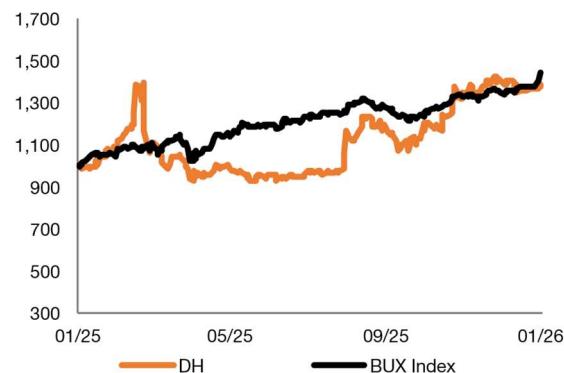


# Duna House

Recommendation: **BUY** (prev. Neutral)

Target price (12M): HUF 1,640 (prev. HUF 1,137)

HUF mn	2025F	2026F	2027F
Revenues	49,898	54,261	57,635
EBITDA	7,586	8,437	8,271
EBIT	6,189	7,026	6,715
Net profit	4,625	5,151	4,977
EPS	134	150	145
DPS	69	76	74
Dividend Yield %	5.0%	5.5%	5.3%
Int. Loan volume [HUF bn]	1,305	1,481	1,641
Total commission [HUF bn]	19.4	20.7	21.9



Share price close as of 06/01/2026	HUF 1,385	Bloomberg	DHS HB
Number of shares [million]	34.4	Reuters	DUNA.BU
Market capitalization [HUF bn/EUR mn]	47.6 / 120.6	Free float	22.3%
Daily turnover 12M [EUR ths]	70	52-week range	HUF 928-1,420

## Momentum accelerates in all markets

We have updated our forecast for Duna House Group given the better operational results over the past quarters and the positive developments on all of DH's key markets. Our new 12-m ex-div TP is set at HUF 1,640, implying 19% upside potential and 23% total return potential based on the assumed dividend payment after 2025 results. Despite our previous standpoint, we turn bullish on DH given the continuous improvements in financial intermediation and the value accretive potential of future acquisitions, therefore we change our recommendation to **BUY**.

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Based on our revised forecast, DH currently trades at 9.2x / 9.6x P/E multiple and 6.4x / 6.3x EV/EBITDA multiple for '26 / '27. These ratios imply premium pricing to BUX, however DH's income stream moves towards countries with higher stock market valuations along with the asset-light business model, we continue to believe that these are justified.

### Key factors influencing DH's share price in the coming years:

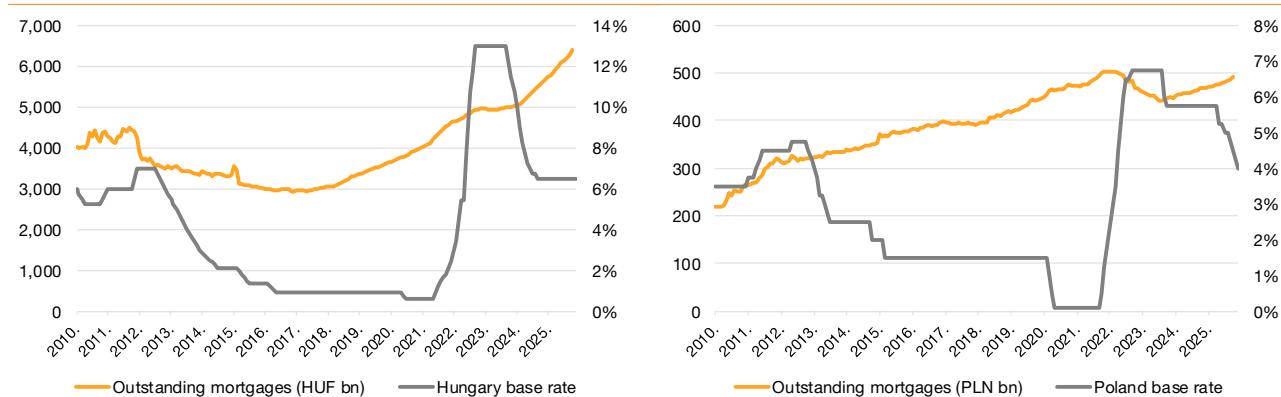
- Low eurozone interest rates could further support mortgage origination and housing market activity in Italy, continued government support in Hungary is expected to keep mortgage origination at high level, while the expected rate cuts in Poland should increase origination and housing activities.
- Remaining real estate sales will provide an additional income stream in 2026.
- Low debt level and strong cash position serve as a base for future acquisition plans. The 5-year strategy and acquisition plan can provide further upside potential which we haven't incorporated into our model yet.
- The phase out of DH's Energy segment and fund management services should ease pressure on profitability in the Real estate services and other segments.

