



Dear Shareholders,

2025 was a fantastic year for our company. We accelerated growth rates across both the Merchant and Retail segment and achieved the highest EBITDA margin in our 14 year history. Our outstanding results are a testament of the *value-first strategy* that governs our strategic thinking and decision making. We are now operating a 3.1% share of the European Used Car Market, a 50 basis points increase over last year and an important next step on the road to our 10% long term market share target.

**Our key highlights for 2025:**

- **Total units sold grew to 842,271, up 22.1% year over year**
- **Merchant units sold grew to 740,732 units, up 20.4% year over year**
- **Retail units sold grew to 101,539 units, up 36.4% year over year**
- **Revenue of EUR 8.173 billion, up 30.3% year over year**
- **Gross Profit of EUR 990.6 million, up 36.7% year over year**
- **Full-Year Adjusted EBITDA of EUR 197.5 million, up 80.8% year over year**
- **Adjusted EBITDA margin of 2.4%, up 70 basis points year over year**
- **Merchant Financing Portfolio grew to EUR 303 million, up 41.3% year over year**
- **Consumer Financing Portfolio grew to EUR 549 million, up 50.2% year over year**

We invested for more than a decade to build the leading vertically integrated, pan-European used car platform with the goal to maximize value for our customers. We focused our investments on various areas, notably our AI-powered pricing technology, our unique logistics network, our dense drop-off and pick-up network, our production center network and our financing facilities. In each of these areas, we are the leader in the European used car market. While we continue building our infrastructure, we are *now* leveraging it: We delivered record volumes and record profitability simultaneously, benefiting significantly from the powerful structural advantages of our unique, vertically integrated business model. These advantages are increasing with further scale, forming an undeniable flywheel of improving product value and unit economics in parallel. Our goal to become the long-term leader in this highly fragmented market remains unchanged - and each year we're moving closer to our long term margin and market share targets. The runway to our 10% market share target is still enormous - and I have never met anybody in AUTO1 who thinks that 10% is the cap.

As I write these words, the stock market has become concerned about the potentially disruptive impact of AI across various industries. There currently is a narrative and some anxiety, that new AI-based operations will take on the business of leading platforms and software companies, across numerous sectors. While I do understand some of the concerns, I want to focus on the used car market here and ask the question: how and to which extent can you apply AI technology and what are the requirements *to be able* to apply it?

Firstly, any AI model starts with data - the information that the model uses to generate its output, in other words: the input data for inference. In the used car market, the most important data you can own is pricing data. In contrast to openly available sources like the public internet (the base for the large language models of OpenAI or Grok) or open-source coding-hosting facilities like GitHub (the base for the coding agents of Anthropic's Claude Code or Cursor) **used car pricing data is private**. Obtaining this data isn't straight forward: In order to generate it, you have to *start trading*. Even classified platforms that serve as market aggregators do not own the final transaction price data, they only store asking prices and they lack detailed information on the car's condition (which is essential in determining the final price).

We own the largest and most comprehensive pricing dataset for the European used car market - and that has always been a key priority from the very beginning. After gathering trading data for five years, we started to build our first data science teams, tasked to develop machine learning based pricing models, leveraging our proprietary transaction data. Today, our pricing algorithms are one of the strongest elements of our competitive moat. They cannot be replicated without being us or going through the same history of trades.

Now let's assume for a moment, you're an AI venture and you start to quote random prices, let's say every 100th price being somewhat reasonable. Now what? Yes, you have to start trading! Or in other words, secondly, you require sufficient supply and demand (in parallel) in order to create the same real-time trade system that sits at the heart of AUTO1. We operate the largest European vehicle drop-off and delivery network, seamlessly connected to the biggest logistics infrastructure for cars; With a weight of 1-2 metric tons, our goods require a unique logistics chain. The combination of our AI pricing models *with* our physical network infrastructure enables us to efficiently aggregate supply and demand, always focusing to maximize value for all of our customers. In short: we own physical networks that form a very strong moat - and cannot be conquered by AI.

Thirdly, you need to be an outstanding trader in our business, and that requires a sufficient balance sheet and smart management of capital. The sheer size of our balance sheet and the efficient management of it through our real-time trade system is another rock-solid element of our competitive moat, that simply cannot be replicated by AI software only.

One thought becomes more and more clear: If you set out to apply state of the art AI technology to the used car market - with the goal to become the long term leader - you would create a company like AUTO1. Think about it for a moment: You would start gathering early transaction data with the goal to have an AI model to learn from it, once the dataset is large enough. Next, you would connect the physical element of every transaction end-to-end through supply and demand networks (drop-off, pick-up, logistics) and along the way you would scale your balance sheet to finance these operations. This is exactly the path we have taken.

