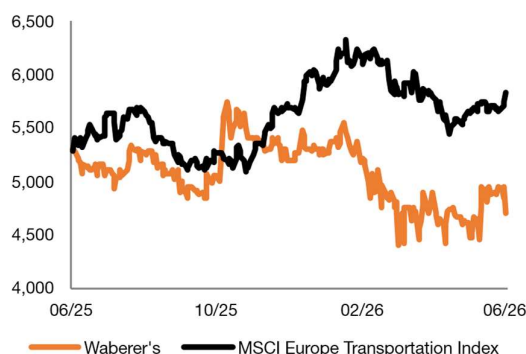


Waberer's

Rating: BUY (unch.)

Target price (Dec-26): HUF 6,720 (prev. 6,560)

EUR mn	2026F	2027F	2028F
Revenues	969	1,031	1,084
EBITDA	143	152	159
EBIT	63	69	73
Net income	42	51	56
EPS (HUF)	2.1	2.6	2.8
Gross margin	21.9%	22.4%	22.3%
EBITDA margin	14.7%	14.7%	14.7%
EBIT margin	6.6%	6.7%	6.7%
Profit margin	4.4%	5.0%	5.1%



Share price close as of 30/06/2026	4,660	Bloomberg	WABERERS HB
Number of shares [mn]	17.7	Reuters	WABE.BU
Market capitalization [HUF bn/EUR mn]	83.2/224.8	Free float	27%
Daily turnover 12M [EUR th]	82	52-week range	HUF 4,400-5,740

Underappreciated earnings growth at a discounted valuation

Due to change of coverage, we revised our estimates and updated our model for Waberer's.

After incorporating the recent developments and revising our future projections, we slightly raise our ex-div Dec26-TP to HUF 6,720 and reiterate our BUY recommendation.

Based on our estimates, Waberer's trades at 6.0x / 4.9x P/E ratio for 2026 / 2027 which shows significant discount to the BUX Index's 12m-BF P/E ratio of 9.3x. We continue to believe that Waberer's stock is relatively cheap compared to the Hungarian stock market, though it offers massive earnings growth for the upcoming years.

Key drivers: We expect the Logistics segment to return to growth, supported by strong international transportation, an expanding regional footprint, fuel-price adjustments, and the contribution from the Pannon-Busz acquisition. A higher share of subcontracting and potential warehouse expansion should support margin improvement, while Insurance is expected to remain the group's main cash flow driver, with stable market share and further efficiency gains from the integration of Posta Biztosító and Posta Életbiztosító.

Risks: Upside risks include stronger European industrial activity, logistics expansion through warehouse developments, subcontracting and rail transport, as well as higher insurance market growth and market share gains. Downside risks stem from margin pressure due to higher cost inflation, weaker economic activity, FX headwinds or slower integration of acquisitions. On top of that, share overhang risk is also a source of undervaluation as the new government may scrutinize or seek to recover assets from main shareholder István Tiborcz. However, the discount is notably higher for Waberer's compared to other politically embedded companies (like Granit Bank, 4iG, or OPUS), while Waberer's is the only company which has a proven marketable business model.

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Logistics segment

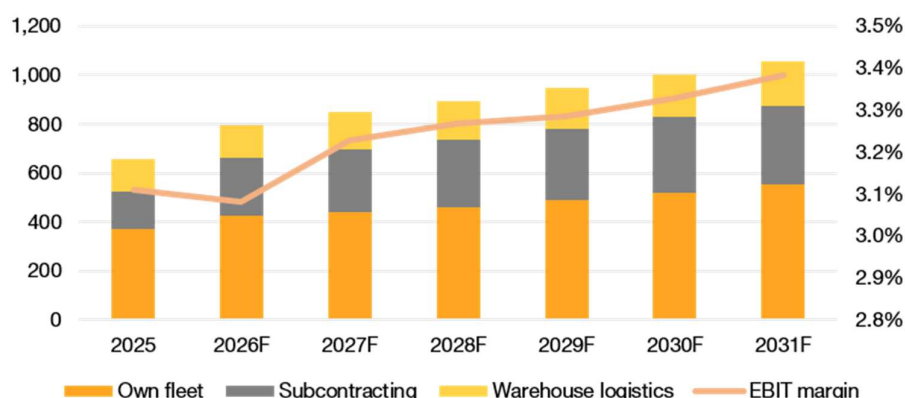
In 2025, logistic segment revenues were down by 3% mainly due to lack of other revenues, however the core operation remained stable. Transport revenues from own fleet slightly decreased YoY given the fleet size reduction at LINK which compensated the Pannon-busz revenues that was acquired in May, last year. Subcontracting revenues also decreased in 2025 thank to international sub-segment that the regional market somewhat compensated thanks to new businesses acquired during the year. Warehouse logistic performed well over the year thanks to additional warehouse capacity.