## Financial intermediation is expected to deliver strong results

Financial intermediation now accounts for close to 90% of Group's EBITDA and its share is expected to grow further based on management communication. Based on management guidance we expect Q4 to come in even stronger due to bonus payments in the Italian market after yearly intermediation loan volumes. We forecast full year 2025 revenue will reach HUF 41bn and EBITDA to hover around HUF 5.5bn. We expect revenues and EBITDA to show around 8-9% CAGR until 2030 on the back of continued mortgage origination in all three markets. Given the increasing share of Italy within the segment, we expect EBITDA margin to trend towards 14%.

In Hungary the announce Home Start Program announced in July 2025 had a significant impact on the housing market. Home prices reached record highs and mortgage applications tripled according to the DH. We believe this initiative will have a lasting impact on mortgage origination given that the massive price increases might force eligible home buyers to postpone home purchases. While the transaction volume somewhat moderated from September highs, intermediated loan volumes accelerated and recorded new highs in November, showing a YoY increase of 165% and even 53% increase compared to October based on DH Barometer data. In 2026, we expect some moderation in the growth of house prices which could lead to elevated loan origination. We estimate intermediated loan volume in Hungary to grow by 14% in 2025 while for 2026 and 2027 we pencil in 9% and 8% growth, respectively, based on NHB's forecast levels, also underpinned by continuous nominal wage growth.

OUTSTANDING MORTGAGE STOCK AND CENTRAL BANK BASE RATE IN HUNGARY (LEFT) AND POLAND (RIGHT)



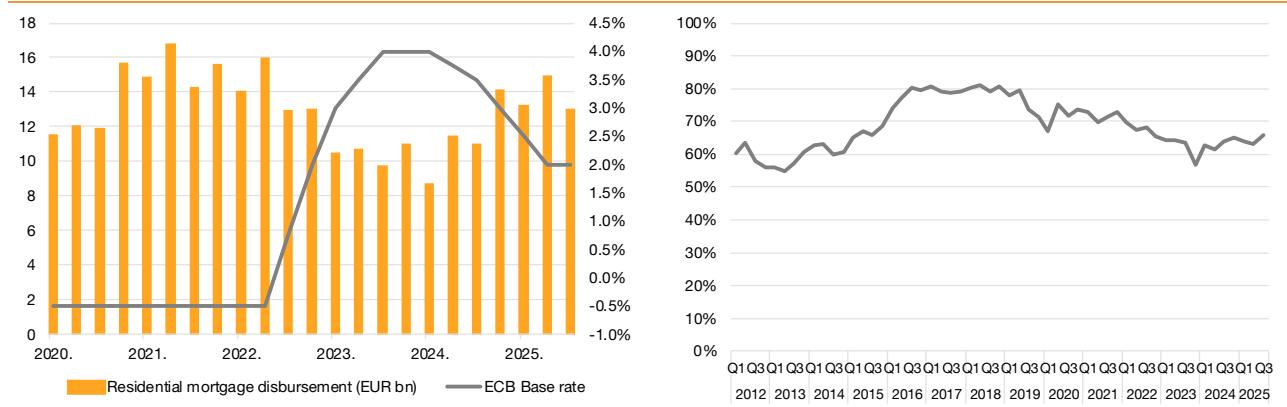
Source: Bloomberg, NBH, NBP

In the past two quarters new loan volumes picked up significantly in Poland, reaching record level in Q3 since 2021. The improving borrower creditworthiness and lower interest rates should further support this momentum in the last quarter of 2025 as well as 2026. We expect intermediated loan volume to grow by more than 20% in 2025. Amid easing interest rate environment, we forecast around 10% growth this year and mid-single digit for the upcoming years.