You can think of AUTO1 as an AI-enabled Amazon for the used car market. We are not a company where AI is being put on top of legacy systems; rather, AI is rooted deeply in our DNA for over a decade. We are a company that leverages homegrown technology systems to connect our proprietary pricing intelligence with our unique physical transaction network to handle the complexity of the used car market in the most efficient way. AI could not disrupt our business model, however *we* are the disruptor.

On the contrary, the large language models are in fact a big opportunity for us, mainly in three areas: using coding tools, we are increasing our output per developer in tech, using voice AI, we are increasing our efficiency on the phone with dealers and customers and using process automation, we are increasing our task output per operations headcount. In addition, our patented AUTO1 Car Audit Technology (AUTO1 CAT) uses AI-based image processing to speed up and enhance the quality of our optical vehicle damage detection and processing. All these different AI streams will help us tremendously on the road to our long-term margin targets.

### *Merchant*

Our Merchant business achieved outstanding growth and profitability in 2025. We grew units sold from 615,335 to 740,732 by more than 20% and increased our growth rate by 15.5% compared to 2024. Breaking through the 20% growth level is a strong confirmation of our outstanding execution and the *value-first strategy* we pursue, particularly given that Merchant is our largest business segment that we started 14 years ago. We served 54,371 partner dealers in total over the course of 2025, growing our active base by 22% year over year. The average basket reduced slightly by 1.5% year on year, driven by the strong growth of new dealers. Additionally, we will start experimenting with dealer loyalty concepts later this year as we're curious to find out how it could impact demand. We supported our growing dealer base strongly with logistics as well: Our network processed 29% more transports to dealers last year at slightly improved speed, building out our physical capacities further and further. We increased Merchant GPU by 62 EUR year on year, a result of the steady progress of our pricing algorithms and trading systems, higher Merchant average selling prices, and strong Merchant Finance execution.

We extended our Merchant Financing product to Poland and Sweden last year, extending availability to a total of 8 markets. More than 4,400 dealers used our financing product last year, 47% more than in 2024. Overall, we increased Merchant sales financed by EUR 580 million, up 74.4% year on year and increased financing attach rate by 41% compared to last year, to a level of 17% overall. We believe that we can increase the Merchant Financing attach rate to a level of 50% in the long term. Merchant Finance in its current form is a great product for our customers, as it combines faster transaction speed (instant approval) with maximum buying comfort (1 click) and increases the capital base of our dealers, letting them grow together with us. However, the current product offering is only our very first step. We aim to add more geographies later in the year and we're obsessed with the question on how we can support our vast dealer base with additional financial products going forward.

### *C2B Purchasing*

We continued our branch network build-out at a high pace with the aim to increase supply capacities fast enough to meet our growing Merchant and Retail demand. We added 178 branches last year, a 32.5% increase year on year, bringing our total branch count to 725. We purchased 809,000 cars from consumers, with around 16% of our cars purchased for Retail. By the end of last year, we operated a quarterly capacity of around 300,000 units purchased, an increase of 38% year on year.

We started to experiment with using some of our branches not only for drop-off but also for Retail pickups. This is a very interesting case, as we can use the reach and density of our drop-off network to optimize Retail conversion. We still need to learn much in this area however, especially how to best

optimize the trade-offs between branch space, logistics speed and cost combined with increased Retail purchase conversion.

### *Retail*

Our Retail Business performed very strongly in 2025 and broke new records across all metrics. For the first time, we delivered more than 100,000 cars in a year, growing 36.4%. We increased our growth rate strongly from 18% in the previous year while accelerating through the quarters. Retail GPU was EUR 2,605, 20% or 442 EUR higher than last year. Retail gross profit grew by more than EUR 100 million or by 65.2% to EUR 267.8 million.

Our Retail results are a strong confirmation of our vertically integrated Retail business strategy and the structural advantages that play out more and more as we increase scale. No other public auto retailer in the EU grew faster last year than us. And while our Retail market share grew strongly by 36.35% - with 0.44% of the total market, we have an almost infinitely long run-way ahead of us. However, our new scale already drives vertical advantages in a variety of areas: We're seeing the depth of our pricing data grow with every month of operation, increasing precision of our Retail pricing algorithms and inventory models. Our delivery time is getting faster with scale; in Q4 we operated 13% or 1,5 days faster than in Q4 2024. Almost every second Autohero Retail customer added an additional longer term warranty to their order last year, as we're understanding how to better design our value-added products to our customers' needs with scale. Our production centers are getting more efficient over time as we organize processes and flows better, benefit from lower prices at scale when sourcing parts and learn how to repair and recondition smarter. More scale in Autohero also increases the advantages it gets from the AUTO1 logistics network, as higher liquidity leads to faster delivery times and lower cost per unit. Our brand awareness grew strongly last year, especially from the 2nd to the 4th quarter last year, when we stepped up investments into building the Autohero brand, always laser focused on the goal to make Autohero the leading European used car brand. Our very strong NPS of around 70 helps us to build more scale faster, as our existing customer base serves as a future demand multiplier.