For 2026, we expect logistic revenues to increase by ca. 21% close to EUR 800mn. This double-digit increase comes from several sources. The increased fuel prices also lift revenues given the built-in price adjustment mechanism in client contracts. We estimate own fleet transport revenues will grow above HU and EU inflation level at ca. mid-single digit, while the fully consolidated Pannon-busz will also add ca. EUR 20mn revenues. We forecast the subcontractor revenues will increase substantially due to increasing share of subcontractors and the reorganization of LINK.

On the long-term we expect fuel-price normalization will slow down organic revenue growth in the next year, however additional new projects, expansion of forwarding revenues and the growing Pannon-Busz revenues will underpin the steady growth potential of the segment. For warehouse logistic revenues we forecast mid-single digit price average price increases and also increase capacity by 22k sqm due to new logistic warehouse in Debrecen assuming it will be operational from 2027. Within the logistics segment, we expect that the share of subcontractor revenues will grow over time, hence improving the segment's margin potential as well. Improvement in Pannon-busz, MDI and Petrolsped will also contribute to higher margin potential, in our view. Therefore, we forecast Logistics revenues to exceed EUR 1bn by 2031. Logistics EBIT to reach around EUR 24.5mn this year and grow to ca. EUR 36mn by the end of our forecast period and EBIT margin to expand by around 0.3%pt over time.

The recent news about the weakness of large German logistics companies could also offer opportunities for Waberer's. Duvenbeck's Hungarian and regional operations could fit well in Waberer's contract-logistics portfolio, especially around the key automobile manufacturing cities in Hungary and Slovakia. Buying selected assets could deepen Waberer's automotive relationships and strengthen its Western European footprint, in our view.

LOGISTICS REVENUES (EUR MN) AND EBIT MARGIN FORECAST



Source: Waberer's, Concorde Research

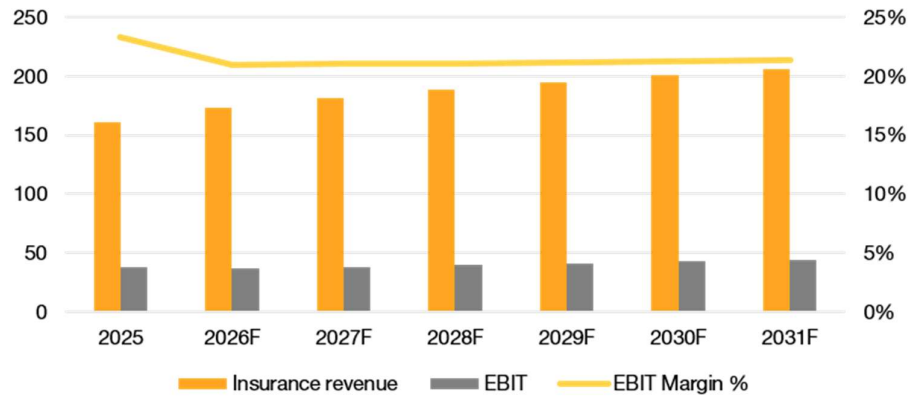
Insurance segment

Last year the inclusion of Posta Biztosítók in the consolidated results improved Insurance revenues significantly, though the growth in contract portfolio and introduction of new products also lifted revenues.

For the upcoming years, we expect continued growth for the Hungarian insurance market, potentially expanding by 10% this year and at mid-single digit thereafter. The continued growth is expected to be driven by the low penetration of insurance products amongst the population and an improvement in household financial condition. We believe that Waberer's will be also able to improve operational efficiency at the acquired Posta Biztosítók and the expanded sales channel through the acquisitions could also support further organic growth for the segment. We forecast Insurance revenues to grow by high single digit this year while investment results should weigh on growth due to one-time effect from last year. Hence, we forecast EBIT to come in around EUR 36.4mn, a slight decrease compared to last year. In the following years, we expect steady growth in revenue front and stable investment results yielding somewhat higher than the current HU 10y treasury.

Insurance segment has also several upside potentials, in our view. Further acquisitions on the Hungarian market could broaden the portfolio and customer base, higher operational efficiency and lower level of reinsurance contracts could further decrease cost levels, hence improving segment profitability.

