

The National Bank of Hungary acting in its capacity as financial supervisory authority approved the publication this Prospectus in relation to the Public Offering with its resolution No. H-KE-III-426/2017. The National Bank of Hungary does not have authority to issue any approval in relation to (i) the Institutional Offering or (ii) the Employee Offering or (iii) the listing of the Shares and the category of listing; the latter is subject to fulfilling the listing criteria and the approval of the Budapest Stock Exchange.

NOT FOR CIRCULATION IN THE UNITED STATES



WABERER'S INTERNATIONAL ZÁRTKÖRŰEN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG

(a Hungarian company limited by shares)

Offering of up to 11,735,085 Shares

Offer Price Range: HUF 5,100 to HUF 6,300 per Offer Share.

Application for listing of all existing and up to 3,088,236 newly issued ordinary registered shares on the "Equities Prime Market" category of the Budapest Stock Exchange

This prospectus (the "Prospectus") has been prepared for the purposes of: (i) an offering of (a) up to 7,160,973 existing ordinary registered shares of WABERER'S INTERNATIONAL Zártkörűen Működő Részvénytársaság, with its registered office at 1239 Budapest, Nagykörösi út 351, company registration number 01-10-041375 (the "Company"), each fully paid up with a nominal value of EUR 0.35 per share by CEE Transport Holding B.V., with its registered office at Herikerbergweg 238, Luna Arena, 1101CM Amsterdam, the Netherlands (the "Selling Shareholder") (the "Existing Offer Shares") and, in addition, up to 1,485,876 existing ordinary registered shares of the Company, each fully paid up with a nominal value of EUR 0.35 per share from the holdings of the Selling Shareholder (the "Over-Allotment Shares"), and (b) of up to 3,088,236 ordinary registered shares to be issued by the Company, with a nominal value of EUR 0.35 per share by the Company (the "New Shares" and together with the Existing Offer Shares and the Over-Allotment Shares, the "Offer Shares"); and (ii) an application to the Budapest Stock Exchange for the admission of all ordinary registered shares issued by the Company comprising 100% of the registered capital of the Company as of the date hereof (the "Existing Shares") and of the New Shares (together with the Existing Shares, the "Shares") to trading on the Budapest Stock Exchange (the "Budapest Stock Exchange"). The preferential right of the Company's existing shareholders to subscribe for the New Shares will be excluded in accordance with the decision of the extraordinary general meeting of the Company dated 31 May 2017. The Selling Shareholder will receive the net proceeds from the sale of the Existing Offer Shares and any Option Shares (as defined below) and the Company will receive the net proceeds from the sale of the New Shares.

As of the date of this Prospectus, the Company is operating as a private company limited by shares incorporated under the laws of Hungary. The general meeting of the Company's shareholders resolved on 31 May 2017 to change the legal form of the Company from the existing private company limited by shares to a public company limited by shares. This change of the Company's form shall take effect on the date when the Budapest Stock Exchange approves the listing of the Existing Shares and the Existing Shares are registered on the Product List of the Budapest Stock Exchange.

Investing in the Offer Shares involves a high degree of risk. Before buying any of the Offer Shares, prospective purchasers should carefully read "Risk Factors" beginning on page 54 of this Prospectus.

Prior to the Offering, there has been no public market for the Shares and the Selling Shareholder owns approximately 97.18% of the Existing Shares. Following the completion of the Offering (assuming the maximum number of Offer Shares is sold and the Greenshoe Option (as defined below) is fully exercised), the Selling Shareholder will hold 31.53% of the Shares.

The Company will apply for admission of the Existing Shares on the Budapest Stock Exchange on or about 19 June 2017 and for admission of the New Shares on the Budapest Stock Exchange on or about 3 July 2017. Trading in the Shares on the Budapest Stock Exchange is expected to commence on or about 6 July 2017 (the "Trading Date").

The period during which investors may submit purchase orders for the Offer Shares, commences on 19 June 2017 and is expected to end on 29 June 2017, at 12:00 noon Central European Time for investors participating in the Public Offering (the "Public Offer Period"), commences on 19 June 2017 and is expected to end on 27 June 2017, at 17:00 CET (Central European Time) for investors participating in the Employee Offering (the "Employee Offer Period") and commences on 19 June 2017 and is expected to end on 29 June 2017, at 17:00 CET (Central European Time) for investors participating in the Institutional Offering (the "Institutional Offer Period" and together with the Public Offer Period and Employee Offer Period, the "Offer Period").

The offering of the Offer Shares is structured as a single transaction consisting of (i) a public offering in Hungary of up to 1,379,718 Existing Offer Shares, up to 297,175 Over-Allotment Shares and up to 617,647 New Shares to investors other than eligible institutional investors (the "Public Offering"), (ii) an offering to eligible employees and executive officers of the Group of up to 1,465,402 Offer Shares (subject to limitations set out in this Prospectus) (the "Employee Offering") and (iii) a private placement of the Offer Shares to eligible institutional investors in Hungary and in other jurisdictions (the "Institutional Offering" and, together with the Public Offering and the Employee Offering, the "Offering"). The Offer Shares are being offered in the United States of America to certain qualified institutional buyers ("QIBs") as defined in Rule 144A ("Rule 144A") pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act of 1933, as amended (the "U.S. Securities Act") and outside the United States of America in offshore transactions as defined in, and in reliance on, Regulation S under the U.S. Securities Act ("Regulation S"). There will be no public offering of the Offer Shares in any jurisdiction outside of Hungary. The Offer Shares may be offered to institutional investors outside of Hungary in accordance with applicable law. **Prospective purchasers are hereby notified that the seller of the Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act.**

For a description of these and certain further restrictions on offers, sales and transfers of the Offer Shares and distribution of this Prospectus, see the sections entitled "Plan of Distribution" and "Transfer Restrictions". **The Offer Shares should be bought and traded only by persons knowledgeable in investment matters.**

The offer price range (the "Offer Price Range") has been set at HUF 5,100 to HUF 6,300 per Offer Share. The final offer price (the "Offer Price") is expected to be determined after the close of the Offer Period for the Offering on or about 29 June 2017. The Offer Price in the Public Offering, the Employee Offering and the Institutional Offering will be the same. If not all of the Offer Shares will be placed due to insufficient demand, New Shares will be placed as a matter of priority over Existing Offer Shares. The Offer Price will be determined by the Selling Shareholder, the Company and the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering on the basis of the book building process within the Offer Price Range and published in the form of a pricing statement in the same manner as this Prospectus.

In addition, the Selling Shareholder has granted to the Managers an option exercisable by Erste Group Bank AG acting as Stabilisation Manager for the account of the Managers within 30 calendar days after the trading in the Shares commences on the Budapest Stock Exchange to acquire up to 1,485,876 Existing Shares (the "Option Shares") (corresponding to 15% of the number of Existing Offer Shares and New Shares) from the Selling Shareholder at the Offer Price to cover short positions resulting from any over-allotments made in connection with the Offering.

The National Bank of Hungary (the "MNB") acting in its capacity as competent authority under Act CXX of 2001 on the Capital Market (the "Hungarian Capital Markets Act") approved the publication of this Prospectus in relation to the Public Offering only. Neither the accuracy of the information in this Prospectus nor the determination of the market category of the Budapest Stock Exchange on which the Shares will be admitted to trading fall within the scope of examination by, or powers of, the MNB under applicable Hungarian law. The MNB has not verified that the information contained in the Prospectus is true and fair. Erste Group Bank AG fulfils the role of distributor for the purposes of Section 23(1) of the Hungarian Capital Markets Act and its mandated agent Erste Befektetési Zrt is acting as sub-distributor.

Joint Global Coordinators and Joint Bookrunners

Citigroup

Berenberg

Joint Bookrunner and Lead Manager of the Hungarian Public Offering

Erste Group

Joint Bookrunner

Renaissance Capital

The date of this Prospectus is 15 June 2017.

In the absence of the joint and several liability of the Company, the Selling Shareholder and the Managers, investment in the shares carries higher-than-customary risk (in Hungarian, *kiemelten kockázatos*) for the investors.

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SUMMARY

Summaries are made up of disclosure requirements known as elements (“**Elements**”). These Elements are numbered in sections A – E (A.1 – E.7). This summary contains all the Elements required to be included in a summary for this type of securities and issuer. Because some Elements are not required to be addressed, there may be gaps in the numbering sequence of the Elements. Even though an Element may be required to be inserted in the summary because of the type of securities and issuer, it is possible that no relevant information can be given regarding the Element. In this case a short description of the Element is included in the summary with the mention of “not applicable”.

SECTION A – INTRODUCTION AND WARNINGS		
A.1	Introduction and warnings	<p>This summary should be read as an introduction to this prospectus (the “Prospectus”) relating to: (i) an offering of up to 7,160,973 ordinary registered shares of WABERER’S INTERNATIONAL Zártkörűen Működő Részvénytársaság (the “Company”), each fully paid up with a nominal value of EUR 0.35 per share by CEE Transport Holding B.V., with its registered office at Herikerbergweg 238, Luna ArenA, 1101CM Amsterdam, the Netherlands (the “Selling Shareholder”) (the “Existing Offer Shares”), of up to 1,485,876 existing ordinary registered shares of the Company, each fully paid up, with a nominal value of EUR 0.35 per share from the holdings of the Selling Shareholder (the “Over-Allotment Shares”) and of up to 3,088,236 ordinary registered shares to be issued by the Company, with a nominal value of EUR 0.35 per share by the Company (the “New Shares” and together with the Existing Offer Shares and the Over-Allotment Shares, the “Offer Shares”); and (ii) an application to the Budapest Stock Exchange for the admission of all ordinary registered shares issued by the Company, each fully paid up with a nominal value of EUR 0.35 per share, comprising 100% of the registered capital of the Company as of the date hereof (the “Existing Shares”) and of the New Shares (together with the Existing Shares, the “Shares”) to trading on the Equities Prime Market of the Budapest Stock Exchange (the “Budapest Stock Exchange”).</p> <p>This summary is provided as an aid to investors when considering whether to invest in the Shares, but is not a substitute for the Prospectus. Any decision to invest in the Shares should be based on a consideration of the Prospectus as a whole, including any documents incorporated by reference. Following the implementation of the relevant provisions of the Prospectus Directive (Directive 2003/71/EC, as amended) in each member state of the European Economic Area, no civil liability will attach to the Responsible Persons in any such member state solely on the basis of this summary, including any translation thereof, unless it is misleading, inaccurate or inconsistent when read together with the other parts of this Prospectus or it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in the Shares. Where a claim relating to the information contained in this Prospectus is brought before a court in a member state of the European Economic Area, the plaintiff may, under the national legislation of the member state where the claim is brought, be required to bear the costs of translating the Prospectus before the legal proceedings are initiated.</p>
A.2	Subsequent use of the Prospectus	<p>The Company does not consent to the use of the Prospectus for subsequent resale or final placement of the Shares by financial intermediaries.</p>

