INDEPENDENT AUDITOR'S REPORT

To the shareholders of AutoWallis Nyrt.

Report on the audit of the consolidated financial statements

Opinion

We have audited the consolidated financial statements of AutoWallis Nyrt. (the "Company") and its subsidiaries (together the "Group") for the financial year ended 31 December 2023, included in the digital file 529900QO6EHRM3EZL070-2023-12-31-hu.zip[1], which comprise the consolidated statement of financial position for the financial year ended 31 December 2023 (in which the matching total assets, and total equity and liabilities amount to HUF 151,949,155 thousand), the consolidated statement of comprehensive income (in which the total comprehensive income for the year is a profit of HUF 9,560,558 thousand), the consolidated statement of changes in equity, the consolidated cash flow statement for the financial year then ended, as well as the notes to the financial statements comprising significant accounting policy and other explanatory information.

In our opinion, the consolidated financial statements give a true and fair view of the Group's consolidated financial position as at 31 December 2023, the consolidated results of its operations, and its consolidated cash flows for the financial year then ended in accordance with International Financial Reporting Standards ("IFRS") as adopted by the EU, and they were prepared, in all material respects, in accordance with the supplementary requirements of Act C of 2000 on Accounting ("Accounting Act") relevant for the consolidated annual financial statements prepared in accordance with IFRS as adopted by the EU.

Our opinion is consistent with our supplementary report to the audit committee dated 4 April 2024.

Basis for opinion

We conducted our audit in accordance with the Hungarian National Standards on Auditing ("HNSA") as well as the applicable laws and regulations in force in Hungary. Our responsibilities under those standards are further described in the "The auditor's responsibilities for the audit of the consolidated financial statements" section of our report.

We are independent of the Group in accordance with the applicable laws of Hungary, with the Hungarian Chamber of Auditors' Rules on ethics and professional conduct of auditors and on disciplinary process, and, for matters not regulated in the Rules, with the International Code of Ethics for Professional Accountants (including International Independence Standards) issued by the International Ethics Standards Board for Accountants (IESBA Code), and we also comply with further ethical requirements set out in these.

The non-audit services that we provided in the financial year from 1 January 2023 to 31 December 2023 to the Company and its controlled entities established within the EU are presented in Section X/9 of the notes to the consolidated financial statements.

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[1]The SHA 256 identifier of the above 5529900QO6EHRM3EZL070-2023-12-31-hu.zip file: 0D2DD3D63C0C057C86A59860551BBEFD9131677BC403315608B327D876856FB3 .

To the best of our knowledge and belief, we declare that the non-audit services that we provided are in accordance with the laws and regulations applicable in Hungary, and that we have not provided to the Company, its parent, or controlled entities established within the EU services that are prohibited under Article 5 of Regulation (EU) No 537/2014 of the European Parliament and of the Council, and Section 67/A (1) and (2) of Act LXXV of 2007 on the Chamber of Hungarian Auditors, the Activities of Auditors, and on the Public Oversight of Auditors.

We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Our audit approach

Overview

Overall group materiality	Overall group materiality applied was HUF 1,830,000 thousand.
Group audit scope	In addition to AutoWallis Nyrt., the parent company, our audit extended to seven subsidiaries operating in Hungary and Slovenia. These seven companies account for 91% of the consolidated revenues and 95% of the consolidated pre-tax profit/loss.
Key Audit Matters	• Revenue recognition • Measurement of goodwill

As part of designing our audit, we determined materiality and assessed the risks of a material misstatement in the consolidated financial statements. In particular, we considered the areas that require management's judgements; for example, significant accounting estimates that involved making assumptions and considering future events that are inherently uncertain. As in all of our audits, we also addressed the risk of management override of internal controls, including, among other matters, the consideration of whether there was evidence of bias that represented a risk of material misstatement due to fraud.

Materiality

The scope of our audit was influenced by our application of materiality. An audit is designed to obtain reasonable assurance whether the consolidated financial statements are free from material misstatement. Misstatements may arise due to fraud or error. They are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of the consolidated financial statements.

