

### Škoda Auto set to re-enter Kazakhstan market

- > Škoda Auto establishes strategic partnership with Allur Company for vehicle sales and production in Kazakhstan
- Local assembly of the Kodiaq, Kamiq, Karoq and Octavia to begin in early 2024
- > Coinciding with the start of production, the first showrooms in the new corporate design will open in major Kazakh cities

Mladá Boleslav, 10 October 2023 – Škoda Auto is poised to re-enter the Kazakhstan market. The Czech car manufacturer has engaged a new sales and production partner, Allur Company, with both companies recently signing a partnership agreement. Four models will be assembled locally in Kazakhstan starting in early 2024.

Klaus Zellmer, CEO of Škoda Auto, comments, "Kazakhstan presents an exciting opportunity for Škoda Auto as our internationalisation accelerates. This marks a return to a market with promising potential, as currently less than one-fifth of the country's residents own a car. To tap this potential, we have found a strong partner in Allur Company, which will be supporting us with vehicle production and sales."

Martin Jahn, Škoda Auto Board Member for Sales and Marketing, adds, "Next year, we plan to open 15 showrooms in major Kazakh cities, such as Astana, Almaty, Shymkent and Kostanay. We will be offering customers not only our bestselling Octavia but also our globally successful Kodiaq, Kamiq and Karoq SUVs. The SUV segment is now the second-largest in the market, and we are presenting a modern and attractive model range that will resonate with customers in the region."

#### Relaunch of Škoda Auto's operations in Kazakhstan

Škoda Auto operated in Kazakhstan between 2005 and 2021, delivering over 23,000 vehicles to customers in the country. To ensure consistently high standards of customer service, the company has engaged a new production and sales partner for its regional operations. Starting next year, vehicles produced at the factories in Mladá Boleslav and Kvasiny will be assembled for the Kazakh market at a plant operated by Allur Company in Kostanay and distributed to local dealerships. The model series available to customers will include the Kodiaq, Kamiq, and Karoq SUVs alongside the bestselling Octavia.



# Contributing to Škoda's internationalisation strategy: Stable market with high growth potential

In Kazakhstan, where currently only 186 cars are registered per 1,000 residents, Škoda Auto sees considerable growth potential in its automotive market. The overall market sales volume is forecast to surpass 200,000 units in total within the next five years. With these projections, the car manufacturer aims to harness the momentum, targeting a sustained market share of 5% between 2024 and 2028.

The re-entry into the Kazakh market aligns with Škoda Auto's ongoing internationalisation strategy. In September 2023, the brand celebrated its official launch in Vietnam. Additionally, it is strategically leading the Volkswagen Group's 'Brand Group Core' in the ASEAN region, aiming to leverage growth opportunities for the Group. Moreover, the Czech automaker strategically oversees the Volkswagen Group's activities in the dynamically growing Indian market.

#### Production and sales partnership with the Allur Company

Škoda Auto has partnered with the key strategic ally, the Allur Company, to relaunch operations and expand in the Kazakh market. Involved in the production and sale of cars, commercial vehicle components and spare parts, along with providing car servicing in Kazakhstan, Allur Company boasted a market share of 44.4% in 2022, making the established automotive group the largest in the region.

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#### Media image and infographic



## Škoda Auto set to re-enter Kazakhstan market

Škoda Auto has found a strong strategic partner in Allur Company. Vehicles produced in the Czech Republic will be assembled for the Kazakh market at a plant operated by Allur Company in Kostanay.

Source: Škoda Auto



### Infographic: Škoda Auto set to re-enter Kazakhstan market

Škoda Auto will offer the Kodiaq, Karoq and Kamiq SUVs alongside the bestselling Octavia in Kazakhstan.

Source: Škoda Auto

#### Škoda Auto

- > is successfully steering through the new decade with the Next Level Škoda Strategy 2030.
- aims to be one of the five best-selling brands in Europe by 2030 with an attractive line-up in the entry-level segments and additional e-models.
- > is emerging as the leading European brand in important growth markets such as India or North Africa.
- currently offers its customers eleven passenger-car series: the Fabia, Scala, Octavia and Superb as well as the Kamiq, Karoq, Kodiaq, Enyaq, Enyaq Coupé, Slavia and Kushaq.
- > delivered over 731,000 vehicles to customers around the world in 2022.
- has been a member of the Volkswagen Group for 30 years. The Volkswagen Group is one of the most successful vehicle manufacturers in the world.
- > independently manufactures and develops not only vehicles but also components such as MEB battery systems, engines and transmissions in association with the Group.
- > operates at three sites in the Czech Republic; has additional production capacity in China, Slovakia and India primarily through Group partnerships, as well as in Ukraine with a local partner.
- $\,\rightarrow\,$  employs over 40,000 people globally and is active in over 100 markets.