SECTION B – THE ISSUER		
B.1	Legal and commercial name	WABERER'S INTERNATIONAL Zártkörűen Működő Részvénytársaság.
B.2	Domicile, legal form, legislation under which the issuer operates, country of incorporation	<p>As of the date of this Prospectus, the Company is operating as a private company limited by shares incorporated under the laws of Hungary. The general meeting of the Company's shareholders resolved on 31 May 2017 to change the legal form of the Company from the existing private company limited by shares to a public company limited by shares. This change of the Company's form shall take effect on the date when the Budapest Stock Exchange approves the listing of the Existing Shares, expected to be on or about 20 June 2017.</p> <p>The registered office of the Company is at 1239 Budapest, Nagykörösi út 351, Hungary.</p> <p>The Company and all its consolidated subsidiaries (together the "Group") are subject to, and their operations are regulated by, among others, the Convention on the Contract for the International Carriage of Goods by Road, United Nations Convention on Road Traffic concluded in Vienna on 13 November 1997 on the worthiness tests for motor vehicles and their trailers, numerous directives and regulations of the European Union (the "EU") including Regulation No 561/2006 of the European Parliament and of the Council of 15 March 2006 on the harmonisation of certain social legislation to road transport Regulation (EC) No 593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations), Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance by the Hungarian Act I of 1988 on road transport, the Hungarian Act of 2012 on the Labour Code and national legislation of several EU members states regarding minimum wages, such as the so-called MILOG Act in Germany or Loi Macron Act in France.</p>
B.3	Description of, and key factors relating to, the nature of the issuer's current operations and its principal activities, stating the main categories of products sold and/or services performed and identification of the principal markets in which the issuer competes	<p>The Group is the largest owned vehicle operator within the European international FTL segment of the transportation market as measured by own fleet size and the largest logistics service provider in Hungary as measured by revenue, according to Transport Intelligence Ltd. In 2016, the Group generated EUR 572.4 million of revenue, EUR 69.2 million of EBITDA and EUR 73.6 million of Adjusted EBITDA. In the same period, on a pro forma basis (giving effect to the acquisition of Wáberer Hungária Biztosító Zrt., with its registered office at 1211 Budapest, Szállító u. 4, Hungary (the "Insurance Company") and of Link sp. z o.o., with its registered office in Wiązowna, at Nadrzeczna 17, 05-462 Wiązowna, Poland ("LINK") as if it had occurred on 1 January 2016), the Group generated EUR 676.1 million of revenue, EUR 81.5 million of EBITDA and EUR 86.9 million of Adjusted EBITDA.</p> <p>The Group's business is divided into three segments: (i) the segment comprising international transportation services focused primarily on the EU (the "International Transportation Segment"); (ii) the segment comprising regional transportation and logistics services in Hungary and the CEE region (the "Regional Contract Logistics Segment"); and (iii) the segment comprising mainly the insurance services provided by the Insurance Company to third parties outside the Group (the "Other Segment").</p> <p>The International Transportation Segment generated 73.9% and 77.5% (79.5% on a pro forma basis, giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016)</p>

of the Group's total revenue for the three months ended 31 March 2017 and for the year ended 31 December 2016, respectively. In the same periods, the Regional Contract Logistics Segment generated 18.3% and 16.3% (14.3% on a pro forma basis, giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016) of the Group's total revenue for the three months ended 31 March 2017 and for the year ended 31 December 2016, respectively. The Other Segment generated 7.8% and 5.6% (6.1% on a pro forma basis, giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016) of the Group's total revenue for the three months ended 31 March 2017 and for the year ended 31 December 2016.

The International Transportation Segment is divided into two main business lines: (i) the international long-haul transportation of standardised goods through FTL services, carried out through the Group's own fleet of trucks and non-specialised trailers (the "**International Asset Based**" business line; and (ii) specialised freight forwarding operations primarily carried out by a network of qualified sub-contractors in the framework of the Group's international freight forwarding business line (the "**International Freight Forwarding**" business line"). The International Freight Forwarding business line focuses on (i) international specialised FTL services not covered by the International Asset Based business line, through its International FTL Freight Forwarding business and (ii) groupage operations by way of LTL services (deliveries of orders which do not fill an entire truckload and accordingly do not qualify as FTL).

As of the date of this Prospectus, the Group's International Transportation Segment is primarily carried out by the Company directly and through the Operational Management Units.

The Group, through its Regional Contract Logistics Segment, is the largest transportation and logistics service provider in Hungary as measured by revenue and offers its domestic customers short and medium haul road transportation and distribution services through the Regional Transportation business and warehousing services through the Regional Logistics business.

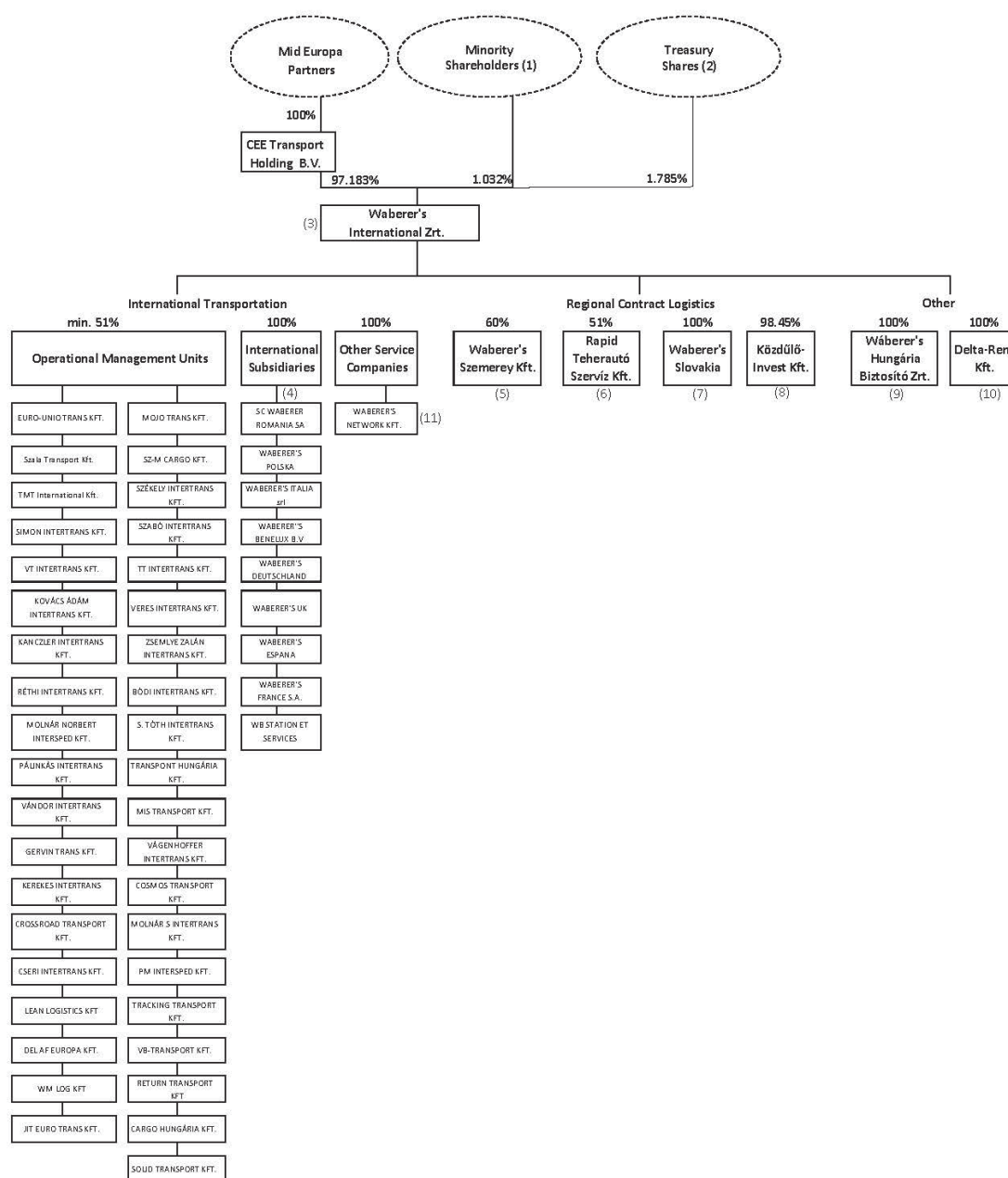
In its Regional Contract Logistics Segment, the Group offers short and medium haul road transportation, warehousing and distribution services to its regional customers in Hungary and the CEE region. The Group's Regional Transportation business operates a dedicated fleet of specially equipped trucks that transport dry and refrigerated goods and provide container and gas-cylinder transportation services, while the Regional Logistics business disposed, as of 31 March 2017, of a leased warehousing capacity of 182,399 square meters, including outsourced warehousing services at customer premises in the capacity of 25,241 square meters.

The Group's operations in the Regional Contract Logistics Segment are carried out mainly by Waberer's-Szemerey, which is 60% owned by the Group and 40% owned by Mr Lóránd Szemerey. The operations of the Group's Regional Contract Logistics Segment are principally located in Hungary. The Regional Contract Logistics Segment also operates an office in Slovakia which provides logistics services in Slovakia to an energy company.

Following the completion of the Group's acquisition of the Insurance Company on 8 April 2016, the Group's business was expanded to include the provision of non-life insurance products in Hungary, with the Group's transportation and logistics business being the Insurance Company's largest client for its insurance products. The Group's Other Segment includes mainly the insurance business and products of the Insurance Company provided to third parties outside the Group.

		<p>The Group's headquarters and centre of operations are located in Budapest, Hungary. As such, the Group is situated in central Europe at the crossroads of significant international transit lines, providing it with a wide geographical reach in Europe.</p> <p>The Group's business is characterised by industry leading operational performance and efficiency largely as a result of its internally developed bespoke IT system, a fully-standardised modern fleet, an integrated in-house maintenance and insurance model and a motivating management business model. The Group operates a modern fleet, with an average age of 2.6 years as of 31 March 2017. As of 31 March 2017, the Group operated 3,730 trucks, had 6,857 employees, of which 5,048 were truck drivers. The Group's proprietary "Waberer's Intelligent Routing Engine" ("WIRE") system, which was implemented in January 2016, calculates the optimal route between pickup and delivery points, taking into consideration elements such as costs or the minimum rest time requirements for drivers. In addition, the Group's proprietary "Waberer's Intelligent Planning Engine" ("WIPE") IT system, which was implemented in 2013, helps to optimally match free truck capacity with the orders received from customers to maximise loaded ratio.</p> <p>The Group's IT system, combined with its modern fleet, have contributed to the high loaded ratio achieved by the Group, with 91.6% in its International Transportation Segment for 2016 as compared to an EU average of 87.5% for 2015, according to management's estimate based on Eurostat data.</p>
B.4.a	Most significant recent trends affecting the issuer and the industries in which it operates	<p>Management believes that the following are the key factors that have impacted the Group's results of operations and financial condition in the three months ended 31 March 2017 and in the years ended 31 December 2016, 2015 and 2014 and which may in the future continue to materially affect the Group's results of operations and financial condition:</p> <ul style="list-style-type: none"> ● general market conditions; ● cost-cutting by manufacturers; ● globalisation of industrial production ● pricing and sales volumes; ● material costs; ● driver base; ● effectiveness of the Group's bespoke IT system; ● specialisation in the logistics industry; ● fleet management and equipment resales; ● seasonal trends; ● severity and frequency of claims with the Insurance Company; and ● impact of foreign currency exchange rates.
B.5	Description of the group and the issuer's position within the group	<p>The Company is an operating company and the parent company of the Group.</p> <p>The structure chart below describes the Group and the issuer's position within the Group:</p>

The following table sets out the detailed corporate structure of the Group:



Notes:

- (1) Includes over 150 minority shareholders, mainly shareholders of the predecessors of the Company, i.e., Volán Tefu Rt. and Hungarocamion Rt., which had employee participation programs. From the Company's current management, only Mr Ferenc Lajkó (Chief Executive Officer of the Company and members of its Board of Directors) and Mr Csaba Kiss (Director of Transportation) had, as of the date of this Prospectus, Shares issued by the Company in the amount 11,559 Shares and 2,449 Shares, respectively, which together represent 0.098% of the Company's total share capital.
- (2) Treasury shares of the Company in the amount of 1.785% of the Company's total share capital held by the Company as of 1 June 2017, of which, approximately 1.07% are held by the Waberer's Employee Share Ownership Programme Organisation (in Hungarian, *Waberer's Munkavállalói Résztulajdonosi Program Szervezet*).
- (3) In addition to its head office functions for the benefit of the entire Group, the Company itself performs business activities in the International Transportation Segment.
- (4) The International Transportation Segment maintains a number of international offices throughout Europe with 100% direct or indirect control of the Company.
- (5) Constitutes the principal part of the Regional Contracts Logistic Segment. The Company has been granted a call option with respect to the 40% quota retained by Mr Lóránd Szemeray.