Based on our professional judgement, we determined certain quantitative thresholds for materiality, including the overall materiality for the consolidated financial statements as a whole as set out in the table below. These, together with qualitative considerations, helped us determine the scope of our audit and the nature, timing, and extent of our audit procedures, and evaluate the effect of misstatements, if any, both individually and in aggregate, on the consolidated financial statements as a whole.

Materiality	HUF 1,830 million
Determination	Materiality is determined on the basis of the consolidated revenue.

Rationale for the materiality benchmark applied	We chose consolidated revenue as the benchmark because, in our view, it is the benchmark against which the performance of the Group is most commonly measured by users, and it is a generally accepted benchmark. We chose 0.5%, which is consistent with quantitative materiality thresholds used for profit-oriented companies in this sector.

Group audit scope

We tailored the scope of our audit of the Group in order to perform sufficient work to enable us to provide an opinion on the consolidated financial statements as a whole, taking into account the Group's structure, accounting processes, and controls, as well as the industry in which the Group operates.

We identified seven subsidiaries, which were included in the audit either because of their significant size within the Group or because of the level of risk associated with them. Companies included in consolidation are ICL AUTÓ Kft., AW Distribution Kft., AW OPL Distribution Kft., WALLIS MOTOR DUNA Kft., and WALLIS MOTOR PEST Kft. operating in Hungary, as well as Avto Aktiv SLO d.o.o. and WallisMotor Ljubljana d.o.o. operating in Slovenia.

From among the subsidiaries that are not included in the audit, we reviewed the recognition of Wallis Autómegosztó Zrt.'s acquisition in the current year.
For the remaining consolidated companies, we performed analytical review at Group level. This, together with additional procedures performed at Group level, including consolidation adjustments within the Group, gave us the evidence we needed for our opinion on the Group's consolidated financial statements as a whole.

Key Audit Matters

Key Audit Matters are those matters that, in our professional judgement, were of most significance in our audit of the consolidated financial statements for the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

Key Audit Matters	*How our audit addressed the Key Audit Matters*
Revenue recognition The Group's total revenues amounted to HUF 366,267 million. The various systems used by the Group process large amounts of data on the products and services supplied. As vehicles are unique products, their sales price depends on many factors (including but not limited to exchange rates, discounts provided by the manufacturer or importer, the outcome of individual negotiations, market environment), which may constantly change. Considering these factors, the recognition of revenues was considered a Key Audit Matter in our audit. The details of revenues and the description of related accounting policies are presented in Sections IV/4.1 and VII/1 of the notes to the consolidated financial statements.	Our audit procedures extended to the following, among others: We assessed the IT systems relevant to revenue recognition and the key controls established, and tested their operational efficiency in the following fields: ● recording of revenue transactions; ● approval process for sales transactions In addition, we performed sampling to test whether data in the invoicing system agree with the invoices issued and revenues received. Our sampling extended to both retail and wholesale transactions. We used computer-assisted audit techniques in performing our audit. We checked whether all necessary information was disclosed in the notes to the consolidated financial statements, in accordance with *IFRS 15 Revenue from contracts with customers*.
Measurement of goodwill The goodwill presented in the consolidated financial statements showed a balance of HUF 5,460 million as at 31 December 2023, which accounts for almost 4% of the balance sheet total, with a significant portion relating to acquisition in the current year. The impairment test of goodwill involves a considerable amount of estimation as it is sensitive to changes in assumptions, especially the input variables, the long-term growth rate, the discount rate, and the future operating cash flows. In our view, the impairment test of goodwill involves a significant amount of management estimates, which is why we considered it a Key Audit Matter in our audit. The related disclosures are presented in sections IV/5.3, VIII/4 and X/3 of the notes to the financial statements.	As part of our audit procedures, we reviewed the setup of the impairment models developed by management and the reasonableness of the assumptions applied in the impairment models with the help of the following procedures: ● we compared the market assumptions used in the Company's models with the plans approved by the Company's management. In our audit, we focused on the discount rates applied and on long-term growth rates, among others; ● we involved our valuation experts in reviewing the valuation methodology, where deemed necessary;

- we assessed the reliability of future cash flow plans based on historic data and earlier forecasts;
- we tested the arithmetic accuracy and sensitivity of the models;
- we reviewed the comparison of recoverable amounts and carrying amounts.

