.o.o.* (amounts in EUR)	AAI d.o.o.* (amounts in EUR)
Total Assets	9 396 925	7 259	7 509
Profit before taxes	-	319	330
Equity	231 425	7 195	7 186

* Note: not audited data

6. Reclaiming

The Remuneration Policy of the Company stipulates that based on the fulfilled criteria a legally paid reward or bonus cannot be reclaimed. Recovery is appropriate in the event of an infringement in particular where:

- payment was made on the basis of a material error in the Company's financial statements, or
- Director has presented in a misleading and misleading manner the goal or result set as a condition for payment, or he/she was in error for other reasons entitled to make decision,
- the Director has received payment as a result of an infringement committed either by him/her or by a third party.

The Company may enforce a claim against the Director within the limitation period under employment law.

7. Deviation from Remuneration Policy

There were no deviations from the Remuneration Policy during the current year's remuneration.

8. Consideration of the vote of the General Meeting on the previous year's Remuneration Report

Under the Hrsztv. law the company is required to prepare a Remuneration Report for the first time for 2021.

9. Auditing

The company's permanent auditor checks whether the Remuneration Report contains the information specified in the relevant law.

10. Payment under the Remuneration Policy

The company may pay remuneration to the Directors only on the basis of the remuneration policy submitted for a vote to express an opinion at the General Meeting.

11. Publication of the Remuneration Report

The Company will make this Remuneration Report publicly available on its website, free of charge, for a period of ten years following the voting of the General Meeting.

The table below provides information on the remuneration of each Director for 2021.

Total income in 2021																	
Director's name	AutoWallis position	Other positions	Fixed remuneration						Variable remuneration						Relative ratio of fixed and variable remuneration		
			AW based on employment and/or engagement		Received from group companies		Other		AW Reward, bonus		AW Share option		Received from group companies			Other	
			Type	Amount (HUF)	Type	Amount (HUF)	Type	Amount (HUF)	Type	Amount (HUF)	Type	Number of items	Type	Amount (HUF/EUR)		Type	Amount (HUF)
	Audit Committee																
György Ecseri	Member of the Supervisory Board and AC	Managing director of Milton Properties Kft.	-	-	-	-	Board Member Fee	960,000	-	-	-	-	-	-	-	-	100%-0%
Gábor Vitán	Member of the Supervisory Board and AC	Managing director of Perion Fund Management Kft.	-	-	-	-	Board Member Fee	960,000	-	-	-	-	-	-	-	-	100%-0%
Ferenc Karvalits	Member of the Supervisory Board and AC	Strategic Director of Wallis Asset Management Zrt.	-	-	-	-	Board Member Fee	960,000	-	-	-	-	-	-	-	-	100%-0%
Bence Buday	Member of the Supervisory Board and AC	Managing director of ShareNow	-	-	-	-	Board Member Fee	960,000	-	-	-	-	-	-	-	-	100%-0%

* payment is deferred only if the conditions are met

Budapest, April 2022