	<p>(6) Provides maintenance services mainly for the Regional Contract Logistics Segment. Mr Imre Kovács holds the remaining 49% of the shares.</p> <p>(7) Constitutes part of the Regional Contracts Logistics Segment by providing services to an oil refining company in Slovakia.</p> <p>(8) The Insurance Company controls Közdülő Invest Kft. which owns PLK logistics centre comprising of warehouses and office buildings. Közdülő Invest Kft. as lessor rents to Waberer's-Szemerey certain warehouse and office premises in PLK logistics centre.</p> <p>(9) The Insurance Company became part of the Group as of 8 April 2016.</p> <p>(10) In addition to the Group entities performing business activities within the International Transportation Segment and Regional Contract Logistics Segment, the Group has an additional subsidiary (Delta-Rent Kft.), which provides other services for the benefit of the Group.</p> <p>(11) Includes the freight forwarding activities of the Group, which has been operating as a separate legal entity since December 2010.</p>	
B.6	<p>Persons who, directly or indirectly, have a (notifiable) interest in the issuer's capital or voting rights or have control over the issuer</p>	<p>As of the date of this Prospectus, the Company's main shareholder is CEE Transport Holding B.V. as the Selling Shareholder, which holds 14,241,190 shares of the Company representing approximately 97.18% of the registered capital and voting rights in the Company.</p> <p>The Selling Shareholder is a portfolio investment company ultimately owned and controlled by Mid Europa III Management Limited in its capacity as the ultimate general partner of Mid Europa Fund III LP ("Mid Europa").</p>
	<p>Whether the issuer is directly or indirectly owned or controlled and by whom and description of the nature of control</p>	<p>As of the date of this Prospectus, the Company is controlled by the Selling Shareholder. The control of the Selling Shareholder over the Company is based on the ownership of approximately 97.18% of its shares and voting rights.</p>
	<p>Voting rights</p>	<p>Each Share carries one vote at the general meeting of the Company. Other than the legal requirement that acquisition of 10% or more of the Shares would be subject to the approval of the National Bank of Hungary (the "MNB") as the insurance regulator, there are no restrictions on voting rights. The Shares held by the Selling Shareholder have the same voting rights as the voting rights of the Shares.</p>
B.7	<p>Selected financial and business information</p>	<p>The financial and business information set out below have been extracted from (i) the unaudited consolidated condensed financial statements of the Company as of and for the three months ended 31 March 2017, which include financial information as of and for the three months ended 31 March 2016 as a comparison, including the notes thereto (the "Interim Financial Statements") and the special-purpose audited consolidated financial statements of the Company as of and for the years ended 31 December 2016, 2015 and 2014, including the notes thereto (the "Annual Financial Statements") and, together with the Interim Financial Statements, the "Financial Statements"; and (ii) the Company's internal accounting system. The Annual Financial Statements have been prepared for the purpose of the Offering.</p> <p>The Financial Statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standard Board and adopted by the EU ("IFRS"). The Annual Financial Statements were audited by Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság, 1132 Budapest, Váci út 20., Hungary ("Ernst & Young") as stated in their report attached to the Financial Statements included in this Prospectus. The Interim Financial Statements have been reviewed by Ernst & Young as stated in their report attached to the Interim Financial Statements included in this Prospectus.</p>

Consolidated Comprehensive Income Statement Data for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014, including the Pro Forma Income Statement Data (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016) for the year ended 31 December 2016:

	For the three months ended 31 March (unaudited)		Pro forma total for the year ended 31 December 2016 (unaudited)	For the year ended 31 December (audited)		
	2017	2016	(unaudited)	2016	2015	2014
<i>(in EUR thousands, except amounts per share and %)</i>						
Continuing activities						
Revenue	155,158	127,230	676,116	572,352	522,480	496,200
Direct wages, benefits and allowances	(23,104)	(19,448)	(97,850)	(86,590)	(70,004)	(64,176)
Fuel cost	(30,001)	(24,850)	(115,488)	(104,654)	(107,820)	(123,097)
Toll fees and transit costs	(25,221)	(24,363)	(106,683)	(94,229)	(93,590)	(86,288)
Cost of subcontractors and reinsurance fee	(29,919)	(22,099)	(154,824)	(110,549)	(92,208)	(81,498)
Cost of goods sold	(3,067)	(1,966)	(13,988)	(13,650)	(16,765)	(11,834)
Other cost ⁽¹⁾	(16,053)	(11,803)	(52,670)	(46,934)	(41,309)	(32,765)
Net gain on fleet sales ..	(26)	737	2,996	4,038	6,134	8,259
Gross profit	27,766	23,438	137,609	119,784	106,918	104,801
Indirect wages and benefits.....	(7,478)	(5,778)	(31,702)	(27,681)	(23,055)	(19,200)
Other services ⁽²⁾	(4,473)	(3,284)	(20,912)	(18,321)	(15,372)	(12,405)
Other operating income ⁽³⁾	1,933	2,870	8,600	6,208	6,996	9,358
Other operating expense ⁽⁴⁾	(469)	(788)	(12,059)	(10,808)	(5,184)	(14,418)
Profit before interest tax, depreciation and amortisation (EBITDA) (unaudited)	17,280	16,458	81,535	69,182	70,303	68,136
Depreciation and amortisation	(12,160)	(13,014)	(57,359)	(52,012)	(49,556)	(41,892)
Profit before interest and tax (EBIT) (unaudited)	5,120	3,444	24,177	17,170	20,747	26,244
Interest	(1,006)	(867)	(3,629)	(3,126)	(2,875)	(9,016)
Profit (loss) before income tax	4,114	2,578	20,548	14,044	17,872	17,228
Income taxes	(631)	(1,560)	(6,357)	(4,870)	(5,452)	(6,147)
Profit (loss) for the year ..	3,483	1,017	14,191	9,174	12,420	11,081
Adjusted EBITDA (unaudited) ⁽⁵⁾	18,189	16,496	86,861	73,595	71,511	68,136⁽⁶⁾
Adjusted EBIT (unaudited) ⁽⁵⁾	6,029	3,482	29,502	21,583	21,955	26,244⁽⁶⁾
Adjusted EBITDA Margin (unaudited) ⁽⁵⁾⁽⁷⁾ ..	11.7%	13.0%	12.8%	12.9%	13.7%	13.7%⁽⁶⁾

Notes:

- (1) Other cost consists primarily of direct repair and maintenance costs, direct insurance costs, direct rental fees, vehicle tax and other contracts
- (2) Other services consist primarily of other indirect costs related to: property, IT and telecommunication, marketing, professional services and other services
- (3) Other operating income consists primarily of reversal of provisions, damages received, fines, penalties, default interest, employee refunds, support received, reversal of receivable amortization, interest received on the insurance term deposits for covering loss reserves, other income

	<p>(4) Other operating expense consists primarily of damages paid, provisions, impairment of receivables, penalties, fines, impairment of inventories, credit loss, impairment loss on fixed assets, provisions of insurance damages and various other expenses.</p> <p>(5) Adjustment for the year 2016 in the amount of EUR 4,413 thousand include the following non-recurring items: (i) the one-off costs incurred by the Group in connection with the discontinued initial public offering of the Company, undertaken in 2015 and 2016, and the one-off professional fees incurred in connection with the related employees share offering program (ESOP) in the amount of EUR 3,139 thousand; (ii) the one-off costs incurred by the Group due to the change of control which occurred during 2016 and include the severance payments made by the Group to the former members of the Company's management in the amount of EUR 797 thousand; and (iii) the one-off cost incurred due to the revision of the aim of the Company's employee share offering program (ESOP) and the creation of a provision for covering future benefits paid out to the employee share offering program (ESOP) in the amount of EUR 477 thousand.</p> <p>Adjustment for the year 2015 include the one-off costs incurred by the Group in connection with the discontinued initial public offering of the Company, undertaken in 2015 and 2016, and with the related employees share offering program (ESOP) in the amount of EUR 1,208 thousand.</p> <p>(6) No adjustments for 2014.</p> <p>(7) Calculated as Adjusted EBITDA divided by revenue.</p>	
	<p>Significant changes to the issuer's financial condition and operating results</p>	<p>The financial position and financial performance of the Group as of and for the three months ended 31 March 2017 and 2016 and as of and for the years ended 31 December 2016, 2015 and 2014 was significantly influenced by the fact that in the year ended 31 December 2016, the Company acquired the Insurance Company, while there were no such major acquisitions in the years ended 31 December 2015 and 2014. The financial position and financial performance of the Group in the year ended 31 December 2016 was influenced by the acquisition the Insurance Company on 8 April 2016. In addition to the positive effect of this acquisition, the Group's results of operations were also positively influenced by the increase in the number of kilometres driven by both the International Transportation Segment and the Regional Contracts Logistics Segment, which was partially offset by lower revenue per kilometre, increase in the number of truck drivers and of wages of the International Transportation Segment's truck drivers and the newly incurred reinsurance fees.</p>
<p>B.8</p>	<p>Selected key pro forma financial information, identified as such</p>	<p>The unaudited pro forma income statement of the Group have been prepared to illustrate the effect of the acquisition of the Insurance Company, which was acquired on 8 April 2016, and the currently ongoing acquisition of LINK on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016 and on the Group's balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016 (the "Pro Forma Financial Statements"). The Pro Forma Financial Statements are based on the financial information derived from the Annual Financial Statements, the audited consolidated financial statements of the Insurance Company as of and for the year ended 31 December 2016 (the "Insurance Company Financial Statements") and the audited financial statements of LINK as of and for the year ended 31 December 2016 (the "LINK Financial Statements"), are compiled on the basis set out in the notes thereto and in accordance with the accounting policies adopted by the Group for the year ended 31 December 2016.</p> <p>The Pro Forma Financial Statements have been prepared for illustrative purposes only and, because of their nature, address a hypothetical situation and do not, therefore, represent the Group's actual financial position or results. Accordingly, the Pro Forma Financial Statements may not, because of their nature, give a true picture of the Group's financial position or results.</p>

Unaudited Pro Forma Income Statement for the year ended 31 December 2016

The unaudited pro forma income statement of the Group below illustrates the effect of the acquisitions of the Insurance Company and of LINK on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016:

	Group for the year ended 31 December 2016 (audited)	Adjustment LINK's operations for the year ended 31 December 2016 (unaudited)	Insurance Company's third party operation ⁽¹⁾ for the period beginning on 1 January 2016 and ending on 31 March 2016 (unaudited)	Pro Forma Total (unaudited)
<i>(in EUR thousands, except %)</i>				
Continuing activities				
Revenue	572,352	94,309	9,455	676,116
Direct wages, benefits and allowances....	(86,590)	(11,260)	—	(97,850)
Fuel costs.....	(104,654)	(10,834)	—	(115,488)
Toll fees and transit costs.....	(94,229)	(12,454)	—	(106,683)
Cost of subcontractors and reinsurance fee	(110,549)	(39,306)	(4,969)	(154,824)
Other cost ⁽²⁾	(46,934)	(3,570)	(2,166)	(52,670)
Net gain on fleet sales	4,038	(1,042)	—	2,996
Cost of goods sold.....	(13,650)	(339)	—	(13,988)
Gross profit	119,784	15,506	2,320	137,609
Indirect wages and benefits	(27,681)	(3,464)	(558)	(31,702)
Other services ⁽³⁾	(18,321)	(2,446)	(145)	(20,912)
Other operating income ⁽⁴⁾	6,208	1,015	1,377	8,560
Other operating expense ⁽⁵⁾	(10,808)	(1,041)	(211)	(12,059)
Profit before interest tax, depreciation and amortisation (EBITDA) (unaudited)	69,182	9,570	2,783	81,535
Depreciation and amortisation	(52,012)	(5,270)	(76)	(57,359)
Profit before interest and tax (EBIT) (unaudited)	17,170	4,230	2,707	24,177
Interest	(3,126)	(537)	34	(3,629)
Profit (loss) before income tax	14,044	3,762	2,741	20,548
Income taxes.....	(4,870)	(984)	(502)	(6,357)
Profit (loss) for the year	9,174	2,778	2,239	14,191
Adjusted EBITDA (unaudited)⁽⁶⁾	73,595	10,483	2,783	86,861
Adjusted EBIT (unaudited)⁽⁶⁾	21,583	5,212	2,707	29,502
Adjusted EBITDA Margin (unaudited)⁽⁷⁾	12.9%	—	—	12.8%

Notes:

- (1) The unaudited special purpose statements of comprehensive income for the period between 1 January 2016 and 31 March 2016 of the Insurance Company used as for the preparation of the Pro Forma Financial Information were prepared with eliminating all effects of inter-company transactions between the Group and the Insurance Company
- (2) Other cost consists primarily of direct repair and maintenance costs, direct insurance costs, direct rental fees, vehicle tax and other contracts
- (3) Other services consist primarily of other indirect costs related to: property, IT and telecommunication, marketing, professional services and other services
- (4) Other operating income consists primarily of reversal of provisions, damages received, fines, penalties, default interest, employee refunds, support received, reversal of receivable amortization, interest received on the insurance term deposits for covering loss reserves, other income
- (5) Other operating expense consists primarily of damages paid, provisions, impairment of receivables, penalties, fines, impairment of inventories, credit loss, impairment loss on fixed assets, provisions of insurance damages and various other expenses.
- (6) Adjustment for the year 2016 in the amount of EUR 4,413 thousand include the following non-recurring items: (i) the one-off costs incurred by the Group in connection with the discontinued initial public offering of the Company, undertaken in 2015 and 2016, and the one-off professional fees incurred in connection with the related employees share offering program (ESOP) in the amount of EUR 3,139 thousand; (ii) the one-off costs incurred by the Group due to the change of control

		<p>which occurred during 2016 and include the severance payments made by the Group to the former members of the Company's management in the amount of EUR 797 thousand; and (iii) the one-off cost incurred due to the revision of the aim of the Company's employee share offering program (ESOP) and the creation of a provision for covering future benefits paid out to the employee share offering program (ESOP) in the amount of EUR 477 thousand.</p> <p>(7) Calculated as Adjusted EBITDA divided by revenue.</p>
B.9	Profit forecast and estimate	Not applicable. This Prospectus contains no profit forecast or estimate.
B.10	Qualifications in the audit report on the historical financial information	Not applicable. There are no such qualifications.
B.11	Insufficiency of the issuer's working capital for its present requirements	Management believes that the Group has sufficient working capital for its present requirements, that is, for at least the 12 months from the date of this Prospectus.
SECTION C – SECURITIES		
C.1	Type and the class of the securities being offered and/or admitted to trading, including any security identification number	<p>This Prospectus relates, among other things, to the offering of up to 7,160,973 Existing Offer Shares, each fully paid up with a nominal value of EUR 0.35 per share, by the Selling Shareholder, of up to 1,485,876 Over-Allotment Shares, each fully paid up, with a nominal value of EUR 0.35 per share, by the Selling Shareholder and of up to 3,088,236 New Shares with a nominal value of EUR 0.35 per share.</p> <p>The Existing Offer Shares and the Over-Allotment Shares are in dematerialised form and the New Shares will be registered at the central register of securities kept by the Hungarian Central Clearing House and Depository (in Hungarian, <i>Központi Elszámolóház és Értéktár (Budapest) Zrt.</i>), with its registered seat at 1074 Budapest, Rákóczi út 70-72 (“KELER”).</p> <p>This Prospectus is also drawn up for the purposes of the admission of the Shares to trading on the Budapest Stock Exchange. The listing of the Shares and the category of listing is subject to fulfilling the listing criteria and the approval of the Budapest Stock Exchange.</p> <p>The security identification number (ISIN) of the Shares is: HU0000120720.</p> <p>The trading symbol of the Shares is: WABERERS.</p>
C.2	Currency of the securities issue	The Shares are denominated in euro and the Offer Price Range is expressed in HUF.
C.3	The number of shares issued and fully paid and issued but not fully paid, as well as the par value per share, or that the shares have not par value	<p>The Company's registered share capital consists of 14,654,028 dematerialised, series “A” ordinary registered shares with a nominal value of EUR 0.35 each. All Existing Shares have been fully paid up.</p> <p>As of the date of the Prospectus, no Shares are held by the Company except for 261,614 treasury shares corresponding to approximately 1.785% of the Company's total share capital, of which 157,665 treasury shares corresponding to approximately 1.07% are held by the Waberer's Employee Share Ownership Programme Organisation (in Hungarian, <i>Waberer's Munkavállalói Rész tulajdonosi Program Szervezet</i>).</p> <p>All issued shares are subject to, and have been or will be created under, the Hungarian law.</p>
C.4	Rights attached to the securities	<p>Holders of the Shares have especially the:</p> <ul style="list-style-type: none"> ● right to participate at the general meeting and voting right; ● right to information; ● right to dividend; and

		<ul style="list-style-type: none"> • preferential right to subscribe for the newly issued shares. <p>The Shares rank equally for voting purposes and right to information. Each of the Shares ranks equally for any dividend declared, any distribution made on a winding-up and in the right to receive a relative proportion of shares in the event of a capital increase from the Company's own equity. In the case of a capital increase by way of cash contribution, the Shareholders may have priority right to subscribe for the newly issued shares.</p> <p>The Shares may not be redeemed or exchanged.</p>
C.5	Restrictions on the free transferability of the securities	<p>The Company's articles of association do not contain any restriction on the transfer of Shares.</p> <p>The Shares are freely transferable subject to selling and transfer restrictions under the relevant laws in certain jurisdictions applicable to the transferor or transferee, including the United States, the United Kingdom and the EEA and other jurisdictions and contractual lock-ups for certain shareholders.</p> <p>Because the Insurance Company is a wholly-owned subsidiary of the Company, the acquisition of 10% or more of the Shares in the Company would be subject to MNB's approval. If the MNB does not approve the acquisition, the shareholder may not acquire 10% or more of the Shares in the Company.</p> <p>Each purchaser of the Offer Shares, by accepting delivery of this Prospectus, will be deemed to make certain representations to ensure compliance with the applicable securities laws of the United States.</p>
C.6	An indication as to whether the securities offered are or will be the object of an application for admission to trading on a regulated market and the identity of all the regulated markets where the securities are or are to be traded	<p>There has been no public trading market for the Shares. The Company will apply for admission of the Existing Shares on the Budapest Stock Exchange on or about 19 June 2017 and for admission of the New Shares on the Budapest Stock Exchange on or about 3 July 2017. The listing approvals regarding the Existing Shares and the New Shares are expected to be announced on or about 20 June 2017 and 5 July 2017, respectively. Trading of the Shares on the Budapest Stock Exchange is expected to commence on 6 July 2017. However, the MNB does not have authority to issue any approval in relation to the listing of the Shares and the category of listing, which is subject to fulfilling the listing criteria and the approval of the Budapest Stock Exchange.</p> <p>No application has been made or is currently intended to be made for the Shares to be admitted to listing or trading on any other exchange than the Budapest Stock Exchange.</p>
C.7	Dividend policy	<p>During 2017 and 2018, the Company intends to re-invest all available funds and any future earnings to finance the growth and development of its business in line with the stated strategy (including mergers and acquisitions) and to decrease the current leverage ratio (calculated as net debt divided by EBITDA) to approximately 2.0x. Therefore, the Company does not plan to pay dividends for the financial years 2017 and 2018. From 2019 onwards, the Board of Directors intends to examine the possibility of adopting a dividend policy for the Company with a targeted payout ratio of 30% to 50% which shall seek to maximise shareholder value and reflect the Company's strong earnings potential and cash flow characteristics. At the same time, such policy should allow the Company to retain sufficient capital to invest in its long-term growth, considering potential opportunities for further inorganic growth, and to fund on-going operating requirements.</p> <p>The Company did not pay any dividends for any of the financial years ending 31 December 2016, 2015 and 2014.</p>