Our Consumer Financing offering remains a key driver of affordability. In 2025, we helped over 39,500 customers finance their car, a 54.9% increase year over year. We combine in-house financing in Germany, Austria, and since last year also Spain, with over 30 external partners elsewhere, delivering a seamless, digital, and personalized financing experience. We increased the Consumer Financing portfolio to EUR 549 million, up 50.2% year over year and increased the financing attach rate by 14% compared to last year, to a level of 39% overall. In September of last year, our second public-market ABS transaction marked an important milestone towards becoming a frequent issuer and our goal to achieve the most efficient refinancing in the public market.

While we're still investing across the board, namely into bigger supply, increased production, pick-up and home delivery capacities and strongly into the Autohero brand, our segment allocated unit economics on adjusted EBITDA level are now positive before Marketing. Additionally, there is currently a roughly 400 EUR growth-related drag on per delivered unit economics, as we need to grow inventories and unit capacities before we can realize delivery growth. We view these effects as a very positive signal: While we're building the long-term Retail market leader, we are now operating on Retail unit economics that are strongly positive when being adjusted for our growth investments.

We assume that Marketing and the cost of growth per unit will come down further in the next couple of quarters and years as we continue to scale.

*2026 and beyond*

2025 was a great year for AUTO1 and beat 2024 on all metrics: New records for units sold in both segments, for revenue and gross profit, for Retail and Merchant GPUs, for adj. EBITDA margin and absolute EBITDA and consequently also net income. Beyond these results stands a very talented and experienced team, execution experts with a relentless drive and ambition to always build our business, our platform, our network bigger and better. We continue to be thrilled by the long term opportunity in both Merchant and Retail in this gigantic market. An opportunity that we continue to seize through our vertically integrated strategy every single year with increasing traction.

We couldn't be more excited about 2026 and the years to come.

I would like to thank all customers for their business, our teams for the hard work they put in every single day and our investors for their trust and confidence in our vision.

Christian Bertermann  
Co-Founder and Chief Executive Officer  
AUTO1 Group SE

PS: I append our first 2021 shareholder letter hereafter as it gets more and more interesting to read looking back.



Dear Shareholders,

By raising circa EUR 750 million growth equity at our IPO in February of last year, we set out to leverage our technology, logistics and branding strengths to invest for a massive prize: creating the leader in the EUR 600 billion used car market in Europe, in which we believe online buying will become the dominant transaction in the future.

Equity Markets have been brutal for technology companies over the last couple of months, and certainly for AUTO1 Group shareholders. Nevertheless, by almost any measure, AUTO1 is in a stronger position today than at any time in the past:

- **Total Units sold grew to 597,000, up 30.5% year over year**
- **Total Revenue grew to EUR 4.775 billion, up 68.7% year over year**
- **Total Gross profit grew to EUR 430.9 million, up 50.7% year over year**
- **Retail Units sold grew to 41,400, up 307.6% year over year**
- **NPS for Autohero grew 16 points to 69, from 53 in March 2021**
- **Contribution for our Merchant segment was EUR 125 million**
- **Cash and cash equivalents were EUR 721 million, up EUR 564 million year over year thanks to our successful IPO in February 2021**

As this is my first letter to you, let's take a step back. When we founded AUTO1 in 2012, we were immediately fascinated by the opportunity we had in front of us: Digitizing the EUR 600 billion European used car industry. Everything that we learned about this market seemed to be old-school: Transactions would almost always involve phone calls, emails, vast amounts of time on buy and sell side and an omnipresent level of uncertainty around price and quality. This led to poor customer experiences everywhere: dealers had a hard time finding the right supply in the right quality and quantity and customers did not enjoy buying a car, often presented with long travel, substantial differences between advertised and real condition of the car and general mistrust towards dealerships. We believed (and do even more so today) that thinking in digital systems built with the aim to excel in customer experiences can radically change the currently fragmented market structure, presenting a significant economic opportunity.

