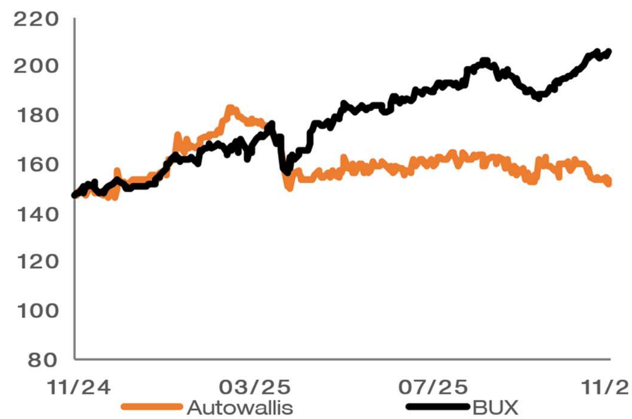
CONCORDE RESEARCH

CEE Equity Research | Hungary | Car dealership
17 November 2025

AutoWallis

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

HUF million	24/Q3	25/Q3	Change (%)
Revenue	96,080	117,805	22.6%
EBITDA	5,012	4,505	-10.1%
EBIT	3,374	2,391	-29.1%
Net profit	1,340	1,133	-15.4%
EPS	2.49	2.12	-14.7%
Gross margin	18.9%	17.8%	-108bps
EBITDA margin	5.2%	3.8%	-139bps
EBIT margin	3.5%	2.0%	-148bps
PBT margin	2.0%	1.5%	-42bps
No. of vehicles sold	10,908	13,092	20.0%
Export ratio	59%	67%	800bps



Share price close as of 14/11/2025	HUF 154	Bloomberg	AUTOWALL HB
Number of diluted shares [mn]	539.5	Reuters	AUTW.BU
Market capitalization [HUF bn/EUR mn]	82.8/218.1	Free float	26.57%
Daily turnover 12M [HUF mn/EUR ths]	26.2/65.0	52-week range	HUF 140.0 – 184

Equity Analyst
Mate Somlai-Kiss
+36 1 489 2341
m.somlai@con.hu

HILLSIDE
55-61 Alkotás Street,
H-1123 Budapest
www.con.hu

Transitionary elevated costs weigh on Q3 results

- **Summary: We leave our TP unchanged at HUF 200 and reiterate our buy Buy rating on AutoWallis.** AutoWallis posted Q3/25 earnings today, BMO. Results are not surprising, as top-line and volume growth remains solid, supported by both organic and inorganic expansion, while profitability remains under immense pressure. In Q3/25, group revenues reached HUF 117.8bn (+22.6% YoY). EBITDA decreased on the year by 10.1% to HUF 4.5bn, while EBIT decreased by -29.1% YoY to HUF 2.4bn. EPS came in at HUF 2.12, down -14.7% on the year. The company sold 13,092 vehicles in Q3.

  Distribution revenues increased by 7.7% YoY to HUF 56.7bn, on higher volumes of -17.5%. The BU's EBITDA margin came in at 2.0%. PBT reached HUF 882mn, on a margin of 1.6% YoY.

  Retail revenues outgrew Distribution BU, coming in at HUF 58.0bn, up 43.1% YoY. Retail BU EBITDA margin slightly improved to 3.2% while PBT reached HUF 626mn, translating it to a margin of 1.1%.

  Mobility closed its best quarter in sales so far as revenues reached HUF 3.2bn, and its second-best quarter ever in terms of profitability, as PBT came in at HUF 314mn (9.9% margin).

- **Key positives:** (1) Top-line growth remains encouraging as the company is constantly able to expand its market presence; (2) Retail growth stands out with consistent profitability; (3) Mobility operations and financials further improved, though results may remain cyclical.
- **Key negatives:** (1) Increased expenses weigh on group level margins; (2) Distribution profitability remains weak; (3) Cash outflow in Q3 as well.
- **Opinion:** We have mixed feelings about the results. Revenues and sales volumes remain encouraging and show the robust market presence of AutoWallis, while earnings weakness starts to raise concerns regarding the 2028 guidance, especially as 9M/25 results were boosted by significant unrealized FX gains. That being said, we note that unrealized FX movements are usually offset on the level of COGS. The prior weakness of Opel seems to fade while KGM brand change is weighing on Distribution results. Developments of the Retail BU are quite encouraging, showing solid organic growth besides the positive effects of the latest acquisitions. The management outlined in the analyst call that short term weaker profitability is partially caused by transitionary items, such as the brand change of KGM (from SsangYong), nevertheless, they are planning on introducing numerous efficiency developments that are expected to elevate results from 2026. The management also emphasized that current elevated cost levels should not follow revenue and volume growth coming from both organic and inorganic expansion in the future. **On that note, we leave our TP at HUF 200 and reiterate our Buy recommendation.**