SECTION D – RISKS

D.1	Key information on the key risks that are specific to the issuer or its industry	<ul style="list-style-type: none"> ● The Group’s industry is highly competitive and competition presents an ongoing threat to the success of its business. ● The Group may fail to retain its existing customers or to acquire new customers. ● The Group may experience difficulty in truck driver and third party carrier recruitment and retention. ● The Group may be required to increase wages and take other steps due to the adoption of minimum wage laws and other protective measures affecting the European truckload industry by the Members States in which the Group operates. ● The continuing and increasing demand for cross-border transportation of goods within Europe, on which the Group substantially depends, may be harmed by recent geopolitical developments including rising nationalism. ● Expansion of the Group’s international operations through acquisitions may involve additional risks and may not be successful. ● Both the Group’s international operations and operations in Hungary require significant management attention and financial resources and expose the Group to factors inherent in the international transportation market. ● The Group, its customers and other counterparties are subject to geopolitical and general economic conditions. ● Hungary’s economy and economic growth are vulnerable to adverse external factors, including future economic difficulties of its major trading partners. ● The Group is subject to increases in fuel prices and other parts of its cost base such including taxes or toll fees and the Group may not be able to decrease its fixed costs. ● The Group is exposed to the risk of increased prices, reduced productivity and restricted availability of new equipment, as well as decreased demand for and value of used equipment. ● The Group has significant ongoing capital requirements. ● The Group’s success depends in large part on its ability to attract and retain high-quality management and operating personnel. ● The Group depends in part on third-party sub-contractors. ● The Group may experience difficulty in obtaining goods and services from its suppliers. ● The introduction of new technologies, such as driverless driving may change the nature of the Group’s business and the Group may be unable to adapt to such technological changes. ● The Group’s brand is subject to a trademark agreement under which the Group may not be able to maintain the rights to use. ● The Group may fail to meet key performance indicators or receive negative publicity. ● The Group is dependent on management information and communications systems. ● The Group’s warehousing capacity is substantially dependent on a limited number of leased facilities. ● Employment laws in some of the countries in which the Group operates are stringent.
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		<ul style="list-style-type: none"> ● The Group or its customers may experience work stoppages. ● The Group is exposed to adverse weather conditions and to the risk of natural disasters, public health crises, political crises or other catastrophic events. ● The Group's trucks and trailers may be used against its will and in violation of agreements with drivers and customers for the movement of goods and illegal transportation of persons across borders. Further, the Group's trucks and trailers may be targeted by stowaways. ● The Group's business is subject to foreign exchange risk. ● The Company's directors and officers have other interests which may conflict with their duties to the Group and the Company's shareholders. ● Change-of-control provisions in the Group's financing and key-account commercial agreements may be triggered in connection with the Offering. ● The Group may qualify as a <i>de facto</i> group of companies under Hungarian law and, consequently, the Company may be held liable for the liabilities of another member of the Group upon its liquidation and be required to buy-out minority shareholders ● The Group is exposed to operational risk. ● The Group is subject to extensive regulation and is exposed to the risk of changes, amendments and violations of the regulatory framework. ● The Group's operations are subject to various environmental laws and regulations. ● The Insurance Company may be subject to compliance investigations by the MNB. ● The Group's operations depend on obtaining and maintaining licences and permits necessary for the operation of its business. ● Outsourcing of certain activities of the Group's client to the Regional Contract Logistics Segment may raise competition law issues. ● Markets in Central and Eastern Europe are subject to greater risks than more developed markets, including significant legal, economic and political risks. ● Hungary's credit rating could be downgraded and affect the Group's cost of borrowing. ● An excessive deficit procedure against Hungary may result in temporary suspension or termination of Hungary's Cohesion Fund allocations. ● Non-compliance procedures by the European Commission may have a detrimental fiscal effect on Hungary. ● Proceedings related to protection of investments could adversely affect Hungary's fiscal policy. ● The Group may lose tax benefits as a result of the change of applicable tax laws or termination of measures supporting Hungarian trucking companies. ● The Group's insurance coverage and, as the Group acts as its own insurer, also the Group's reinsurance coverage may be insufficient. ● Reinsurance may be unavailable at current levels and prices, which may limit the Insurance Company's ability to write new business.
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D.3	<p>Key information on the key risks that are specific to the securities</p>	<ul style="list-style-type: none"> ● In the absence of joint and several liability of the Company, the Selling Shareholder and the Managers, the Offering carries higher-than-customary risk for the investors pursuant to the Hungarian Capital Markets Act. ● Investments in the Shares may bear higher investment risk than investment in some other securities. ● Investment in the Shares is not covered by any statutory investment protection schemes. ● In the event of the insolvency of the Company or other Group members, investors could suffer a total loss in the value of their Shares. ● Exchange rate fluctuations may impact on the market price and the value of the Shares, as well as any dividends or other income paid on the Shares for an investor whose principal currency is not the euro. ● Following the Offering, the Selling Shareholder, who is ultimately owned and controlled by funds advised by Mid Europa Partners, will retain significant interests in, and will continue to be able to exercise substantial influence over the Group's business and its interests may differ from or conflict with those of other Company's shareholders. ● The Company may choose not to pay dividends and it cannot assure investors that it will make dividend payments in the future.

		<ul style="list-style-type: none"> ● Acquisition of 10% or more of the Shares would be subject to the approval of the MNB as the insurance regulator. ● The registration of the capital increase or the creation of the New Shares may be delayed. ● The Company expects that the market price of the Shares may fluctuate significantly, which could cause the value of an investment in the Shares to decline, and an investor may not be able to resell its Shares at or above the acquisition price of the Shares. ● Performance of the Hungarian stock markets is primarily driven by developments on the international capital markets. ● There has been no prior public trading market for the Shares and an active trading market may not develop or be sustained in the future. ● The Shares may have limited liquidity. ● Liquidity of the Shares would become extremely low upon their delisting from the Budapest Stock Exchange. ● A suspension of trading in the Shares could adversely affect the Share price. ● The Company faces additional administrative requirements, incurs higher ongoing costs and is required to adjust its internal control system as a result of the Shares being admitted to listing on the Budapest Stock Exchange. ● The Company may issue shares in the future and these may significantly reduce the market value of the Shares. ● Substantial future sales of Shares, including sales by the Company or the Selling Shareholder following the expiry of the terms of the relevant lock-up arrangements, could adversely affect the market price of the Shares. ● Publication of analyst reports about the Group or a change of the positive recommendations to negative recommendations may adversely impact the market price of the Shares and their liquidity. ● Legislation changes may have a bearing on the Shares as well the ownership rights in connection with the Shares. ● Rules of investment in the Shares may change. ● The interpretation of Hungarian tax laws related to the taxation of investors may be inconsistent, and such laws may change. ● Certain provisions of Hungarian law may have an anti-takeover effect. ● Pursuant to Hungarian law, shareholders who own 90 % or more of the shares or voting rights may be able to force the remaining minority shareholders to sell their shares. ● Exercise of priority rights to subscribe for new Shares by shareholders in jurisdictions outside Hungary may not be available ● There is no guarantee that all Offer Shares subscribed for by an investor will be allocated and sold in the Offering in the case of oversubscription. ● Risks of disputes arising out of the investors' shareholder rights and of the enforcement of the respective judgments.
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SECTION E – OFFER

E.1	The total net proceeds and an estimate of the total expenses of the issue/offer, including estimated expenses charged to the investor by the issuer or the offeror	<p>The Selling Shareholder will receive the net proceeds from the sale of the Existing Offer Shares and the Option Shares, if any, and the Company will receive the net proceeds from the sale of the New Shares. Assuming all of the Offer Shares are placed for an offer price at the mid-point of the Offer Price Range and a full exercise of the Greenshoe Option, the net proceeds from the Offering are expected to amount to approximately EUR 197.2 million, of which the Selling Shareholder will receive approximately EUR 152.2 million and the Company will receive approximately EUR 45.0 million.</p> <p>The total commissions, fees and expenses in connection with the Offering are expected to be between approximately EUR 10.0 million to EUR 12.0 million. Bank commissions and fees in connection with the Offering shall be divided between the Company and the Selling Shareholder in the proportion of the placed New Shares to the placed Existing Offer Shares. Of the non-bank commissions, costs and fees, which are expected to represent approximately 20% to 25% of the total costs, 80% shall be payable by the Company and 20% shall be payable by the Selling Shareholder. The Company shall bear the procedural fees in connection with the admission of the Shares to trading on the Budapest Stock Exchange, which are expected to amount to approximately EUR 6,500.</p>
E.2a	Reasons for the offer, use of proceeds, estimated net amount of the proceeds	<p>The Offering is being conducted in order to facilitate the sale by the Selling Shareholder of certain of its Existing Shares and in order to facilitate the sale of the New Shares and raising capital by the Company, while raising the Company’s profile with the international investment community and establishing a market for the Shares.</p> <p>The Company intends to use approximately EUR 32 million of the net proceeds from the sale of the New Shares for the currently ongoing acquisition of LINK and the remaining part of the net proceeds from the sale of the New Shares for general corporate purposes and working capital.</p> <p>If the currently ongoing acquisition of LINK would not close, which the management believes is unlikely, the Company intends to use the net proceeds from the sale of the New Shares to pursue other opportunities for mergers and acquisitions in European countries including Poland consistent with the Group’s objective to expand operations through selective acquisitions, or, alternatively, for financing the organic growth of its business in Poland, and for general corporate purposes and working capital.</p> <p>Although the Company intends to use the proceeds as described above, the actual use of those proceeds may differ depending on market developments, unexpected significant events or other factors. In any case, the Company will review the possible uses of proceeds on a regular basis and, where appropriate, adjust such uses to the occurrence of any particular developments or events.</p>
E.3	Terms and conditions of the offer	<p>The Offering consists of an offering of: (i) up to 7,160,973 Existing Offer Shares and, in addition, up to 1,485,876 Over-Allotment Shares from the holdings of the Selling Shareholder, and (ii) up to 3,088,236 New Shares to be issued by the Company. The preferential right of the Company’s existing shareholders to subscribe for the New Shares will be excluded, in accordance with the decision of the extraordinary general meeting of the Company dated 31 May 2017. The offering is structured as:</p>

- (i) a public offering of up to 1,379,718 Existing Offer Shares, up to 297,175 Over-Allotment Shares and up to 617,647 New Shares to investors other than Eligible Institutional Investors in Hungary (the “**Public Offering**”);
- (ii) an offering of up to 1,465,402 Offer Shares to eligible employees and executive officers of the Group (subject to limitation set out below) (the “**Employee Offering**”), which is structured as an offer under Section 22(1)(e) of the Hungarian Capital Markets Act, which provides that there is no requirement to publish a prospectus, if the Company or its affiliated companies sell or provide securities to their eligible employees, provided that information concerning the number and type of securities and the reasons and circumstances in which such securities have been sold or provided are available, as is the case of the Employee Offering; and
- (iii) a private placement of the Offer Shares to eligible institutional investors in Hungary and in other jurisdictions, which is structured as a private placement in the United States to certain QIBs as defined in, and in reliance on, Rule 144A, and in Hungary and in other jurisdictions outside the United States to institutional investors who comply with the requirements set forth in Article 5(1) point 92 of the Hungarian Capital Markets Act or who are Qualified Investors (together, the “**Eligible Institutional Investors**”), in offshore transactions in reliance on Regulation S (the “**Institutional Offering**”).

Offer Period, Price Range and Offer Price

The price range within which offers to purchase may be submitted is HUF 5,100 to HUF 6,300 per Offer Share (the “**Offer Price Range**”). The final offer price (the “**Offer Price**”) will be determined by the Selling Shareholder, the Company and Citigroup Global Markets Limited (“**Citi**”), Joh. Berenberg, Gossler & Co. KG (“**Berenberg**” and together with Citi, the “**Joint Global Coordinators**” and the “**Joint Bookrunners**”), Erste Group Bank AG and its affiliates (“**Erste Group**” or the “**Joint Bookrunner and Lead Manager of the Hungarian Public Offering**”) and Renaissance Securities (Cyprus) Limited and its affiliates (the “**Joint Bookrunner**” and, together with the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering, the “**Managers**”) on the basis of the book building process within the Offer Price Range. The Offer Price is expected to be published on or about 29 June 2017 on the Company’s website www.waberers.com, the website of the Budapest Stock Exchange www.bet.hu and the website operated by MNB for publications www.kozzetetelek.hu and, upon request, will be made available in printed form at no cost at the registered seat of the Company (together, the “**Publication Places**”). The Offer Price shall be within the Offer Price Range and in no event above the upper end of the Offer Price Range (the “**Maximum Price**”). The Offer Price for the Offer Shares will be the same for the investors participating in the Public Offering, the Employee Offering and the Institutional Offering. Upon expiration of the Offer Period, the Offer Price and the final number of Offer Shares to be sold will be determined on the basis of the order book established in a book-building process in the Offering by the Selling Shareholder, the Company and the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering that may be followed by the execution of the pricing agreement between the Selling Shareholder, the Company and the Managers (the “**Pricing Agreement**”).