Mortgage origination in Italy rebounded in Q4 2024 and kept a strong pace during 2025 driven by lower interest rates in eurozone. It is expected to increase by around 25% in 2025 and should keep double digit growth rate in 2026 as well. Even though the sharp increase in 2025, we believe there is further room to grow since the quarterly origination volumes are still behind 2021-2022 levels. The share of purchases financed with mortgage loan showed a slight increase in Q3 2025, but still around 65% level, way below the 80% highs seen earlier. The penetration of financial

intermediaries is also expected to increase in Italy given the decreasing level of bank branches, therefore DH's market share may show some increase over the years.

#### QUARTERLY MORTGAGE DISBURSEMENT VOLUME AND ECB BASE RATE (LEFT), SHARE OF MORTGAGE FINANCED PURCHASES (RIGHT)



Source: Bloomberg, Banca d'Italia

#### Solid Real estate services with profitability expected to improve

Real estate services remained solid over 2025. Transaction volume picked up in Hungary and accelerated the growth of commissions earned in Q3 2025. We expect this trend to continue in 2026 as well and to moderate thereafter given the massive increase in house prices. In Poland the increase in mortgage origination showed its positive impact in Q3 and we believe this trend to continue. While we are a bit conservative in our forecast, expecting mid-single digit growth in this market, DH plans to significantly increase its activity on the Polish market.

In Q3 2025, profitability of the segment improved significantly, given the phase out of real estate management activities and DH Energy. We expect EBITDA/Commission earned ratio to close to double in the coming years to ca. 5.5% from 2.7% seen in 2024.

Revenues from real estate sales are expected to reach around HUF 3.5bn in 2025 and around HUF 1.9bn next year which should translate into HUF 1.1bn EBITDA in both years. DH guides around HUF 4.8bn FCF from the real estate sales, though this figure does not include an additional 0.65bn cash inflow from the Panorama land plot for this year.

#### Further acquisitions to grow DH's market presence in Europe

At the end of November 2025, DH announced the gradual acquisition of donpiso to start loan brokerage activities via a JV under its Credipass brand in Spain. Accordingly, DH Group plans to acquire a 22.08% stake, which will rise to 34% in 2026, before reaching 67% ownership within three years and full control within six years.

Founded in 1984, donpiso was a market leader before the 2008 financial crisis, operating over 400 offices across Spain. Today, it still holds strong brand recognition and a broad client base, particularly in Catalonia, Madrid, Valencia, Andalusia, and the Balearic and Canary Islands. The group includes two main companies: DON PISO FRANQUICIAS (real estate and franchising) and NORESTRAIT (investment and development). The partnership will also allow DH Group to roll out Credipass, leveraging donpiso's local expertise and client network. Initially, Credipass's

Spanish operations will be loss-making, with profits expected to improve gradually from 2027 onward. DH will contribute its financial strength, IT systems, and cross-market best practices to support the joint venture's growth, with donpiso expected to generate over €1 million in EBITDA by 2026 according to DH. This would mean additional ca. 5% EBITDA growth in 2026, based on our forecast. As per the guided EBTIDA, DH's current EV/EBITDA multiple of 6.4x and assuming 2x net debt/EBITDA ratio, we estimate this transaction would result around HUF 52 per share, assuming full control. Based on peer multiples of ca. 8x EV/EBITDA, the transaction could result in HUF 71 per share added equity value. The acquisition price is not disclosed, however the transaction should have been valued at lower multiple compared to the previous HGroup acquisition of 10.5x EV/EBITDA based on DH's announced target valuation range. **At this stage, we haven't incorporated any financial impact of the transaction into our forecast.**