We started with the sell side. We built an easy and free way for customers to evaluate the current market price of their car online and provided an opportunity to drop it off at a location close to their home. These privately owned cars became the inflow side of our AUTO1.com market platform. We started to show our inventory to more and more dealers across Europe and were quickly surprised by the strong demand we were seeing. We had found a segment of cars that, in difference to ex-lease and rental cars, dealers were having a hard time finding in scalable amounts.

As of today we have purchased and sold more than 3 million cars from private customers, and we are the number one car trader in the European Union. Was this business easy to build? No. To get us to the top of this market, we had to master countless challenges and had to build numerous skillsets over the years:

The largest learnings were certainly on the price side. Thinking of AUTO1 as a digital (trade) system, we designed our data and pricing models with the ambition in mind to price fully automatic. After 10 years, we can automatically price more than 60% of all cars presented to us. We believe that it will take us less than 3 years to get to 95% from where we are today. We think that our ability to automatically price cars will put us in a position to grow faster than our competitors and commit fewer pricing mistakes, which in turn leads to higher future profitability.

Our relentless focus on customer experience differentiates us from many of our competitors. We believe that providing excellent customer experiences will allow us to build one of the strongest brands in this industry, where the importance of customer happiness and brand is traditionally being undervalued. We think that the absence of well known brands in our industry explains the fragmented nature of the used car business to a large degree. We are convinced that the stronger our brand is, the larger and more profitable our business will become.

To continuously satisfy our customers, we needed to develop a cost efficient and scalable logistic infrastructure. Cars are special assets - they are large and come with a range of documents that need to arrive together with them. We designed a network of more than 530 branches, logistic centers and delivery hubs that allow us to move cars quickly across Europe. As of today, our network is collecting and delivering close to 1 million cars per year, with an average delivery time to our dealer partners of 9 working days. We believe that the cheaper and faster our transport network will become, the more market share we will be able to gain and the better we will be in leveraging price differences across markets.

To finance our growing inventory, we closed our first asset backed loan (ABL) in 2015, providing us with EUR 35 million of debt financing. 12 months later we were able to expand that facility to EUR 125 million. In 2019, we extended our ABL to EUR 260 million and then transformed it one year later into a EUR 485 million non-recourse, rated asset backed securitization (ABS). Finally, we upsized our ABS to EUR 1 billion just a month ago. We regard our debt financing facilities as a strong competitive advantage and key ingredient for profitable growth.

We estimate that by the end of last year, our Merchant business supplied close to 2% of all units retailed in the European Union to our partner dealers. We will celebrate our 10<sup>th</sup> anniversary this year, but believe we have only barely started our journey to digitize this gigantic industry vertical. We are convinced that higher shares of automatically priced cars in our Merchant business will unlock substantial amounts of future growth in that segment. We expect our Remarketing Business Unit will contribute strongly to our overall Merchant and Retail business growth and EU-wide sourcing potential in the future.

What makes us proud is that our Merchant business contributed EUR 125 million of segment profitability to our group result before headquarter costs last year. It was important for us to prove that the business we have built over the last decade is profitable after all those years of investment. For the first time, our full business broke even in Q1 2020, then again in Q3 2020 on an adjusted EBITDA basis. Since then, our profitability in the Merchant business has been offset by heavy investments into the buy side, our retail business.

Our rationale for going into retail is the same as 10 years ago, when we started the consumer selling business: Buying a car offline is an unpleasant experience.

Most customers start by browsing their markets' one or two classifieds, which is a searchable online list of cars available for sale. Having found an ad that fits their requirements, they can then either call the merchant or write an email. They need to explain which car they are interested in, ask if it's still available and schedule a visit. Next, customers must travel physically to the car of interest to judge its condition. Often, car dealers are not close to the customer's location, so travel time is substantial. Once arrived, you are typically given 10-15 minutes to assess the quality of your next car. Even for a professional car buyer, this is not a lot of time. Should you not like the real condition of the car versus the advertising pictures you have seen online, your visit was for nothing. Then you need to start all over, again. Deciding for a car on the spot does however not mean that you can take it with you. The car must be registered in your name, often receive a fresh service, you need to get a temporary insurance number and of course pay for the car, where some dealers prefer cash over electronic transfers. In other words, you need to return home after you have decided for your next car, then wait until all the above is sorted out, and then travel to the dealership again to finally pick up your car.

We think the future of the car transaction looks different. We believe that by offering our customers the opportunity to buy their next car online, we provide a greater, desirable experience that is superior to buying offline in every way.

