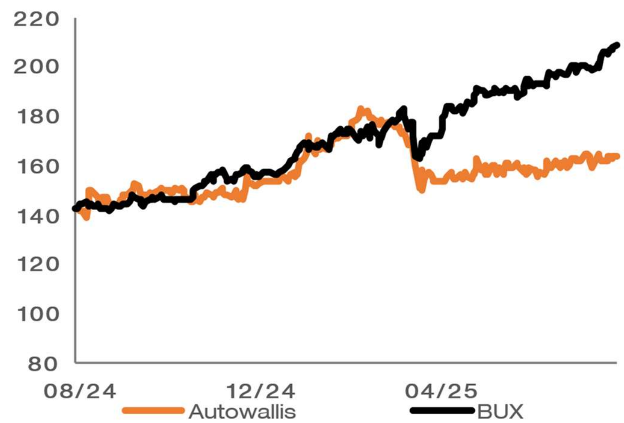
CONCORDE RESEARCH

CEE Equity Research | Hungary | Car dealership
18 August 2025

AutoWallis

Rating: Buy (unch.)
Target price (12-m): HUF 200 (prev. HUF 210)

HUF million	24/Q2	25/Q2	Change (%)
Revenue	106,041	128,155	20.9%
EBITDA	4,249	4,843	14.0%
EBIT	2,950	2,996	1.6%
Net profit	1,854	1,805	-2.6%
EPS	3.47	3.38	-2.5%
Gross margin	15.7%	16.8%	110bps
EBITDA margin	2.8%	2.3%	-44bps
EBIT margin	4.0%	3.8%	-23bps
PBT margin	2.3%	2.0%	-28bps
No. of vehicles sold	13,835	14,500	4.8%
Export ratio	58%	67%	900bps



Share price close as of 18/08/2025	HUF 164	Bloomberg	AUTOWALL HB
Number of diluted shares [mn]	539.5	Reuters	AUTW.BU
Market capitalization [HUF bn/EUR mn]	88.5/224.0	Free float	26.57%
Daily turnover 12M [HUF mn/EUR ths]	28.0/69.3	52-week range	HUF 137.5 – 184

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Challenges remain, margins in focus

- **Summary:** We cut our TP to HUF 200 and reiterate our Buy recommendation on AutoWallis as we forecast margins to remain depressed in 2025. Top-line growth supported by acquisitions remains solid, as revenues came in at HUF 128bn (+20.9% YoY). However, margin pressures remain, as transaction costs and the pricing power of the OEMs weigh on profitability. Quarterly EBITDA increased by 14% YoY to HUF 4.8bn compared to the low base of Q2/24, while EPS came in at HUF 3.38, down -2.5% on the year. The company sold 14,500 vehicles in Q2 and a total of 26,314 vehicles in H1.
  Distribution revenues increased by 2.7% YoY to HUF 62.8bn, while volumes decreased by -2.5%. The BU's EBITDA margin came in at 2.7%.
  Retail revenues nearly matched the Distribution BU, coming in at HUF 62.8bn, up by 46.4% YoY. Margins slightly recovered within the Retail segment in Q2, with EBITDA margin reaching 3.2%.
  Mobility efficiency further increased as Sixt boosted earnings. EBITDA came in at HUF 1.1bn while PBT reached positive figures again at HUF 45mn.
- **Key positives:** (1) Retail earnings achieved quarterly record with margins showing resilience; (2) Group level top line remains solid; (3) Mobility operations and financials improved.

- **Key negatives:** (1) Group level margins continue to be depressed as Distribution BU profitability remains weak; (2) Cash outflow in Q2.
- **Opinion:** This set of results is mixed in our opinion. While revenues and sales volumes are encouraging and show the robust market presence of AutoWallis, earnings growth does not seem to be able to keep up with top-line growth. Especially Distribution BU is underperforming compared to past quarters, as OEMs are struggling with profitability and continue to offer lower margins to distributors. The management underlines that a set of efficiency measures are underway, possibly helping margins slightly widen in the coming quarters. This may further be supported by the absence of transaction-related costs and synergies between the group.
  On a more positive note, Mobility and Retail BUs deliver encouraging results. Based on the current margin trajectory, we slightly modify our estimates. We forecast FY25 revenues to reach HUF 462bn, while we significantly cut our earnings estimates for this year as margin improvement lags compared to our estimates. Based on this, we expect AutoWallis to reach EPS of HUF 14.39 in 2025, while we leave all our forecasts beyond 2025 intact. As a result, we cut our TP to HUF 200 and leave our recommendation on Buy.