#### ESTIMATED PER SHARE EQUITY VALUE OF DONPISO ACQUISITION

	Base case	Upside case
EBITDA est. 2026	400	400
EV/EBITDA multiple	6.4x	8.0x
EV est.	2,560	3,200
Net debt/EBITDA assumption	2.0x	2.0x
Equity value est.	1,760	2,400
<b>Per share value est.</b>	<b>51.8</b>	<b>70.6</b>

Source: DH, Concorde

According to DH's 5-year strategy, the company plans to spend around EUR 30-40 million for acquisitions until 2030. DH intends to acquire companies at a valuation of around 3-8x EV/EBITDA multiple which seems value-accractive in our view, given that similar listed companies trade at 8-9x forward EV/EBITDA multiple in Europe. Based on our forecast, we expect DH will generate around EUR 75mn FCF between 2026-2030 which could support the transactions. Our forecast assumes that the currently outstanding bonds will not be redeemed from the increased operational cash flows given their low coupons. With that growing cash balance, DH could even support an increase in debt level for M&A purposes as well. For the remaining HGroup stake we expect around HUF 3.3bn cash outflow for 2025 and around HUF 1.5bn in 2027.

## Changes in estimates

We revised our estimates and expect higher revenue and EBITDA growth in the upcoming years mainly driven by the financial intermediary segment. Management also upgraded its full year guidance for 2025, expecting clean core EBITDA of HUF 7.2-7.7bn and clean core PAT of HUF 4.2-4.6bn. The increased guidance assumes strong Q4 results on the back of bonus payments in the Italian intermediary segment, better profitability in real estate services and cash inflow from real estate sales.

We expect that both EBITDA and PAT will arrive at the high end of their guided range and to show steady improvement in the upcoming years. In financial intermediary, we expect around 9% CAGR at EBITDA level until 2030 with slight improvement in EBITDA margin. We believe that there could be an additional upside potential in margin level due to increasing market share on the Italian market. For real estate services, we remain more conservative and expect low mid-single digit EBITDA growth, however an increasing activity in Poland could pose further upside to our estimate.

We do not make any changes to our dividend payout assumptions, even though we expect additional cash inflows from real estate sales. As per the company's dividend policy, DH aims to distribute 47% of its net profit. We expect DH will stick to its formal policy and rather accumulate cash for M&A purposes, in line with the announcement earlier. After 2025 results, we expect a DPS of HUF 69, implying around 5% dividend yield at current share price.

### CHANGES IN ESTIMATES (HUF MN)

	F2026			F2027			F2028		
	New	Old	Diff.	New	Old	Diff.	New	Old	Diff.
Revenues	54,261	50,918	6.6%	57,635	53,854	7.0%	60,600	57,182	6.0%
EBITDA	8,437	6,977	20.9%	8,271	7,671	7.8%	8,693	8,411	3.4%
EBITDA margin	15.9%	13.8%	2.1 %pt	14.6%	14.4%	0.2 %pt	14.6%	14.7%	-0.1 %pt
EBIT	7,026	5,538	26.9%	6,715	6,185	8.6%	6,996	6,898	1.4%
Net profit	5,151	3,908	31.8%	4,977	4,463	11.5%	5,138	5,080	1.1%
EPS (HUF)	150	114	31.4%	145	130	11.3%	149	148	1.0%
DPS (HUF)	76	59	29.3%	74	67	10.3%	76	75	1.5%
CAPEX	1,139	1,101	3.5%	1,095	1,169	-6.3%	1,212	1,233	-1.7%

Source: Concorde Research

## Valuation

We set our 12-month target price at HUF 1,640 per share, implying 19% upside potential and 23% on a total return base. We expect positive momentum in all markets for the upcoming years. We believe that the accelerated Italian intermediation will continue to rise while the interest rate cut in Poland and subsidized housing program in Hungary will further drive revenues. The remaining real estate portfolio sales will provide an additional income stream this year as well. Currently, DH is trading at a P/E ratio of 9.2x / 9.6x and EV/EBITDA ratio of 6.4x / 6.3x for '26 / '27.