INSURANCE REVENUES (EUR MN) AND EBIT FORECAST



Source: Waberer's, Concorde Research

Valuation

Based on our updated forecast, we set our Dec-26, ex-div target price to HUF 6,720, implying 46% total return upside potential. We reiterate our BUY recommendation. Based on our estimates, Waberer's trades at 6.0x / 4.9x P/E ratio for 2026 / 2027 which shows significant discount to the BUX Index's 12m-BF P/E ratio of 9.3x.

We continue to value the company on a SOTP basis, using FCFF model for the Logistics segment and a Gordon-growth model for the Insurance segment. Due to low margin level and high Capex requirements (incl. leases), Logistics segment accounts only for one-fourth of the total equity value, hence Insurance segment is the main value driver for the company. Based on our estimates, the Insurance segment could reach a ROE of around 16% this year, which is in-line with peer companies' estimated ROE figures. As per our estimate, the Insurance segment's fair equity value is around EUR 265mn or HUF 98.2bn based on EURHUF of 370. This implies a P/E ratio of 8.5x which poses ca. 25% discount to average European peer multiple. Given the low level of liquidity, we continue to apply 10% liquidity discount.

We expect capital allocation to remain relatively stable supported by strong FCF generation profile. We forecast ca. EUR 400mn capital expenditure for the next five years, mainly related to vehicle leases. Fleet size is estimated to be stable over the coming years, as no major expansion is expected. However, new warehouse capacity additions can add to our estimates.

On the financing side, we see limited risk as the company's debt profile is well structured and there will be no major refinancing needs in the upcoming years. Aside from leases liabilities, Waberer's has two outstanding bonds with outstanding amount of EUR 211mn. One of them will mature in 2032 and will start amortizing in 2027 at a 10% rate. The other, newly issued bond will mature in 2038 and the first principal payment will be in 2033.

On shareholder remuneration front, we do not expect major step up in dividend payment as investment in further growth remains prioritized. We forecast a yearly 5% dividend growth which would equal to a dividend yield somewhere between 3-4% for the coming years.

LOGISTICS SEGMENT VALUATION (EUR mn)

WACC	2026F	2027F	2028F	2029F	2030F	2031F
Risk free rate	5.5%	5.5%	5.5%	5.5%	5.5%	5.5%
ERP	5.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Unlevered Beta	0.60	0.60	0.60	0.60	0.60	0.60
Levered Beta	0.87	0.78	0.67	0.60	0.60	0.60
Cost of equity	9.8%	9.4%	8.9%	8.5%	8.5%	8.5%
Cost of debt	4.0%	4.0%	4.0%	4.0%	4.0%	4.0%
Effective tax rate	20.8%	20.8%	20.8%	20.8%	20.8%	20.8%
Cost of debt (tax adjusted)	3.2%	3.2%	3.2%	3.2%	3.2%	3.2%
Net debt/EV	36.0%	26.9%	13.4%	0.0%	0.0%	0.0%
WACC	7.4%	7.7%	8.1%	8.5%	8.5%	8.5%

LOGISTICS FCFF (EUR mn)	2026F	2027F	2028F	2029F	2030F	2031F
Revenues	795.5	849.1	895.2	949.5	1003.1	1056.8
EBIT	24.5	27.4	29.2	31.2	33.4	35.8
<i>EBIT margin %</i>	<i>3.08%</i>	<i>3.23%</i>	<i>3.27%</i>	<i>3.29%</i>	<i>3.33%</i>	<i>3.38%</i>
NOPLAT	19.4	21.7	23.2	24.7	26.4	28.3
Depreciation	79.6	83.2	86.8	91.1	94.3	97.2
Working Capital	-4.4	-3.0	-1.7	-2.8	-2.0	-2.1
Capex	-71.6	-76.4	-80.6	-84.5	-89.3	-97.2
FCFF	22.9	25.5	27.8	28.5	29.5	26.3
DF	0.93	0.86	0.80	0.74	0.68	0.63
DCF	21.4	22.0	22.2	21.0	20.0	16.4
EV explicit	123.1					
Terminal growth	2%					
EV Terminal	257.9					
Enterprise value	381.0					
Net debt (only Logistics)	-288.5					
Equity value	92.6					

Source: Waberer's, Concorde Research

For the Insurance segment's valuation, we include only the estimated equity value allocated to third party business for Gránit Biztosító. Our cost of equity calculation assumes 6% risk-free rate, 5% equity risk premium and a Beta of 0.8. We continue to use 3% premium given the small size of the business and 3% terminal growth rate.

