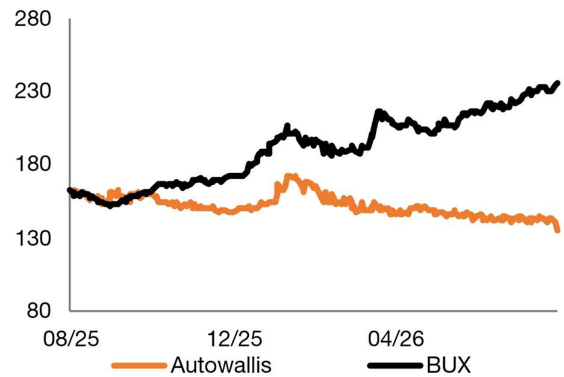
CONCORDE RESEARCH

CEE Equity Research | Hungary | Car dealership
25 August 2026

AutoWallis

Recommendation: Neutral (prev. BUY)
Target price (12-m): HUF 154 (prev. HUF 180)

HUF million	25/Q2	26/Q2	Change (%)
Revenue	128,155	115,098	-10.2%
EBITDA	4,843	1,928	-60.2%
EBIT	2,996	-153	-105.1%
Net profit	1,805	681	-62.3%
EPS	3.38	1.28	-62.1%
Gross margin	16.8%	17.3%	52bps
EBITDA margin	3.8%	1.7%	-210bps
EBIT margin	2.3%	-0.1%	-247bps
PBT margin	2.0%	0.9%	-110bps
No. of vehicles sold	14,500	14,523	0.2%



Share price close as of 24/08/2026	HUF 141	Bloomberg	AUTOWALL HB
Number of diluted shares [mn]	539.5	Reuters	AUTW.BU
Market capitalization [HUF bn/EUR mn]	76.1/210	Free float	27.05%
Daily turnover 12M [EUR ths]	49.9	52-week range	HUF 135 – 173

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Weak H1 on FX headwinds, mid-term guidance at risk

AutoWallis reported H1 results today morning. The strengthening of HUF heavily weighed on group profitability, resulting in 31% decrease in EBITDA and 93% lower net profit in the first half of the year. The primary drag remained the Distribution unit while the other segments performed relatively well. Management set cautious tone regarding the achievability of 2028 targets, hence we expect updated mid-term guidance in the next investor day. Following the results we updated our forecast regarding the Distribution segment for the full year. We expect ca. 8% decrease in segment revenue YoY and flat gross profit margin YoY. We lower our 12m TP to HUF 154 and downgrade our recommendation to Neutral.

Group revenues decreased by 10.2% YoY to HUF 115bn in Q2, mainly driven by weak Distribution segment where revenues were down by 23% YoY and came in at HUF 48.7bn. Retail segment showed better performance as revenues came in 0.8% higher than last year to HUF 63.3bn, while revenues at Mobility grew by 26% YoY to HUF 3.2bn. Group achieved revenues of HUF 219.9bn in H1 which decreased by 6.6% YoY. EBITDA fell by 31% in H1 to HUF 5.6bn and the EBITDA margin compressed to 2.6% from 3.4%, while net profit was down by 93% to HUF 172m (vs. HUF 2,456m prior year) and total comprehensive income swung to a loss of HUF 1.5bn from a HUF 2.1bn gain, driven by a large negative FX translation adjustment on foreign subsidiaries (-HUF 1.65bn) that outweighed the modestly positive net result.
The Distribution segment remained the primary drag, with revenue down 17% to HUF 92.8bn in H1 on a 3.5% decline in units sold, forint strength, and unfavorable model mix, with KGM (-1,577 units) and Opel (-203 units) the main detractors amid intensifying competition from newly-

entering Chinese brands; management notes the order book remains robust, with capacity-driven deferred deliveries expected to flow through in H2. The Retail segment again outperformed, growing revenue 2% to HUF 121.5bn in H1 on 9.7% new-car volume growth (partly offset by a 5.6% used-car decline against a strong base), with Slovenia (+27%), Czech Republic (+4%) and Hungary (+2%) as the standout markets, aided by the Debrecen dealership opened in Q4 2025. Mobility Services continued to be the fastest-growing segment, with revenue up 25% to HUF 5.6bn on stronger carsharing and rent-a-car performance and a 5.4% increase in average fleet size.

Profitability was squeezed by the combination of a challenging pricing environment from Chinese-brand market entry, one-off costs tied to launching new brands, and efficiency measures that had not yet fully offset these headwinds. Gross margin nonetheless improved by 4%pt to 18.7%, which management frames as evidence of underlying operational resilience, although most of the expansion was related to Q1. JV/associate income (mainly AutoWallis Caetano Holding) fell 65% to HUF 204m from HUF 591m, while net financial expense improved 54% to -HUF 709m, helped by a favorable HUF 1.7bn realized/unrealized FX swing on period-end rates.