The offer period, during which investors may submit purchase orders for the Offer Shares, commences on 19 June 2017 and is expected to end on 29 June 2017, at 12:00 noon CET (Central European Time) for investors

	<p>participating in the Public Offering (the “Public Offer Period”), commences on 19 June 2017 and is expected to end on 27 June 2017, at 17:00 CET (Central European Time) for investors participating in the Employee Offering (the “Employee Offer Period”) and commences on 19 June 2017 and is expected to end on 29 June 2017, at 17.00 CET (Central European Time) for investors participating in the Institutional Offering (the “Institutional Offer Period” and together with the Public Offer Period and Employee Offer Period, the “Offer Period”).</p> <p>Erste Group Bank AG fulfils the role of distributor pursuant to Section 23(1) of the Hungarian Capital Markets Act and its mandated agent Erste Befektetési Zrt is acting as sub-distributor.</p> <p>Determination of the Offer Price and the final number of Offer Shares to be placed</p> <p>The Selling Shareholder, the Company and the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering have set the following criteria for and method for determining the Offer Price and the final number of Offer Shares to be placed in the Public Offering, the Employee Offering and in the Institutional Offering. Upon expiration of the Offer Period, the Offer Price and the final number of Offer Shares to be sold will be determined on the basis of the order book established in a book-building process in the Offering by the Selling Shareholder, the Company and the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering that may be followed by the execution of the Pricing Agreement.</p> <p>After the end of the Offer Period, all purchase orders will be evaluated according to the prices offered and qualitative criteria such as the time of purchase order, the investor type and investment horizons of the respective Eligible Institutional Investors as well as the amount of the total demand, including the total demand from investors participating in the Public Offering and the Employee Offering in relation to the total demand from investors participating in the Institutional Offering. This method of setting the number of Offer Shares that will be sold at the Offer Price is, in principle, aimed at optimising proceeds and the Company’s future shareholder structure. Consideration will also be given to whether the Offer Price and the number of Offer Shares to be sold allow for the reasonable expectation that the share price will demonstrate steady performance in the secondary market given the demand for the Offer Shares recorded in the order book. Attention will be paid not only to the prices offered by investors and the number of investors wanting Offer Shares at a particular price, but also to the composition of the group of shareholders in the Company that would result at a given price, and expected investor behaviour.</p> <p>The Selling Shareholder, the Company, the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will consider the foregoing criteria and conditions upon which the Offer Price and the final number of Offer Shares will be determined and will allocate the Offer Shares: (i) pursuant to the round-robin allocation method (in Hungarian, <i>kártyaleosztás</i>) among investors participating in the Public Offering; (ii) full allocation among investors participating in the Employee Offering or, if the purchase orders from investors participating in the Employee Offering exceed the amount of 1,465,402 Offer Shares, pursuant to the round-robin allocation method (in Hungarian, <i>kártyaleosztás</i>); and (iii) at their absolute discretion among investors participating in the Institutional Offering.</p> <p>The Joint Bookrunner and Lead Manager of the Hungarian Public Offering will, when allocating Offer Shares pursuant to the round-robin allocation method, through its agent and subject to the terms set out in this</p>
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Prospectus, allocate the Offer Shares separately to investors participating in the Public Offering and separately to investors participating in the Employee Offering in rounds, in each round allocating one Offer Share to each purchase order submitted in the Public Offering or the Employee Offering, as applicable, from the top to the bottom of a list of the purchase orders until the given purchase orders are fully satisfied or there are no further Offer Shares to be allocated in the Public Offering or the Employee Offering. The list of the purchase orders submitted in the Public Offering and the list of the purchase orders submitted in the Employee Offering will each be ordered pursuant to decreasing size so that it shall start with the largest purchase order and finish with the smallest order.

After the end of the Offer Period, the Company's Board of Directors will render a decision on the increase of the Company's registered share capital and the number of New Shares to be issued and will appoint Citigroup Global Markets Limited as the subscription agent to subscribe for the New Shares which is expected to take place on or around 29 June 2017. After the increase of the share capital of the Company has been registered by the court of registration and the New Shares have been created by KELER, which is expected to take place on or around 5 July 2017, the New Shares will be subsequently transferred by the Joint Bookrunner and Lead Manager of the Hungarian Public Offering to the respective investors against payment of the Offer Price.

Publication of the Offer Price and the final number of Offer Shares

The Offer Price and the final number of Offer Shares to be sold will be announced and published on the Publication Places on or about 29 June 2017 2017 in accordance with Section 34 (3) of the Hungarian Capital Market Act. If not all of the Offer Shares are placed due to insufficient demand, New Shares will be placed as a matter of priority over Existing Offer Shares. No expenses or taxes will be charged to the investors as a part of the Offering, except for customary banking and/or brokerage fees. Prospective Eligible Institutional Investors are advised to inform themselves about these costs. Eligible Institutional Investors who have placed orders to purchase Offer Shares with one of the Managers are expected to be informed about the number of Offer Shares allocated to them on or about the business day following the expiration of the Offer Period. Investors participating in the Public Offering will receive all information according to the agreement with their service provider.

Public Offering

Private individuals with full legal capacity and legal entities (with or without legal personality), excluding Eligible Institutional Investors, may participate in the Public Offering in Hungary. In order to participate in the Public Offering, each such investor is required to (i) have a Hungarian Tax Registration Number, (ii) submit a purchase order for the Offer Shares to the mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering during the Public Offer Period, (iii) open and maintain a securities account in the name of the investor with Erste Befektetési Zrt. and (iv) pass the applicable tests under the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) performed by Erste Befektetési Zrt. The purchase order must be submitted by the investors participating in the Public Offering through the purchase order form attached as Appendix 1 of this Prospectus (i) personally or under a power of attorney, an example of which is attached as Appendix 2 of this Prospectus (the English language version is for information purposes only) at the branch offices of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering's mandated agent (sub-distributor) or its agents (intermediaries) listed in Appendix 3 of this Prospectus, (ii) through the online trading systems of

the mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering provided that the respective investor has access to such system and provided the respective investor satisfies the criteria set forth in the general terms of business of the agent. Orders of investors participating in the Public Offering are only valid up to HUF 300 million. Accordingly, no Offer Shares will be allocated to investors participating in the Public Offering whose orders exceed HUF 300 million with respect to the amount exceeding HUF 300 million. If multiple purchase orders are made by an investor participating in the Public Offering, these purchase orders will be treated as one purchase order for the sum of Offer Shares of the individual purchase orders. Subject to the applicable exceptions set out in the Hungarian Capital Markets Act, purchase orders for the Offer Shares in the Public Offering are unconditional and irrevocable.

Employee Offering

The Company offers to full-time and part-time employees including employees on maternity leave, on child care leave without pay pursuant to Section 128 and Section 130 of Act I of 2012 on the Labour Code with valid employment contracts and executive officers with valid mandate agreements who have been employed by the Company or any other Eligible Company since 27 March 2017 or earlier, however excluding employees and executive officers whose employment or mandate at an Eligible Company ends for any reason before the last day of the Holding Period, unless it is replaced by a new employment or mandate with an Eligible Company (the “**Eligible Employees**”), the opportunity to participate in the Employee Offering. Each Eligible Employee is entitled to participate in the Employee Offering only once, even if the Eligible Employee has a valid employment contract or mandate agreement with more than one Eligible Company. Eligible Employees are also allowed to participate in the Public Offering.

The term “**Eligible Company**” includes the Company, Waberer’s-Szemerey Logisztika Korlátolt Felelősségű Társaság and certain other subsidiaries of the Company.

Within the Employee Offering, each Eligible Employee is entitled to purchase Offer Shares at the Offer Price (“**Eligible Shares**”) up to the maximum of Offer Shares corresponding to a total amount calculated as HUF 2,000,000 divided by the Maximum Price, the rounded down to the nearest full number (the “**Employee Offering Limit**”). If the Eligible Employee submits a purchase order exceeding the Employee Offering Limit, such purchase order will be divided, with its part within the Employee Offering Limit to be treated as a purchase order made within the Employee Offering and its part exceeding the Employee Offering Limit to be treated as a purchase order made within the Public Offering. If an Eligible Employee places more than one purchase order, only the largest purchase order will be treated as an order made within the Employee Offering, subject to the Employee Offering Limit, while the remaining purchase orders will be treated as purchase orders made within the Public Offering.

In order to participate in the Employee Offering, each Eligible Employee is required to (i) have a Hungarian Tax Registration Number, (ii) submit a purchase order within the Employee Offer Period through the purchase order form attached as Appendix 1 of this Prospectus (the English language version is for information purposes only), personally or under a power of attorney, an example of which is attached as Appendix 2 of this Prospectus (the English language version is for information purposes only), at the branch offices of the agent of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering’s mandated agent (sub-distributor) or its agents (intermediaries) listed in Appendix 3 of this

		<p>Prospectus or through the online trading systems of the mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering provided that the respective Eligible Employee has access to such system and provided the respective Eligible Employee satisfies the criteria set forth in the general terms of business of the mandated agent (sub-distributor), (iii) open a securities account in the name of the Eligible Employee with Erste Befektetési Zrt. until 27 June 2017 and maintain it throughout the Holding Period, (iv) have his or her employment/mandate status checked and confirmed by the Company, (v) pass the applicable tests under the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) performed by Erste Befektetési Zrt. and (vi) have funds corresponding to the number of Offer Shares ordered by the Eligible Employee multiplied by the Maximum Price in the respective Eligible Employee's money account on 27 June 2017 at 17:00 CET at the latest. Subject to the applicable exceptions set out in the Hungarian Capital Markets Act, purchase orders for the Offer Shares in the Employee Offering are unconditional and irrevocable. All investors who are Eligible Employees and submit a purchase order through the purchase order form attached as Appendix 1 of this Prospectus participate in the Employee Offering, subject to the terms of the Employee Offering, the Joint Bookrunner and Lead Manager of the Hungarian Public Offering or Erste Befektetési Zrt.</p> <p>The Company shall bear expenses related to the opening and maintaining of the securities account of each Eligible Employees incurred prior to the settlement of the Bonus Shares in relation to holding the Eligible Shares. Should the securities account of the Eligible Employee be closed for any reason before the Bonus Shares are credited to such securities account, the investors shall cease to be an Eligible Employee and have no right to any compensation or indemnification from the Company, the Joint Bookrunner and Lead Manager of the Hungarian Public Offering or Erste Befektetési Zrt.</p> <p>After the period of one year (365 days) commencing on the settlement date (the "Holding Period"), the Company will provide each Eligible Employee with one bonus Share at no cost for every ten Eligible Shares held by the Eligible Employee throughout the Holding Period (the "Bonus Shares"). No fractions of Bonus Shares will be provided and in case the Eligible Employee holds on the last day of the Holding Period a number of Eligible Shares which when divided by ten does not produce a whole number, such number shall be rounded down to the nearest full number. The expected settlement date with respect to the Bonus Shares is approximately two weeks after the expiration of the Holding Period. The Eligible Employee loses the right to receive the Bonus Shares from the Company in case (i) the Eligible Employee sells or transfers the Eligible Shares prior to the expiration of the Holding Period or (ii) the employment or mandate of the Eligible Employee by the Eligible Company is terminated prior to the expiration of the Holding Period. Should the Shares be delisted from the Budapest Stock Exchange during the Holding Period, this does not affect the right of Eligible Employees to receive Bonus Shares in accordance with this paragraph.</p> <p>The Company reserves a maximum of 1,465,402 Offer Shares for purchase orders received from Eligible Employees participating in the Employee Offering. The Employee Offering is a one-time benefit, is subject to the settlement of the Offering occurring before 31 December 2017 and may be revoked by the Company on 5 July 2017 at the latest, but no later than after the allocation of the Offer Shares is completed.</p>
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Conditions Applicable to both the Public Offering and the Employee Offering

The mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will block funds on the money accounts (client accounts as set forth in Article 147 of the Hungarian Capital Market Act) of the investors participating in the Public Offering or the Eligible Employees participating in the Employee Offering in the amount of the Maximum Price multiplied by the number of Offer Shares specified in the respective purchase order before 12:00 noon CET on the last day of the Public Offer Period or before 17:00 CET on the last day of the Employee Offer Period, respectively. Further, according to Article 47 (7) of the Hungarian Capital Market Act, the mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will keep such funds at an escrow account opened at Erste Bank Hungary Zrt. The mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering shall terminate the blocking of the difference between the Maximum Price and the Offer Price, for each Offer Share to be acquired by such investor in accordance with the allotment, and also of any excess funds remaining after allocation, if any, on the account of the investor participating in the Public Offering or the Employee Offering, simultaneously with the delivery of the Offer Shares to the respective accounts of the respective investors indicated on the purchase order form and without any interest being payable for the period for which funds were blocked. No fractions of the Offer Shares will be allocated.