In our FCF estimate, we adjust with the additional amortization costs arising from the acquisition of Hgroup and continue to apply a 10% discount for the lack of liquidity, in line with our earlier approach. We used a blended WACC, based on the composition of revenues.

<b>WACC</b>	<b>2026F</b>	<b>2027F</b>	<b>2028F</b>	<b>2029F</b>	<b>2030F</b>
Risk free rate	4.7%	4.7%	4.7%	4.7%	4.7%
Unlevered beta	0.97	0.97	0.97	0.97	0.97
D/E	12.6%	7.8%	2.3%	0.0%	0.0%
Levered beta	1.06	1.03	0.99	0.97	0.97
Equity risk premium	5.5%	5.5%	5.5%	5.5%	5.5%
<b>Cost of Equity</b>	<b>10.6%</b>	<b>10.4%</b>	<b>10.2%</b>	<b>10.1%</b>	<b>10.1%</b>
Cost of debt	6.0%	6.0%	6.0%	6.0%	6.0%
Effective tax rate	22.9%	23.1%	23.2%	23.2%	23.1%
<b>Cost of debt (after tax)</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>	<b>4.6%</b>
Net Debt/EV	11.1%	7.1%	2.2%	0.0%	0.0%
<b>WACC</b>	<b>9.9%</b>	<b>10.0%</b>	<b>10.0%</b>	<b>10.1%</b>	<b>10.1%</b>
<b>Adjusted FCF (HUF mn)</b>	<b>2026F</b>	<b>2027F</b>	<b>2028F</b>	<b>2029F</b>	<b>2030F</b>
<b>Revenue</b>	<b>53,198</b>	<b>56,505</b>	<b>59,412</b>	<b>62,109</b>	<b>64,930</b>
YoY growth %	8.7%	6.2%	5.1%	4.5%	4.5%
Cleaned Core EBITDA	8,437	8,271	8,693	9,085	9,495
EBITDA margin %	15.9%	14.6%	14.6%	14.6%	14.6%
<b>Adj. EBIT</b>	<b>7,456</b>	<b>7,145</b>	<b>7,426</b>	<b>7,678</b>	<b>8,004</b>
EBIT margin %	14.0%	12.6%	12.5%	12.4%	12.3%
Effective tax rate %	22.9%	23.1%	23.2%	23.2%	23.1%
<b>NOPLAT</b>	<b>5,746</b>	<b>5,495</b>	<b>5,706</b>	<b>5,901</b>	<b>6,154</b>
(+) Depreciation excl. Acquisition related DDA	981	1,126	1,267	1,407	1,491
Working capital/Sales	3.5%	-0.3%	-0.2%	-0.2%	-0.2%
(+/-) Working capital	1,875	-159	-140	-130	-136
CAPEX/Sales	2.1%	4.7%	2.0%	2.2%	2.3%
CAPEX / DD&A	116.2%	234.1%	95.7%	95.0%	100.0%
(-) CAPEX including lease payments and Hgroup	1,139	2,636	1,212	1,337	1,491
<b>FCFF</b>	<b>7,462</b>	<b>3,826</b>	<b>5,621</b>	<b>5,841</b>	<b>6,019</b>
Discount factor	0.91	0.83	0.75	0.68	0.62
DCF	6,789	3,165	4,226	3,990	50,976
<b>Enterprise value - boy 2026</b>	<b>69,146</b>				
Terminal growth rate	2.0%				
Net debt + leases [2025 eoy]	-10,635				
Minority	-388				
Dividend	-1,624				
<b>Equity value - boy 2026</b>	<b>56,497</b>				
DLOL	-5,650				
Number of shares wo. Treasury shares	34				
Time value adjusted cost of equity	10.9%				
<b>Target price (Dec-26)</b>	<b>1,640</b>				
Current price	1385				
Upside/Downside (incl. next DPS)	23.4%				