INSURANCE SEGMENT VALUATION (HUF bn)

INSURANCE VALUATION (HUF bn)	GRÁNIT	POSTA NON-LIFE	POSTA LIFE	SEGMENT
Waberer's stake	100.0%	100.0%	66.9%	
Estimated Equity at 31 Dec, 2025	38.831	8.786	21.167	68.784
Est. Equity (attr. To Waberer's) at 31 Dec, 2026	46.531	11.933	21.902	80.366
Net profit (FY/26 est., attr. To Waberer's)	7.700	3.147	0.735	11.580
Return on avg. Equity				16%
Growth rate				3%
Cost of Equity (HUF)				13%
Est. Fair P/BV				1.2x
Fair Equity Value (31 Dec, 2026)				98.230
No. Shares (mn, excl. Tsy shares)				17.165
Fair value/sh. (HUF)				5,722.8
Implied P/E				8.48x

Source: Waberer's, Concorde Research

FAIR PRICE ESTIMATE (EUR MN)

Equity value (Logistics)	92.561
Equity value (Insurance)	265.5
Equity value	358.0
Minority	-36.1
Dividend + SBB	-6.5
Equity Value	315.5
Liquidity discount	10%
No. Shares (mn, excl. Tsy shares)	17.165
Equity value per share (EUR) - Dec-26	18.168
Equity value per share (HUF) - Dec-26	6,722
Upside potential (incl. next DPS)	46%

Source: Concorde Research

INSURANCE SENSITIVITY ANALYSIS PER SHARE VALUE (HUF)

		Cost of Equity				
		11.3%	12.3%	13.3%	14.3%	15.3%
TV growth	2.0%	6,848	6,180	5,630	5,171	4,780
	2.5%	6,971	6,256	5,674	5,191	4,784
	3.0%	7,110	6,341	5,723	5,214	4,788
	3.5%	7,267	6,436	5,776	5,239	4,793
	4.0%	7,445	6,543	5,835	5,266	4,798

Source: Concorde Research

LOGISTICS SENSITIVITY ANALYSIS PER SHARE VALUE (HUF)

		Risk free rate				
		4.5%	5.0%	5.5%	6.0%	6.5%
TV growth	1.0%	1,995	1,573	1,207	886	604
	1.5%	2,488	1,995	1,573	1,207	886
	2.0%	3,071	2,488	1,995	1,573	1,207
	2.5%	3,770	3,071	2,488	1,995	1,573
	3.0%	4,624	3,770	3,071	2,488	1,995

Source: Concorde Research

Risks

Upside risks

- Improving industrial production and retail consumption across Europe could increase revenue growth potential.
- Additional warehouse capacity could further support logistics segment.
- Higher share of subcontractor revenue could improve profitability of logistics segment.
- Higher contribution of railway transportation based on ramp-up of new automobile manufacturing facilities in Hungary.
- Increased presence in the European and regional logistics market.
- Stronger insurance market growth in Hungary and increased market share.

Downside risks

- Margin pressure within logistics segment through higher costs related transportation.
- Weakening industrial activity and retail sales could pressurize the growth of potential of logistics segment.
- Increased costs pressure on Insurance segment could deteriorate profitability of the segment.
- While Waberer's is well-hedged on FX front currently, further strengthening of HUF can lower reported earnings.
- Slower integration of newly acquired business can limit growth potential and increase cost levels.
- Main shareholder overhang risk: The possibility that a new government could scrutinize or seek to recover assets linked to politically connected business figures, including main shareholder István Tiborcz, may create a significant overhang for the shares.

APPENDIX

MAIN INDICATORS [EUR]

	2025	F2026	F2027	F2028	F2029	F2030	F2031
EPS	2.2	2.1	2.6	2.8	3.0	3.3	3.6
EPS growth	69.2%	-3.6%	21.1%	9.0%	8.4%	8.4%	8.4%
DPS	0.4	0.4	0.4	0.4	0.5	0.5	0.5
DPS growth	9.4%	9.0%	5.0%	5.0%	5.0%	5.0%	5.0%
Dividend yield	2.7%	3.1%	3.3%	3.4%	3.6%	3.8%	4.0%
BVPS	13.6	15.5	17.9	20.5	23.4	26.6	30.0
FCFPS	7.5	3.5	4.0	4.2	4.4	4.6	4.5
FCFPS growth	1469.6%	-53.7%	14.2%	6.5%	4.0%	4.2%	-0.9%
Total no. shares (mn)	17.7	17.7	17.7	17.7	17.7	17.7	17.7