Institutional Offering

Eligible Institutional Investors may submit purchase orders for Offer Shares to the Managers or their agents via means of communication as agreed between the Eligible Institutional Investors and the respective Manager or its agents. Eligible Institutional Investors may submit their purchase orders also in EUR. Eligible Institutional Investors may submit their purchase orders within the Offer Price Range during the Institutional Offer Period. Limits for purchase orders made in EUR must be denominated in integral EUR amounts or euro cent figures of 25, 50, or 75 cents. Orders which are settled in EUR will be converted into HUF using the latest available reference exchange rate published by the MNB on the date of the Pricing Agreement. Multiple purchase orders are permitted.

Over-Allotment and Stabilisation

In connection with the Offering of the Shares, Erste Group Bank AG as the stabilisation manager (the “**Stabilisation Manager**”) (or persons acting on its behalf) acting for the account of the Managers, may (but will be under no obligation to) over-allot Shares or effect stabilisation transactions with a view to supporting the market price of the Shares during the Stabilisation Period at a level higher than that which might otherwise prevail (provided that the aggregate principal amount of Shares allotted does not exceed 115% of the aggregate principal amount of the Offer Shares). However, stabilisation action may not necessarily occur and may cease at any time, the Stabilisation Manager is not required to enter into such transactions and such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise. Any stabilisation action may begin on or after the date of commencement of trading of the Shares on the Budapest Stock Exchange and, if begun, may be ended at any time, but it must end no later than 30 days after that date (the “**Stabilisation Period**”). Any stabilisation action or over allotment must be conducted by the Stabilisation Manager (or persons acting on its behalf) in accordance with all applicable laws and rules and will be undertaken at the offices of the Stabilisation Manager (or persons acting on its behalf) and on the Budapest Stock Exchange. Stabilisation may

		<p>result in an exchange or market price of the Shares that is higher than might otherwise prevail, and the exchange or market price may reach a level that cannot be maintained on a permanent basis.</p> <p>With regard to potential stabilisation measures and to the extent permitted by law, investors may, in addition to the New Shares and the Existing Offer Shares, be allocated up to 1,485,876 additional Existing Shares in the Offering (the “Over-Allotment Shares”). In connection with a potential over-allotment, Erste Group Bank AG, as settlement agent, acting for the account of the Managers, will, pursuant to the terms of a share lending agreement with the Selling Shareholder, be provided in the form of a securities loan with up to 1,485,876 Over-Allotment Shares from the holdings of the Selling Shareholder without charge; the aggregate principal amount of Over-Allotment Shares may not exceed 115% of the aggregate principal amount of the Existing Offer Shares and New Shares.</p> <p>In this context, the Selling Shareholder has granted to the Managers an option to acquire up to 1,485,876 Existing Shares (the “Option Shares”) (corresponding to 15% of the sum of the Existing Offer Shares and the New Shares) from the Selling Shareholder at the Offer Price (the “Greenshoe Option”). The Greenshoe Option shall be exercisable by Erste Group Bank AG acting as Stabilisation Manager for the account of the Managers during the Stabilisation Period and may only be exercised to the extent that Existing Shares have been placed by way of over-allotment.</p> <p>Within one week after the end of the Stabilisation Period, an announcement will be made on the Publication Places as to whether or not stabilisation was undertaken, the date on which stabilisation started, the date on which stabilisation last occurred, the price range within which stabilisation was carried out for each of the dates during which stabilisation transactions were carried out and the trading venue on which the stabilisation transactions were carried out. The exercise, if any, of over-allotments as well as the exercise, if any, of the Greenshoe Option, the date thereof and the number of the Existing Shares concerned will also be published in the manner and by the deadline as previously stated.</p> <p>Withdrawal Right</p> <p>If any material fact or circumstance arises which requires the publication of a supplement to this Prospectus according to the Hungarian Capital Markets Act, investors participating in the Public Offering or Employee Offering who submitted purchase orders before such supplement may be published shall have the right under the Hungarian Capital Markets Act to withdraw these purchase orders within two business days following the publication of the supplement.</p> <p>Settlement</p> <p>It is expected that the Offer Shares, assigned and allotted in the Offering, shall be transferred to the investors in book-entry form through the facilities of KELER, Euroclear Bank S.A./N.V. as operator of the Euroclear System, Clearstream Banking, société anonyme and the banks and investment firms managing the investors’ securities account on or about 5 July 2017.</p>
E.4	Interest that is material to the issue/offer including conflicting interests	<p>There are no interests, including conflicting interests, which are material to the Offering, except that in connection with the Offering, each of the Managers and any of their respective affiliates, acting as an investor for its own account, may take up Offer Shares in the Offering and in that capacity may retain, purchase or sell for its own account such securities and any Offer Shares or related investments, and may offer or sell such Offer Shares or other investments other than in connection with the Offering.</p>

		<p>The Selling Shareholder will receive the net proceeds from the sale of the Existing Shares and any Option Shares and the Company will receive the net proceeds from the sale of the New Shares. Assuming all of the Offer Shares are placed for an offer price at the mid-point of the Offer Price Range, the net proceeds from the Offering are expected to amount to approximately EUR 197.2 million, of which the Selling Shareholder will receive approximately EUR 152.2 million and the Company will receive approximately EUR 45.0 million.</p>
E.5	<p>Name of the person or entity offering to sell the security</p>	<p>The Existing Offer Shares and the Over-Allotment Shares are being offered by the Selling Shareholder and the New Shares are being offered by the Company.</p>
	<p>Lock-up agreements: the parties involved; and indication of the period of the lock up</p>	<p>The Company has agreed with the Managers that, for a period from the date of the placement agreement entered into by the Company, the Selling Shareholder and the Managers on or about the date of this Prospectus (the “Placement Agreement”) to the date 12 months from the first day of trading of the Shares on the Budapest Stock Exchange, it will not, except as set forth below, without the prior written consent of the Joint Global Coordinators (acting on behalf of the Managers) (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares of the Company, or any securities convertible into or exercisable or exchangeable for Shares of the Company; (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Shares or other shares of the Company, whether any such transaction described in (i) and (ii) is to be settled by delivery of Shares or other securities, in cash or otherwise; (iii) publicly announce such an intention to effect any such transaction; or (iv) make any demand for or exercise any right with respect to, the registration under U.S. securities laws of any shares of the Company or any security convertible into or exercisable or exchangeable for shares of the Company. These restrictions do not apply to (i) the offer and sale of the New Shares in the Offering, and (ii) transfers of Shares within the Waberer’s Employee Share Ownership Programme Organisation (in Hungarian, <i>Waberer’s Munkavállalói Rész tulajdonosi Program Szervezet</i>) and the management incentive program offered by the Company to 15 employees, including several executive officers, if following a successful Offering, the Selling Shareholder sells more than 50% of its Shares held as of the date of the Prospectus in the Company, or alternatively, if the Offering does not occur and the Selling Shareholder sells its entire shareholding held in the Company.</p> <p>The Selling Shareholder has agreed with the Managers that, for a period from the date of the Placement Agreement to the date six months from the first day of trading of the Shares on the Budapest Stock Exchange, it will not, except as set forth below, without the prior written consent of the Joint Global Coordinators (acting on behalf of the Managers) (i) directly or indirectly, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares of the Company, or any securities convertible into or exercisable or exchangeable for Shares of the Company; (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Shares or other shares of the Company, whether any such transaction described in (i) and (ii) is to be settled by delivery of Shares or other securities, in cash or otherwise; (iii) publicly announce such an intention to effect any such transaction; or (iv) make any demand for or</p>

		<p>exercise any right with respect to, the registration under U.S. securities laws of any shares of the Company or any security convertible into or exercisable or exchangeable for shares of the Company. These restrictions do not apply to the offer and sale of the Existing Offer Shares and Over-Allotment Shares in the Offering.</p> <p>Each of the following executive officers of the Company's management: Zsolt Barna, Ferenc Lajkó, Barna Erdélyi, Szabolcs Tóth and Csaba Kiss has agreed with the Managers that, for a period from the date of the Placement Agreement to the date 12 months from the first day of trading of the Shares on the Budapest Stock Exchange, he or she, as the case may be, will not, except as set forth below and in the case of Csaba Kiss, with the exception of any Shares held prior to the first day of trading of the Shares on the Budapest Stock Exchange, without the prior written consent of the Joint Global Coordinators (acting on behalf of the Managers) (i) directly or indirectly, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares of the Company or any securities convertible into or exercisable or exchangeable for Shares of the Company; (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Shares or other shares of the Company, whether any such transaction described in (i) and (ii) is to be settled by delivery of Shares or other securities in cash or otherwise; (iii) publicly announce such an intention to effect any such transaction; or (iv) make any demand for or exercise any right with respect to, the registration under U.S. securities laws of any shares of the Company or any security convertible into or exercisable or exchangeable for shares of the Company.</p>
E.6	The amount and percentage of immediate dilution resulting from the offer. In the case of a subscription offer to existing equity holders, the amount and percentage of immediate dilution if they do not subscribe to the new offer	<p>The voting interest of the Company's current shareholders will be diluted as a result of the issuance of the New Shares. The maximum dilution for current shareholders assuming the issuance of the maximum number of New Shares would be 17.41%.</p>
E.7	Estimated expenses charged to the investor by the issuer or the offeror	<p>No expenses or taxes will be charged to the investors as a part of the Offering, except for customary banking and/or brokerage fees. Investors participating in the Public Offering and Employee Offering will receive all information according to the agreement with their service provider.</p>

ÖSSZEFOGLALÓ

Az összefoglalók az „Elemek” néven ismert közzétételi kötelezettségekből épülnek fel. Az egyes Elemeket az A-E szakaszok tartalmazzák (A.1 – E.7). A jelen Összefoglaló tartalmazza az összes Elemet, amelyet az összefoglalókban erre az Értékpapír típusra és a Kibocsátóra vonatkozóan szerepeltetni kell. Mivel bizonyos Elemekre az Összefoglalónak nem kell kitérnie, az Elemek pontjainak számozási sorrendjéből egyes részek hiányozhatnak. Adódhatnak olyan Elemek, amelyeket az adott Értékpapír típusra és a Kibocsátóra vonatkozóan az összefoglaló Tájékoztatóban szerepeltetni kell, azonban az ezekre vonatkozó releváns információ nem áll rendelkezésre. Ilyen esetekben az Összefoglaló az adott Elemre vonatkozó rövid leírást ad és a „Nem alkalmazandó” megjegyzéssel jelöli.