Source: DH, Concorde Research

## SENSITIVITY TABLES

		TV growth					
		1.0%	1.5%	2.0%	2.5%	3.0%	
Risk free rate in TV	4.0%	1,592	1,684	1,787	1,906	2,044	
	4.5%	1,511	1,592	1,684	1,787	1,906	
	4.7%	1,477	1,554	1,640	1,738	1,850	
	5.0%	1,439	1,511	1,592	1,684	1,787	
	5.5%	1,374	1,439	1,511	1,592	1,684	
WACC in TV		EBIT margin in TV					
		10.0%	11.0%	12.3%	13.0%	14.0%	
		9.0%	1,536	1,678	1,865	1,960	2,102
		9.5%	1,444	1,576	1,752	1,840	1,972
		10.1%	1,354	1,477	1,640	1,723	1,845
		10.5%	1,293	1,410	1,564	1,643	1,759
		11.0%	1,230	1,340	1,486	1,560	1,670

Source: Concorde Research

## Risks

## Upside

- Pursued acquisition plans can bring additional income stream and increased market share on DH's existing and new markets, which could provide additional upside to valuation as well.
- Stronger mortgage origination on the existing markets compared to our estimates.
- Further interest rate cuts in DH's key markets could support housing and intermediary activities.

## Downside

- Unsuccessful enter into new markets could drag on profitability.
- Slower or postponed real estate sales can limit dividend payout capabilities.
- Commission and fee levels are subject to regulatory risk which may lower DH's profitability.
- Further appreciation of the HUF could negatively impact DH's profitability.

## APPENDIX

## MARGINS AND PROFITABILITY

	2025F	2026F	2027F	2028F	2029F	2030F
EBITDA margin	15.5%	15.9%	14.6%	14.6%	14.6%	14.6%
EBIT margin	12.7%	13.2%	11.9%	11.8%	11.7%	11.7%
EBT margin	12.3%	12.6%	11.5%	11.3%	11.3%	11.5%
Net Income margin	9.5%	9.7%	8.8%	8.6%	8.7%	8.8%
ROE	82.8%	63.9%	49.4%	41.6%	36.5%	32.9%
ROA	14.0%	14.8%	14.6%	15.1%	15.8%	16.6%
ROIC	20.5%	22.3%	22.1%	23.3%	24.3%	25.4%

## GROWTH

	2025F	2026F	2027F	2028F	2029F	2030F
Net Sales growth	23.4%	8.7%	6.2%	5.1%	4.5%	4.5%
EBITDA growth	43.8%	11.2%	-2.0%	5.1%	4.5%	4.5%
EBIT growth	56.8%	13.5%	-4.4%	4.2%	3.6%	4.5%
EBT growth	78.4%	11.1%	-3.2%	3.3%	5.2%	6.1%
Profit growth	107.6%	11.4%	-3.4%	3.2%	5.3%	6.2%

## MULTIPLES

	2025F	2026F	2027F	2028F	2029F	2030F
P/E	10.3x	9.2x	9.6x	9.3x	8.8x	8.3x
P/BV	8.5x	5.9x	4.7x	3.9x	3.2x	2.7x
P/CF	7.2x	5.6x	7.5x	7.1x	6.7x	6.3x
FCF Yield %	11.2%	15.3%	11.1%	11.5%	12.1%	12.7%
EV/EBITDA	7.7x	6.4x	6.3x	5.6x	5.1x	4.6x
Net Debt/EBITDA	1.4x	0.7x	0.4x	0.1x	-0.2x	-0.5x