MARGINS

	2025	F2026	F2027	F2028	F2029	F2030	F2031
Gross margin	21.6%	21.9%	22.4%	22.3%	22.7%	22.5%	22.3%
EBITDA margin	14.5%	14.7%	14.7%	14.7%	14.6%	14.5%	14.4%
EBIT margin	7.1%	6.6%	6.7%	6.7%	6.7%	6.7%	6.7%
Net profit margin	5.3%	4.4%	5.0%	5.1%	5.3%	5.4%	5.6%

GROWTH AND OTHER RATIOS

	2025	F2026	F2027	F2028	F2029	F2030	F2031
Revenue growth	7.7%	18.7%	6.4%	5.2%	5.5%	5.2%	5.0%
Gross margin growth	37.7%	10.4%	11.1%	5.0%	8.4%	4.9%	5.0%
EBITDA growth	16.4%	20.4%	6.2%	5.0%	5.1%	4.4%	4.3%
EBIT growth	28.9%	9.4%	8.2%	5.7%	5.3%	5.5%	5.7%
Net profit growth	35.4%	22.7%	21.1%	9.0%	8.4%	8.4%	8.4%
ROE	16.4%	16.4%	17.3%	16.4%	15.5%	14.8%	14.2%
ROA	2.7%	2.9%	3.3%	3.5%	3.6%	3.8%	4.0%
ROIC	68.0%	56.5%	51.5%	51.2%	50.5%	49.8%	49.0%

MULTIPLES

	2025	F2026	F2027	F2028	F2029	F2030	F2031
P/E	6.2x	6.0x	4.9x	4.5x	4.2x	3.9x	3.6x
P/S	0.3x	0.2x	0.2x	0.2x	0.2x	0.2x	0.2x
P/BV	1.0x	0.8x	0.7x	0.6x	0.5x	0.5x	0.4x
EV/Sales	0.5x	0.4x	0.3x	0.2x	0.2x	0.1x	0.1x
EV/EBITDA	3.4x	2.5x	2.0x	1.6x	1.2x	0.9x	0.6x
Net Debt/EBITDA	1.4x	0.9x	0.5x	0.2x	-0.1x	-0.4x	-0.7x

PROFIT AND LOSS [EUR MILLION]

	2025	F2026	F2027	F2028	F2029	F2030	F2031
Revenues	816	969	1,031	1,084	1,144	1,204	1,263
Logistics	656	796	849	895	949	1,003	1,057
Insurance	161	173	182	189	195	201	207
Gross margin	121	133	148	155	168	176	185
Indirect costs	-86	-105	-119	-125	-138	-146	-153
EBIT	56	61	66	69	72	76	80
Logistics	20	25	27	29	31	33	36
Insurance	38	36	38	40	41	43	44
Net financial result	-3	-10	-4	-2	0	2	4
PBT	55	53	65	70	76	83	90
Income tax	-11	-11	-13	-15	-16	-17	-19
PAT	44	42	51	56	60	65	71

BALANCE SHEET [EUR MILLION]

	2025	F2026	F2027	F2028	F2029	F2030	F2031
PPE	312	305	298	292	285	280	280
Intangible	16	15	15	15	15	15	15
Non-current assets	918	913	909	906	903	903	908
Inventories	11	13	14	14	15	16	17
Trade receivables	121	146	156	165	175	185	195
Cash and cash equivalents	180	315	347	384	424	467	509
Current assets	429	592	635	681	732	786	839
Total assets	1,396	1,553	1,592	1,636	1,684	1,737	1,795
Equity attributable to the parent company	204	233	270	311	355	403	456
Non-controlling interests	36	41	46	53	59	67	75
Total equity	240	274	316	363	414	470	531
Long-term loans and borrowings	9	9	9	9	9	9	9
Long-term liabilities from bond issuance	114	214	203	192	181	169	158
Long-term leases	150	150	150	150	150	150	150
Total non-current liabilities	302	402	391	380	369	358	347
Short-term loans and borrowings	5	5	5	5	5	5	5
Short-term leases	53	53	53	53	53	53	53
Trade payables	107	131	138	146	154	163	171
Total current liabilities	217	240	248	255	263	272	281
Total equity and liabilities	1,396	1,553	1,592	1,636	1,684	1,737	1,795

Source: Waberer's, 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 the 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](https://www.con.hu/wp-content/uploads/2016/04/Methodology_concorde_research.pdf?tstamp=201710021038) on our website, visit (https://www.con.hu/wp-content/uploads/2016/04/Methodology_concorde_research.pdf?tstamp=201710021038)

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