Consolidated financial and operational highlights

[HUF mn - except per share]	2024	2025			Change	
	Q3	Q1	Q2	Q3	Y-o-Y	Q-o-Q
P&L						
Revenues	96,080	107,262	128,155	117,805	22.6%	-8.1%
EBITDA	5,012	3,260	4,843	4,505	-10.1%	-7.0%
EBIT	3,374	1,548	2,996	2,391	-29.1%	-20.2%
PBT	1,886	1,044	2,564	1,822	-3.4%	-28.9%
Net income (parent)	1,340	646	1,805	1,133	-15.4%	-37.2%
Comprehensive income	1,363	324	1,784	938	-31.2%	-47.4%
EPS	2.49	1.21	3.38	2.12	-14.7%	-37.2%
Group Margins						
Gross margin	18.9%	17.3%	16.8%	17.8%	-108bps	95bps
EBITDA margin	5.2%	3.0%	3.8%	3.8%	-139bps	4bps
EBIT margin	3.5%	1.4%	2.3%	2.0%	-148bps	-31bps
PBT margin	2.0%	1.0%	2.0%	1.5%	-42bps	-45bps
Distribution BU						
Revenues	52,644	49,018	62,848	56,680	7.7%	-9.8%
EBITDA	2,458	1,016	1,719	1,134	-53.9%	-34.0%
PBT	1,316	818	1,759	882	-33.0%	-49.9%
EBITDA margin	4.7%	2.1%	2.7%	2.0%	-267bps	-73bps
PBT margin	2.5%	1.7%	2.8%	1.6%	-94bps	-124bps
No. of new vehicles sold	7,936	8,145	10,454	9,325	17.5%	-10.8%
Retail and Services BU						
Revenues	40,486	56,284	62,796	57,950	43.1%	-7.7%
EBITDA	1,086	1,525	2,039	1,905	75.4%	-6.6%
PBT	160	451	760	626	291.3%	-17.6%
EBITDA margin	2.7%	2.7%	3.2%	3.3%	60bps	4bps
PBT margin	0.4%	0.8%	1.2%	1.1%	69bps	-13bps
No. of new vehicles sold	2,272	2,731	3,118	2,867	26.2%	-8.1%
No. of used vehicles sold	700	938	928	900	28.6%	-3.0%
Total no. of vehicles sold	2,972	3,669	4,046	3,767	26.7%	-6.9%
Service hours	49,731	80,308	80,282	72,152	45.1%	-10.1%
Mobility						
Revenues	2,950	1,960	2,511	3,175	7.6%	26.4%
EBITDA	1,468	719	1,085	1,466	-0.1%	35.1%
PBT	410	-225	45	314	-23.4%	597.8%
EBITDA margin	49.8%	36.7%	43.2%	46.2%	-359bps	296bps
PBT margin	13.9%	-11.5%	1.8%	9.9%	-401bps	810bps
Fleet size (rental)	3,853	3,776	3,888	4,032	4.6%	3.7%
Rents (units)	92,515	89,271	103,087	107,625	16.3%	4.4%
Rental days	70,916	43,515	56,306	83,612	17.9%	48.5%

Source: AutoWallis reports, Concorde Research

Concorde Securities Ltd. does and seeks to do business with companies covered in its research reports. As a result, investors should be aware that the firm may have a conflict of interests that could affect the objectivity of this report. Investors should consider this report as only a single factor in making their investment decision. For analysts certification and other important disclosures, please refer to the "Disclaimer" section at the end of this report.

DISCLAIMER

This research report has been prepared by Concorde Securities Ltd., a full-service Hungarian investment banking, investment management and brokerage firm. Concorde Securities Ltd. is under the supervision of the National Bank of Hungary in its capacity as financial supervisory authority.