We reviewed compliance of the information disclosed in sections IV/5.3, VIII/4, and X/3 of the separate financial statements with the requirements set forth by *IAS 38 Intangible assets*.

Other information: The consolidated management (business) report

Other information comprises the Group's consolidated business report for the financial year ended 31 December 2023 ("consolidated business report"). Management is responsible for preparing the consolidated business report in accordance with the provisions of the Accounting Act and other relevant regulations, as well as for preparing the consolidated annual report in accordance with Act CXX of 2001 on Capital Markets. Our opinion on the consolidated financial statements does not cover the consolidated business report.

In connection with our audit of the consolidated financial statements, our responsibility is to read the consolidated business report and, in doing so, consider whether the consolidated business report is materially inconsistent with the consolidated financial statements or our knowledge obtained in the audit, or otherwise appears to be materially misstated. If based on our work performed we conclude that the consolidated business report is materially misstated, we are required to report this fact and the nature of the misstatement, as prescribed by the Accounting Act.

Based on the Accounting Act, it is also our responsibility to consider whether the consolidated business report has been prepared in accordance with the provisions of the Accounting Act and other relevant regulations, if any, and to express an opinion on this and on whether the consolidated business report is consistent with the consolidated financial statements.

Because the Company's transferable securities are admitted to trading on a regulated market of a Member State of the European Economic Area, our opinion on the consolidated business report must cover the information specified in Section 95/B (2) e) and f) of the Accounting Act, and we must state whether the information referred to in Section 95/B (2) a)–d), g) and h) of the Accounting Act has been provided.

As the Company is a public interest parent entity preparing consolidated financial statements and the conditions set out in Section 134 (5) a) and b) of the Accounting Act were met at the balance sheet date, the Company is required to publish a non-financial statement in its consolidated business report for its consolidated companies, as stipulated by Sections 95/C and 134 of the Accounting Act. In this respect, we must state whether the consolidated business report includes the non-financial statement required by Sections 95/C and 134 of the Accounting Act.

To fulfil our obligation, we formed our opinion on the consolidated business report in accordance with Commission Delegated Regulation (EU) 2019/815 of 17 December 2018 supplementing Directive 2004/109/EC of the European Parliament and of the Council with regard to regulatory technical standards on the specification of a single electronic reporting format ("ESEF Regulation") as other regulation prescribing further requirements for the consolidated business report.

In our opinion, the Group's consolidated business report for the financial year ended 31 December 2023, including the information set out in Section 95/B (2) e) and f) of the Accounting Act, is consistent with the Group's consolidated financial statements for the financial year ended 31 December 2023 in all material respects, and the consolidated business report has been prepared in accordance with the relevant provisions of the Accounting Act.

We are not aware of any other material inconsistency or material misstatement in the consolidated business report, and therefore we have nothing to report in this respect.

Furthermore, we state that the information referred to in Section 95/B (2) a)–d), g) and h) of the Accounting Act has been provided.
The consolidated business report includes the non-financial statement required by Sections 95/C and 134 of the Accounting Act.

Responsibilities of management and those charged with governance for the consolidated financial statements

Management is responsible for ensuring that the consolidated financial statements that give a true and fair view are prepared in accordance with the International Financial Reporting Standards ("IFRS") as adopted by the EU and with the supplementary requirements of the Accounting Act relevant for annual financial statements prepared in accordance with IFRS as adopted by the EU, and for such internal control as management determines to be necessary to enable the preparation of consolidated financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters relating to going concern, and using the going concern basis of accounting unless the management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

The auditor's responsibilities for the audit of the consolidated financial statements

The objectives of our audit are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with HNSAs will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

We exercise professional judgement and maintain professional scepticism throughout the audit conducted in accordance with HNSAs. We also:

- Identify and assess the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations or the override of internal control.
- Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the management.
- Conclude on the appropriateness of the management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists relating to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the consolidated financial statements or, if such disclosures are inadequate, to qualify our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern.
- Evaluate the overall presentation, structure, and content of the consolidated financial statements, including the disclosures in the notes, and whether the consolidated financial statements represent the underlying transactions and events in a manner that gives a true and fair view.
- Obtain sufficient and appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision, and performance of the Group's audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit, and significant audit findings, including any significant deficiencies in the Group's internal control that we identify during our audit.