## PROFIT AND LOSS [HUF MILLION]

	2025F	2026F	2027F	2028F	2029F	2030F
<b>Revenues</b>	<b>49,898</b>	<b>54,261</b>	<b>57,635</b>	<b>60,600</b>	<b>63,351</b>	<b>66,228</b>
OPEX	-43,709	-47,235	-50,920	-53,604	-56,103	-58,654
<b>EBITDA</b>	<b>7,586</b>	<b>8,437</b>	<b>8,271</b>	<b>8,693</b>	<b>9,085</b>	<b>9,495</b>
<b>Cleaned Core EBITDA</b>	<b>7,586</b>	<b>8,437</b>	<b>8,271</b>	<b>8,693</b>	<b>9,085</b>	<b>9,495</b>
EBIT	6,189	7,026	6,715	6,996	7,248	7,574
Net financial cost	-171	-343	-243	-309	-211	-106
<b>EBT</b>	<b>6,018</b>	<b>6,684</b>	<b>6,472</b>	<b>6,687</b>	<b>7,037</b>	<b>7,468</b>
Income tax	-1,393	-1,533	-1,495	-1,549	-1,629	-1,726
<b>Net profit</b>	<b>4,625</b>	<b>5,151</b>	<b>4,977</b>	<b>5,138</b>	<b>5,408</b>	<b>5,742</b>
<b>Cleaned Core Net profit</b>	<b>5,055</b>	<b>5,581</b>	<b>5,407</b>	<b>5,568</b>	<b>5,838</b>	<b>6,172</b>

## BALANCE SHEET [HUF MILLION]

	2025F	2026F	2027F	2028F	2029F	2030F
<b>ASSETS</b>						
Intangible assets and goodwill	11,164	10,621	10,045	9,499	8,999	8,569
Right-of-use asset	1,307	1,307	1,307	1,307	1,307	1,307
Property, plant and equipment	501	772	887	948	948	948
Other non-current assets	2,214	1,314	1,314	1,314	1,314	1,314
<b>Total non-current assets</b>	<b>15,185</b>	<b>14,014</b>	<b>13,552</b>	<b>13,068</b>	<b>12,567</b>	<b>12,137</b>
Inventories	2,730	2,969	3,154	3,316	3,466	3,624
Trade receivables	5,012	5,450	5,789	6,087	6,363	6,652
Cash and cash equivalents	5,966	9,187	8,572	8,593	8,824	9,171
Restricted cash	1	1	1	1	1	1
Assets held for sale	1,181	0	0	0	0	0
Other assets	3,072	3,072	3,072	3,072	3,072	3,072
<b>Total current assets</b>	<b>17,961</b>	<b>20,678</b>	<b>20,586</b>	<b>21,068</b>	<b>21,726</b>	<b>22,519</b>
<b>Total assets</b>	<b>33,145</b>	<b>34,692</b>	<b>34,139</b>	<b>34,135</b>	<b>34,293</b>	<b>34,656</b>
<b>EQUITY</b>						
<b>Total equity</b>	<b>5,975</b>	<b>8,447</b>	<b>10,466</b>	<b>12,738</b>	<b>15,195</b>	<b>17,844</b>
<b>LIABILITIES</b>						
Long term loans, borrowings	13,585	12,189	10,793	8,196	5,600	3,004
Other long term borrowings	5,088	5,088	3,547	3,547	3,547	3,547
<b>Total non-current liabilities</b>	<b>18,673</b>	<b>17,277</b>	<b>14,340</b>	<b>11,744</b>	<b>9,148</b>	<b>6,551</b>
Short term borrowings						
Trade payables	5,390	5,861	6,225	6,546	6,843	7,153
Accrued expenses	804	804	804	804	804	804
Other liabilities	2,304	2,304	2,304	2,304	2,304	2,304
<b>Total current liabilities</b>	<b>8,497</b>	<b>8,968</b>	<b>9,333</b>	<b>9,653</b>	<b>9,950</b>	<b>10,261</b>
<b>Total liabilities and Equity</b>	<b>33,145</b>	<b>34,692</b>	<b>34,139</b>	<b>34,135</b>	<b>34,293</b>	<b>34,656</b>

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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%)
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