Changes in estimates

We updated our forecast for AutoWallis and set our new TP at HUF 154, implying limited upside potential and downgrade our recommendation to Neutral. Based on our EPS forecast, AutoWallis currently trades at 12.4x/9.1x P/E ratio for '27/'28.

The weakness of the first quarter was exaggerated by the strengthening of HUF which put further pressure on profitability in H1. We cut our forecast on Distribution unit, expecting ca. 8% decrease in revenue and flat gross margin YoY. We also cut our long-term gross profit margin for Distribution segment by 0.5%pt. We expect management to revise its mid-term targets and provide more clarity for the upcoming years. We are on a view that the target profit levels might be delayed as the stabilization of profitability needs to be prioritized.

FCFF MODEL [HUF MILLION]

Valuation - (HUF mn)	2026F	2027F	2028F	2029F	2030F	TY
NOPAT	7,016	9,518	11,628	13,580	15,222	
+ D&A	7,785	8,414	9,030	9,412	9,814	
+/- WC	-2,037	-5,716	-5,584	-3,465	-3,649	
- CAPEX	-8,952	-9,677	-9,933	-9,882	-9,814	
FCFF	**3,811**	**2,541**	**5,141**	**9,645**	**11,573**	**11,920**
WACC	9.3%	9.4%	9.4%	9.4%	9.5%	
DCF	3,486	2,124	3,927	6,729	7,362	117,216
LT growth	3.0%					
EV	**140,844**					
- Net Debt	-68,511					
Associates	2,492					
Equity Value	**74,825**					
No. of shares (mn)	539					
Liquidity discount	10%					
Fair value / share	125					
12-m TP	**154**					

Source: Concorde Research

QUARTERLY RESULTS [HUF MILLION]

[HUF mn - except per share]	2025			2026		Changes	
	Q2	Q3	Q4	Q1	Q2	YoY	QoQ
P&L							
Revenues	128,155	117,805	124,210	104,827	115,098	-10.2%	9.8%
EBITDA	4,843	4,505	6,244	3,688	1,928	-60.2%	-47.7%
EBIT	2,996	2,391	4,125	1,724	-153	-105.1%	-108.9%
PBT	2,564	1,822	2,662	33	1,033	-59.7%	3030.3%
Net income (parent)	1,805	1,133	2,128	-509	681	-62.3%	-233.8%
Comprehensive income	1,784	938	1,877	-639	-840	-147.1%	31.5%
EPS	3.38	2.12	3.99	-0.95	1.28	-62.1%	-234.7%
Group Margins							
Gross margin	16.8%	17.8%	20.6%	20.1%	17.3%	52bps	-274bps
EBITDA margin	3.8%	3.8%	5.0%	3.5%	1.7%	-210bps	-184bps
EBIT margin	2.3%	2.0%	3.3%	1.6%	-0.1%	-247bps	-178bps
PBT margin	2.0%	1.5%	2.1%	0.0%	0.9%	-110bps	87bps
Distribution BU							
Revenues	62,848	56,680	63,363	44,151	48,667	-22.6%	10.2%
EBITDA	1,719	1,134	3,301	1,406	-960	-155.8%	-168.3%
PBT	1,759	882	2,354	287	229	-87.0%	-20.2%
EBITDA margin	2.7%	2.0%	5.2%	3.2%	-2.0%	-471bps	-516bps
PBT margin	2.8%	1.6%	3.7%	0.7%	0.5%	-233bps	-18bps
No. of new vehicles sold	10,454	9,325	10,748	7,676	10,270	-1.8%	33.8%
Retail and Services BU							
Revenues	62,796	57,950	58,378	58,257	63,270	0.8%	8.6%
EBITDA	2,039	1,905	1,744	1,522	1,530	-25.0%	0.5%
PBT	760	626	292	2	526	-30.8%	26200.0%
EBITDA margin	3.2%	3.3%	3.0%	2.6%	2.4%	-83bps	-19bps
PBT margin	1.2%	1.1%	0.5%	0.0%	0.8%	-38bps	83bps
No. of new vehicles sold	3,118	2,867	2,921	3,001	3,416	9.6%	13.8%
No. of used vehicles sold	928	900	971	925	837	-9.8%	-9.5%
Total no. of vehicles sold	4,046	3,767	3,892	3,926	4,253	5.1%	8.3%
Service hours	80,282	72,152	77,404	81,762	84,831	5.7%	3.8%
Mobility							
Revenues	2,511	3,175	2,469	2,419	3,161	25.9%	30.7%
EBITDA	1,085	1,466	1,199	760	1,358	25.2%	78.7%
PBT	45	314	16	-256	278	517.8%	-208.6%
EBITDA margin	43.2%	46.2%	48.6%	31.4%	43.0%	-25bps	1154bps
PBT margin	1.8%	9.9%	0.6%	-10.6%	8.8%	700bps	1938bps
Fleet size (rental)	3,888	4,032	4,037	3,981	4,099	5.4%	3.0%
Rents (units)	103,087	107,625	100,235	95,659	104,655	1.5%	9.4%
Rental days	56,306	83,612	56,221	48,824	67,013	19.0%	37.3%