We also provide those charged with governance with a statement that we comply with relevant ethical requirements regarding independence, inform them about all relationships and other matters that may reasonably be thought to bear on our independence, and where applicable, about the actions taken to eliminate threats or the safeguards applied.

From the matters communicated with those charged with governance, we determine the matters that were of most significance in the audit of the consolidated financial statements for the current period and are therefore Key Audit Matters. We describe these matters in our auditor's report unless a law or regulation precludes public disclosure about the matter or when, in extremely rare circumstances, we determine that a matter should not be communicated in our report because the adverse consequences of doing so would reasonably be expected to outweigh the public interest benefits of such communication.

Report on other legal and regulatory requirements

Appointment

We were first appointed as the Group's auditors at the Board Meeting of 7 April 2021, acting in the capacity of the general meeting. Our appointment was renewed annually by the shareholder resolutions, resulting in a total period of uninterrupted engagement appointment for 3 years.

The engagement partner on the audit on which this independent auditor's report is based is Péter Biczó.

Report on compliance of the presentation of the consolidated financial statements with the requirements of the regulation on the single electronic reporting format

We have performed an assurance engagement on compliance of the presentation of the Group's consolidated financial statements included in the digital file 529900QO6EHRM3EZL070-2023-12-31-hu.zip ("ESEF format consolidated financial statements") with the requirements of the ESEF Regulation.

Responsibilities of management and those charged with governance for the ESEF format consolidated financial statements

Management is responsible for presenting the consolidated financial statements in the ESEF format stipulated by the ESEF Regulation. This responsibility includes:

- preparing the consolidated financial statements in the applicable XHTML format;
- selecting and applying appropriate iXBRL tags in accordance with the requirements of the ESEF Regulation, using judgement where necessary, including comprehensive application of the relevant tags, appropriate creation and linking of extension elements; and
- designing, implementing, and maintaining internal controls relevant to the application of the ESEF Regulation.

Those charged with governance are responsible for overseeing the Group's financial reporting process, including compliance with the ESEF Regulation.

Our responsibilities and a summary of the work performed

Our responsibility is to express an opinion, based on the evidence we have obtained, whether the presentation of the ESEF format consolidated financial statements complies in all material respects with the requirements of the ESEF Regulation. We performed our assurance engagement in accordance with the Hungarian National Standard on Assurance Engagements (ISAE 3000), Topic 3000 "Assurance Engagements Other Than Audits or Reviews of Historical Financial Information" (revised).

Assurance engagements under ISAE 3000 comprise the implementation of procedures to obtain evidence of compliance with the ESEF Regulation. The nature, timing, and extent of the procedures selected, including the assessment of the risks of material non-compliance with the requirements of the ESEF Regulation, whether due to fraud or error, depend on the auditor's judgement. Our assurance services engagement included obtaining an understanding of tagging, the Group's internal controls relevant to the application of the ESEF Regulation requirements, a review of whether the XHTML format was properly applied, an assessment of the completeness of the Group's tagging of the consolidated financial statements using the XBRL markup language, the Group's use of the iXBRL elements selected from the ESEF taxonomy and, where no appropriate element was identified in the ESEF taxonomy, the appropriateness of the creation of extension elements, and an assessment of the use of linking in relation to the extension elements.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, the presentation of the Group's ESEF format consolidated financial statements for the financial year ended 31 December 2023 included in the digital file 529900QO6EHRM3EZL070-2023-12-31-hu.zip complies, in all material respects, with the requirements of the ESEF Regulation.

Budapest, 4 April 2024

Péter Biczó Partner
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