Our Autohero-Store offers already today close to 15,000 cars to choose from. This is a much larger amount of choice than you would have at an average European offline dealership, which we estimate to be around 150. We can present such a large number of cars to our customers without any offline presence, because we store them in the huge compounds that are part of our logistics network. This is a key advantage when scaling our offering and increasing profitability over time: we are not bound to expensive retail locations close to cities that need to be easy to reach.

We believe that a key feature of our offering is that all cars have been inspected and photographed in the exact same way and that they show the condition of the car down to the smallest detail. In our store you can browse cars as if you had traveled to us: You can experience the interior and exterior of your car from all angles in the same light condition (without any weather impact). With a feature called Imperfections, our store is showing you signs of usage (e.g., stone chips, scratches) that are typical for used cars which when buying offline, you usually only find at home. We are investing heavily into the

presentation of our cars because we believe that meeting our customers' expectations with the car that we deliver to them is a key ingredient of our strong customer satisfaction scores.

In our store, you can buy cars 24/7. We believe that this is a key element of our future growth and profitability in retail. As an offline dealership you are bound to opening hours, which means that you will not be able to capture all demand at all times. You will lose demand when your employees are on a lunch break or ill and you will convert less of your incoming demand when your employees are not fully motivated. You will also lose demand as an offline dealership if the customer's travel time to the dealer's location is too far or there is no convenient way to get there fast. If you like a car in our Autohero-Store, you just add it to the checkout and pay for it (of course electronically).

We then deliver your new car to your doorstep, where it will arrive safely, clean and protected from any weather impact in one of our unique glass trucks. Your car comes with a 14-day return policy or in other words: You can test drive your new car for two weeks and still give it back. Our return rates, however, are below 3%. In our view, this is the most convenient way to buy a car and it is superior to buying a car offline in every way. Our customers rated the Autohero-Store and delivery experience with a net promoter score of 69 for February 2022.

We are convinced that buying online will be *the* dominant way of buying in the future. Roughly 35% of Europeans in our 9 Autohero markets are already considering buying their next car online, market research that we carried out together with our partner YouGov over the course of Q3 last year showed. In an internal survey of more than 6.000 recent Autohero customers, 75% stated that they are likely or very likely to purchase their next car online again.

As a result of the transition to the online world, the competitive landscape will change. A successful online retailer will be able to capture a much larger market share than any traditional offline dealership, while delivering superior profitability at scale. We aim to be that company and because of that, pursue the online opportunity to the fullest.

We believe that we can take a large share of this market over time for the following reasons:

- Our store is open 365 days a year, 24 hours a day, able to always serve all incoming demand
- Our store has no physical constraints on inventory because we don't need to present our cars in expensive showrooms
- Our store will sell cars faster than a human sales representative, because it helps you find the right car quickly and always keeps you up to date on your transaction
- Our store will enjoy growing demand over time, because it delivers the car to you and does not require you to travel

We believe that we can deliver superior profitability at scale for the following reasons:

- We will commit less pricing errors than an average dealership by using our automatic pricing technology in retail, leading to higher car gross profit per unit
- The strength of our brand will allow us to take a premium over the market price of a car over time
- Our sales cost per car will be lower than at a traditional dealership because our store can sell cars without human aid
- Our combined logistics cost per unit will be lower than a traditional dealership's store occupancy cost per unit at scale
- Our refurbishment cost per unit will be lower than at traditional dealerships because we will enjoy economies of scale in our large-scale refurbishment centers over time

On our journey to build that online retailer, we literally have just started. We learned so much about our business and our customers in retail over the last year – but it feels like there is so much more to learn. We are investing heavily into the following areas in 2022 on our path to that large-scale, profitable retailer:

- The selection of cars in our store needs to fit the demand of our customers perfectly, driving up the number of cars sold for the same amount of sessions
- Cars selected for retail need to be priced fully automatically
- Marketing needs to lower as a percentage of revenue over time, while the share of organic traffic needs to increase continuously
- NPS needs to remain at the already high levels we reach and grow further
- Our internal and external refurbishment costs need to reduce further step by step and the share of internal refurbishment needs to grow
- Delivery time to customers needs to improve step by step, driving up sales conversion
- The number of human touch points per car delivered needs to reduce over time

Today, AUTO1 Group is a unique asset. Our team is incredibly talented and hard working to execute on our path towards market leadership and profitability. We have the data, the systems, the brand, the customer relationships, the fulfillment network, the financial strength, the experience, and the dedication to realize our vision of AUTO1, a profitable market leader.

We thank all our customers for the trust they place in us, everyone for the hard work they put in and our investors for their continued support and advice.

Christian Bertermann  
Co-Founder and Chief Executive Officer  
AUTO1 Group SE