Concorde Securities Ltd. is registered in Hungary and does not have any subsidiaries, branches or offices outside of Hungary. Therefore we are not allowed to provide direct investment banking services to US investors and restrictions may apply to our potential investment banking services according to your country's jurisdiction.

Our salespeople, traders and other professionals may provide oral or written market commentary or trading strategies to our clients that reflect opinions that are their own and may be contrary to the opinions expressed in our research products, and our proprietary trading and investing businesses may make investment decisions that are inconsistent with the recommendations expressed by our analysts or traders.

Our research, sales and trading professionals are paid based on the profitability of the respective divisions of Concorde Securities Ltd., which from time-to-time may include revenues from the firm's capital market activity. Concorde Securities Ltd. does not prohibit analysts, salespeople and traders from maintaining a financial interest in the securities or futures of any companies that they cover or trade on their clients' behalf in strict compliance with the Hungarian Capital Markets Act.

ANALYSTS CERTIFICATION

The research analysts undersigned and responsible for the preparation of this report hereby certify that (i) the views expressed in this research report accurately reflect their personal views about any and all of the securities or issuers referred to in this research report; (ii) no part of the analysts' compensation was, is or will be directly or indirectly related to the specific recommendation or views expressed in this report and (iii) no part of their compensation is tied to any specific investment transactions performed by Concorde Securities Ltd.

Name and job title of individuals involved in the production of this report are disclosed at the end of this report.

Concorde Securities Ltd. is a leading manager and underwriter of Hungarian equity offerings. We have investment banking and other business relations with a substantial percentage of the companies traded on the Budapest Stock Exchange and covered by our research department. Concorde Securities Ltd, its directors and employees may have a position in these securities, which may change at any time.

Concorde Securities Ltd. acted as Lead Manager of the private and public share placement of the shares of FHB in 2003, Masterplast in 2012 and Duna House in 2016. Concorde Securities Ltd. acted as the Co-lead Manager of Gedeon Richter's exchangeable bond issue in September 2004. Concorde Securities Ltd. has provided financial advice to Magyar Telekom.

EXPLANATION OF RATINGS AND METHODOLOGY

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)

Research disclosures:

Concorde Securities Ltd. may have published other investment recommendations in respect of the same securities/instruments recommended in this report during the preceding 12 months. Disclosure of previous investment recommendations produced by Concorde Securities Ltd. in the previous 12 months can be found at Rating history. (https://www.con.hu/wp-content/uploads/2016/04/Rating-history.pdf?tstamp=201710021038)

GENERAL

This report is provided for information purposes only and does not represent an offer for sale, or the solicitation of any offer to buy or sell any securities.

The information, and any opinions, estimates and forecast have been obtained from sources believed by us to be reliable, but no representation or warranty, express or implied is made by us as to their accuracy or completeness. The information, opinions, estimates and forecasts may well be affected by subsequent changes in market conditions. This document may not be reproduced in whole or in part, or published for any purpose.

REPRODUCTION OR REBROADCAST OF ANY PORTION OF THIS RESEARCH REPORT IS STRICTLY PROHIBITED WITHOUT THE WRITTEN PERMISSION OF CONCORDE SECURITIES LTD.

DISCLAIMER II.

This research/commentary was prepared by the assignment of Budapest Stock Exchange Ltd. (registered seat: 1054 Budapest, Szabadság tér 7. Platina torony I. ép. IV. emelet; company registration number: 01-10-044764, hereinafter: BSE) under the agreement which was concluded by and between BSE and Concorde Securities Ltd. (registered seat: H-1123 Budapest Alkotás utca 50., company registration number: 01-10-043521, hereinafter: Investment Service Provider)

BSE shall not be liable for the content of this research/commentary, especially for the accuracy and completeness of the information therein and for the forecasts and conclusions; the Service Provider shall be solely liable for these. The Service Provider is entitled to all copyrights regarding this research/commentary however BSE is entitled to use and advertise/spread it but BSE shall not modify its content.

This research/commentary shall not be qualified as investment advice specified in Point 9 Section 4 (2) of Act No. CXXXVIII of 2007 on Investment Firms and Commodity Dealers and on the Regulations Governing their Activities. Furthermore, this document shall not be qualified as an offer or call to tenders for the purchase, sale or hold of the financial instrument(s) concerned by the research/commentary.