Concorde est. FY25	old	new	% change
Revenues	454,010	462,283	2%
EBIT	14,801	12,940	-13%
EBITDA	21,612	19,875	-8%
PBT	11,729	9,651	-18%
EPS	17.60	14.39	-18%

Source: Concorde Research

Consolidated financial and operational highlights

[HUF mn - except per share]	2024		2025		Change	
	Q1	Q2	Q1	Q2	Y-o-Y	Q-o-Q
P&L						
Revenues	89,125	106,041	107,262	128,155	20.9%	19.5%
EBITDA	4,758	4,249	3,260	4,843	14.0%	48.6%
EBIT	3,540	2,950	1,548	2,996	1.6%	93.5%
PBT	2,018	2,420	1,044	2,564	6.0%	145.6%
Net income (parent)	1,411	1,854	646	1,805	-2.6%	179.4%
Comprehensive income	1,708	1,885	324	1,784	-5.4%	450.6%
EPS	2.70	3.47	1.21	3.38	-2.5%	179.3%
Group Margins						
Gross margin	17.8%	15.7%	17.3%	16.8%	110bps	-46bps
EBITDA margin	5.3%	4.0%	3.0%	3.8%	-23bps	74bps
EBIT margin	4.0%	2.8%	1.4%	2.3%	-44bps	89bps
PBT margin	2.3%	2.3%	1.0%	2.0%	-28bps	103bps
Distribution BU						
Revenues	47,492	61,180	49,018	62,848	2.7%	28.2%
EBITDA	2,692	2,660	1,016	1,719	-35.4%	69.2%
PBT	1,409	1,944	818	1,759	-9.5%	115.0%
EBITDA margin	5.7%	4.3%	2.1%	2.7%	-161bps	66bps
PBT margin	3.0%	3.2%	1.7%	2.8%	-38bps	113bps
No. of new vehicles sold	8,582	10,727	8,145	10,454	-2.5%	28.3%
Retail and Services BU						
Revenues	40,209	42,895	56,284	62,796	46.4%	11.6%
EBITDA	1,392	957	1,525	2,039	113.1%	33.7%
PBT	763	274	451	760	177.4%	68.5%
EBITDA margin	3.5%	2.2%	2.7%	3.2%	102bps	54bps
PBT margin	1.9%	0.6%	0.8%	1.2%	57bps	41bps
No. of new vehicles sold	2,424	2,500	2,731	3,118	24.7%	14.2%
No. of used vehicles sold	597	608	938	928	52.6%	-1.1%
Total no. of vehicles sold	3,021	3,108	3,669	4,046	30.2%	10.3%
Service hours	47,763	48,863	80,308	80,282	64.3%	0.0%
Mobility						
Revenues	1,424	1,966	1,960	2,511	27.7%	28.1%
EBITDA	673	633	719	1,085	71.5%	50.9%
PBT	-154	-243	-225	45	-118.5%	-120.0%
EBITDA margin	47.3%	32.2%	36.7%	43.2%	1103bps	653bps
PBT margin	-10.8%	-12.4%	-11.5%	1.8%	1416bps	1327bps
Fleet size (rental)	3,678	3,775	3,776	3,888	3.0%	3.0%
Rents (units)	91,920	99,204	89,271	103,087	3.9%	15.5%
Rental days	38,302	47,824	43,515	56,306	17.7%	29.4%

Source: AutoWallis reports, Concorde Research

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Rating	Trigger
Buy	Total return is expected to exceed 20% in the next 12 months
Accumulate	Total return is expected to be in the range of 10-20%
Neutral	Total return is expected to be in the range of 10%-(-10%)
Reduce	Total return is expected to be in the range of -10-(-20%)
Sell	Total return is expected to be lower than -20%
Under Revision	The stock is put Under Revision if covering analyst considers new information may change the valuation materially and if this may take more time.
Coverage in transition	Coverage in transition rating is assigned to a stock if there is a change in analyst.

Securities prices:

Prices are taken as of the previous day's close on the home market unless otherwise stated.

Valuations and risks:

Analysis of specific risks to set stock target prices highlighted in our investment case(s) are outlined throughout the report. For details of methodologies used to determine our price targets and risks related to the achievement of the targets referred to in the main body of the report or at Rating Methodology on our website. (https://www.con.hu/wp-content/uploads/2016/04/Methodology_concorde_research.pdf?tstamp=201710021038)

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