Source: AutoWallis, Concorde Research

APPENDIX

Indicators	2025	2026F	2027F	2028F	2029F	2030F
EPS	10.7	5.9	11.3	15.5	19.3	23.3
BVPS	120.9	126.7	138.1	153.6	172.9	196.1
CFPS	7.1	7.1	4.7	9.5	17.9	21.5
P/E	13.2x	24.0x	12.4x	9.1x	7.3x	6.1x
EV/EBITDA	7.7x	8.6x	7.0x	6.0x	5.1x	4.4x
P/BV	1.2x	1.1x	1.0x	0.9x	0.8x	0.7x
P/S	0.2x	0.2x	0.1x	0.1x	0.1x	0.1x
P/CF	19.8x	20.0x	29.9x	14.8x	7.9x	6.6x
ROE	9.0%	4.7%	8.6%	10.6%	11.8%	12.6%
ROA	2.2%	1.4%	2.6%	3.3%	4.0%	4.6%
ROIC	5.8%	5.0%	6.5%	7.6%	8.5%	9.3%
Gross margin	18.1%	18.5%	18.8%	18.8%	19.0%	19.2%
EBITDA margin	3.9%	3.4%	3.9%	4.2%	4.6%	4.8%
EBIT margin	2.3%	1.8%	2.3%	2.6%	3.0%	3.2%
PBT margin	1.7%	0.8%	1.5%	1.9%	2.3%	2.6%

Balance Sheet	2025	2026F	2027F	2028F	2029F	2030F
Assets						
PP&E	38,715	39,182	39,687	40,048	40,236	40,236
Operating lease assets	6,388	6,505	6,631	6,721	6,768	6,768
ROU assets	11,252	11,544	11,859	12,085	12,203	12,203
Inventories	75,127	75,980	82,127	88,133	91,859	95,783
Other inventories	257	257	257	257	257	257
Trade receivables	25,521	26,660	28,817	30,924	32,231	33,608
Cash and equivalents	16,004	14,084	14,033	16,476	22,834	27,027
Total assets	**222,439**	**225,978**	**237,042**	**250,270**	**263,419**	**274,243**
Equity	**65,208**	**68,372**	**74,483**	**82,849**	**93,263**	**105,813**
Liabilities						
Bonds	16,332	17,140	16,480	15,820	15,160	9,860
LT loans	16,475	16,475	16,475	16,475	16,475	16,475
ST loans	3,365	3,365	3,365	3,365	3,365	3,365
Inventory financing loans	11,417	10,673	11,534	12,375	12,896	13,446
Trade payables	32,037	31,992	34,580	37,108	38,677	40,330
Equity and liabilities	**222,439**	**225,979**	**237,043**	**250,271**	**263,420**	**274,243**

Income Statement	2025	2026F	2027F	2028F	2029F	2030F
Revenues	**477,432**	**486,540**	**525,903**	**564,358**	**588,219**	**613,347**
OPEX	-459,627	-469,940	-505,471	-540,611	-561,590	-584,215
Depreciation	-7,666	-7,785	-8,414	-9,030	-9,412	-9,814
Other income / expenses	921	180	185	190	193	197
Operating profit	**11,060**	**8,995**	**12,203**	**14,908**	**17,411**	**19,515**
EBITDA	18,852	16,780	20,618	23,937	26,822	29,329
Financial profit	-3,154	-4,439	-4,618	-4,683	-4,559	-3,926
Profit before taxes	**8,092**	**4,056**	**7,835**	**10,725**	**13,352**	**16,089**
Taxes	-2,375	-892	-1,724	-2,359	-2,937	-3,540
Profit after tax	**5,717**	**3,164**	**6,111**	**8,365**	**10,414**	**12,550**

Source: AutoWallis, Concorde Research

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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:

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