„A” SZAKASZ – BEMUTATÁS ÉS FIGYELMEZTETÉSEK		
A.1	Bevezetés és figyelmeztetések	<p>A jelen Összefoglaló a tájékoztató („Tájékoztató”) bevezetőjének tekintendő, amely az alábbiakra vonatkozik: a (i) WABERER’S INTERNATIONAL Zártkörűen Működő Részvénytársaság („Társaság”) legfeljebb 7 160 973 darab, részvényenként 0,35 euró névértékkel bíró, teljes mértékben befizetett törzsrészvényének a CEE Transport Holding B.V., melynek székhelye: Herikerbergweg 238, Luna ArenA, 1101CM Amszterdam, Hollandia („Értékesítő Részvényes”), által értékesítésre történő felajánlására („Meglévő, Értékesítésre Felajánlott Részvények”); legfeljebb 1 485 876 darab, a Társaság részvényenként 0,35 euró névértékkel bíró, teljes mértékben befizetett és az Értékesítő Részvényes tulajdonában álló már meglévő törzsrészvényének értékesítésre történő felajánlására („Túljegyzési Részvények”); és legfeljebb 3 088 236 darab, részvényenként 0,35 euró névértékkel bíró, a Társaság által kibocsátandó törzsrészvény értékesítésére (a továbbiakban „Új Részvények”; a Meglévő, Értékesítésre Felajánlott Részvényekkel, illetve a Túljegyzési Részvényekkel együttesen „Értékesítésre Felajánlott Részvények”); továbbá (ii) a Társaság részvényenként 0,35 euró névértékkel bíró, teljes mértékben befizetett, a Társaság jegyzett tőkéjének 100%-át kitevő valamennyi részvényének („Meglévő Részvények”), illetve az Új Részvényeknek (a Meglévő Részvényekkel együttesen: „Részvények”) „<i>Részvények Prémium</i>” kategóriában a Budapesti Értéktőzsdére („Budapesti Értéktőzsde”) való bevezetésével kapcsolatos kérelmére.</p> <p>A jelen Összefoglaló a részvényvásárlást tervező befektetőknek nyújt segítséget a döntéshozatalban, ugyanakkor nem helyettesíti a Tájékoztatót. A befektetőknek a Részvénybe történő fektetéssel kapcsolatos döntésüket minden esetben a Tájékoztató egészét mérlegelve kell meghozniuk, ideértve bármely hivatkozással beépített dokumentumot. A Prospektus-irányelv (az Európai Parlament és a Tanács 2003/71/EK módosított irányelve) vonatkozó rendelkezéseinek végrehajtását követően, az Európai Gazdasági Térség valamennyi tagállamában, a Felelős Személyeket csupán a jelen Összefoglaló (ideértve annak bármely fordítását is) alapján polgári jogi felelősség nem terheli egyik tagországban sem, kivéve ha a jelen Összefoglaló félrevezető, pontatlan vagy nem áll összhangban a Tájékoztató más részeivel, vagy a Tájékoztató más részeivel együtt olvasva nem adja meg azokat a kulcsfontosságú információkat, amelyek a befektetőket segítik azon döntésük meghozatalában, hogy befektessenek-e a Részvényekbe. Amennyiben a jelen Tájékoztatóban szereplő információkra vonatkozóan az Európai Gazdasági Térség valamely tagállamának bíróságán kereset előterjesztésére kerül sor, úgy a felperes – a kereset benyújtásának helye szerinti tagállam nemzeti jogszabálya alapján – köteles lehet még a jogi eljárás megindítását megelőzően viselni a Tájékoztató lefordításának költségeit.</p>

A.2	A Tájékoztató későbbi felhasználása	A Társaság nem járul hozzá a Tájékoztatónak a Részvények pénzügyi közvetítők által történő későbbi viszonteladásához vagy végső elhelyezéséhez kötődő felhasználásához.
„B” SZAKASZ – A KIBOCSÁTÓ		
B.1	A kibocsátó jogi és kereskedelmi neve	WABERER’S INTERNATIONAL Zártkörűen Működő Részvénytársaság.
B.2	A kibocsátó székhelye és jogi formája, a kibocsátó működésére irányadó jog és a bejegyzés országa	<p>A jelen Tájékoztató időpontjában a Társaság a magyar jogszabályok értelmében zártkörűen működő részvénytársaság. A Társaság 2017. május 31. napján tartott közgyűlésén a Társaság részvényesei a Társaság jogi formájának a zártkörűen működő részvénytársasági formáról nyilvánosan működő részvénytársasági formára történő megváltoztatásáról döntöttek. A Társaság jogi formájának megváltozása azon a napon válik hatályossá, amikor a Budapesti Értéktőzsde jóváhagyja a Meglévő Részvények tőzsdei bevezetését – amely várhatóan 2017. június 20. napjára vagy akörülre esik.</p> <p>A Társaság székhelye: H-1239 Budapest, Nagykörösi út 351., Magyarország.</p> <p>A Társaság, illetve valamennyi konszolidált leányvállalatának (együttesen: a „Csoport”) működése többek között az alábbi egyezmények, illetve jogszabályok hatálya alá tartozik, illetve működésüket az alábbiak szabályozzák: a Nemzetközi Közúti Árufuvarozási Szerződésről szóló egyezmény; a Bécsben, 1997. november 13-án aláírt Egyezmény a közúti járművek időszakos vizsgálata egységes feltételeinek elfogadásáról és ezen vizsgálat kölcsönös elismeréséről; az Európai Unió („EU”) számos irányelve és rendelete, beleértve az Európai Parlament és a Tanács 561/2006/EK rendeletét (2006. március 15.) a közúti szállításra vonatkozó egyes szociális jogszabályok összehangolásáról; az Európai Parlament és a Tanács 593/2008/EK rendelete (2008. június 17.) a szerződéses kötelezettségekre alkalmazandó jogról (Róma I.); az Európai Parlament és a Tanács 2009/138/EK irányelve (2009. november 25.) a biztosítási és viszontbiztosítási üzleti tevékenység megkezdéséről és gyakorlásáról; magyar vonatkozásban a közúti közlekedésről szóló 1988. évi I. törvény, illetve a Munka törvénykönyvéről szóló 2012. évi I. törvény; továbbá a minimálbér tekintetében számos EU tagállam nemzeti jogszabálya, mint például a németországi általános minimálbér szabályozásáról szóló úgynevezett MiLoG vagy a franciaországi Loi Macron törvény.</p>
B.3	A kibocsátó folyó műveleteinek és fő tevékenységi köreinek jellege, az értékesített fő termékkategóriák és/vagy a nyújtott szolgáltatások fő kategóriáinak megnevezésével, valamint a kibocsátó fontosabb versenypiacainak meghatározásával	<p>A Csoport komplett rakományok (FTL) nemzetközi fuvarozásának piacvezető vállalata a saját flottával szolgáltatást nyújtó cégek szegmensében Európában, és árbevétele alapján piacvezető Magyarországon is a logisztikai szolgáltatások területén a Transport Intelligence Ltd. szerint. 2016-ban a Csoport 572,4 millió euró árbevétel, 69,2 millió euró EBITDA-t és 73,6 millió euró Korrigált EBITDA-t realizált. Ugyanebben az időszakban a Magyarországon H-1211 Budapest, Szállító u. 4. szám alatti székhelyen bejegyzett Wáberer Hungária Biztosító Zrt. (a „Biztosító Társaság”), valamint a Lengyelországban Nadrzeczna 17, 05-462 Wiązowna székhelyen bejegyzett Link sp. z.o.o. („LINK”) felvásárlását oly módon figyelembe véve, mintha azok 2016. január 1-jén történtek volna meg, a Társaság 676,1 millió euró <i>pro forma</i> árbevétel, 81,5 millió euró <i>pro forma</i> EBITDA-t és 86,9 millió euró <i>pro forma</i> Korrigált EBITDA-t realizált.</p> <p>A Csoport tevékenysége három üzletágra tagolódik: (i) főként az EU-ra fókuszáló nemzetközi fuvarozási szolgáltatásokat magában foglaló szegmensre („Nemzetközi Fuvarozási Szegmens”); (ii) Magyarországon és a közép-kelet-európai régió belüli regionális fuvarozási és logisztikai szolgáltatásokat magában foglaló üzletágra („Regionális Szerződéses</p>

Logisztikai Szegmens”); (iii) illetve a Biztosító Társaság által főként a Csoporton kívüli harmadik feleknek nyújtott biztosítási szolgáltatásokat magában foglaló szegmensre („**Egyéb Szegmens**”).

A Nemzetközi Fuvarozási Szegmens a Csoport teljes árbevételének 73,9%-át és 77,5%-át (*pro forma* árbevételének 79,5%-át, a Biztosító Társaság és LINK felvásárlását oly módon figyelembe véve, mintha azok 2016. január 1-jén történtek volna meg) realizálta a 2017. március 31-én záruló három hónapban, illetve a 2016. december 31-én záruló évben.

Ugyanezen időszakban, a Regionális Szerződéses Logisztikai Szegmens a Csoport teljes árbevételének 18,3%-át és 16,3%-át (*pro forma* árbevételének 14,3%-át, a Biztosító Társaság és a LINK felvásárlását oly módon figyelembe véve, mintha azok 2016. január 1-jén történtek volna meg) realizálta, a 2017. március 31-én záruló három hónapban, illetve a 2016. december 31-én záruló évben. Az Egyéb Szegmens a Csoport teljes árbevételének 7,8%-át és 5,6%-át (*pro forma* árbevételének 6,1%-át, a Biztosító Társaság és a LINK felvásárlását oly módon figyelembe véve, mintha azok 2016. január 1-jén történtek volna meg) realizálta a 2017. március 31-én záruló három hónapban, illetve a 2016. december 31-én záruló évben.

A Nemzetközi Fuvarozási Szegmens két fő üzletágból áll: (i) a sztenderd áruk FTL (azaz komplett rakományok) nagy távolságra történő nemzetközi fuvarozásból, amelyet a Csoport saját flottás vontatóival és sztenderd pótkocsijaival végez („**Nemzetközi Fuvarozási Üzletág**”); illetve (ii) a Csoport minősített alvállalkozói által végzett szállítványozási tevékenységből („**Nemzetközi Szállítványozási Üzletág**”). A Nemzetközi Szállítványozási Üzletág az alábbiakra fókuszál: a (i) Nemzetközi FTL Szállítványozási Üzletágán keresztül a Nemzetközi Fuvarozási Üzletág által nem lefedett speciális nemzetközi FTL szolgáltatásokra, továbbá az (ii) LTL szolgáltatások (olyan megrendelések szállítása, amelyek nem töltik be a teljes gépjárművet és ennek megfelelően nem minősülnek FTL-nek) révén a csoportos műveletekre.

A Tájékoztató keltezésének napján, a Csoport Nemzetközi Fuvarozási Szegmens tevékenységét elsősorban közvetlenül a Társaság, illetve az Operatív Egységek végzik.

A Csoport – a Regionális Szerződéses Logisztikai Szegmens révén – árbevétele alapján a legnagyobb hazai fuvarozási és logisztikai szolgáltató Magyarországon, amely Regionális Fuvarozási Szegmensén belül rövid és középtávolságú közúti fuvarozási szolgáltatásokat, míg Regionális Logisztika Szegmensén belül disztribúciós és raktározási szolgáltatásokat kínál hazai ügyfelei számára.

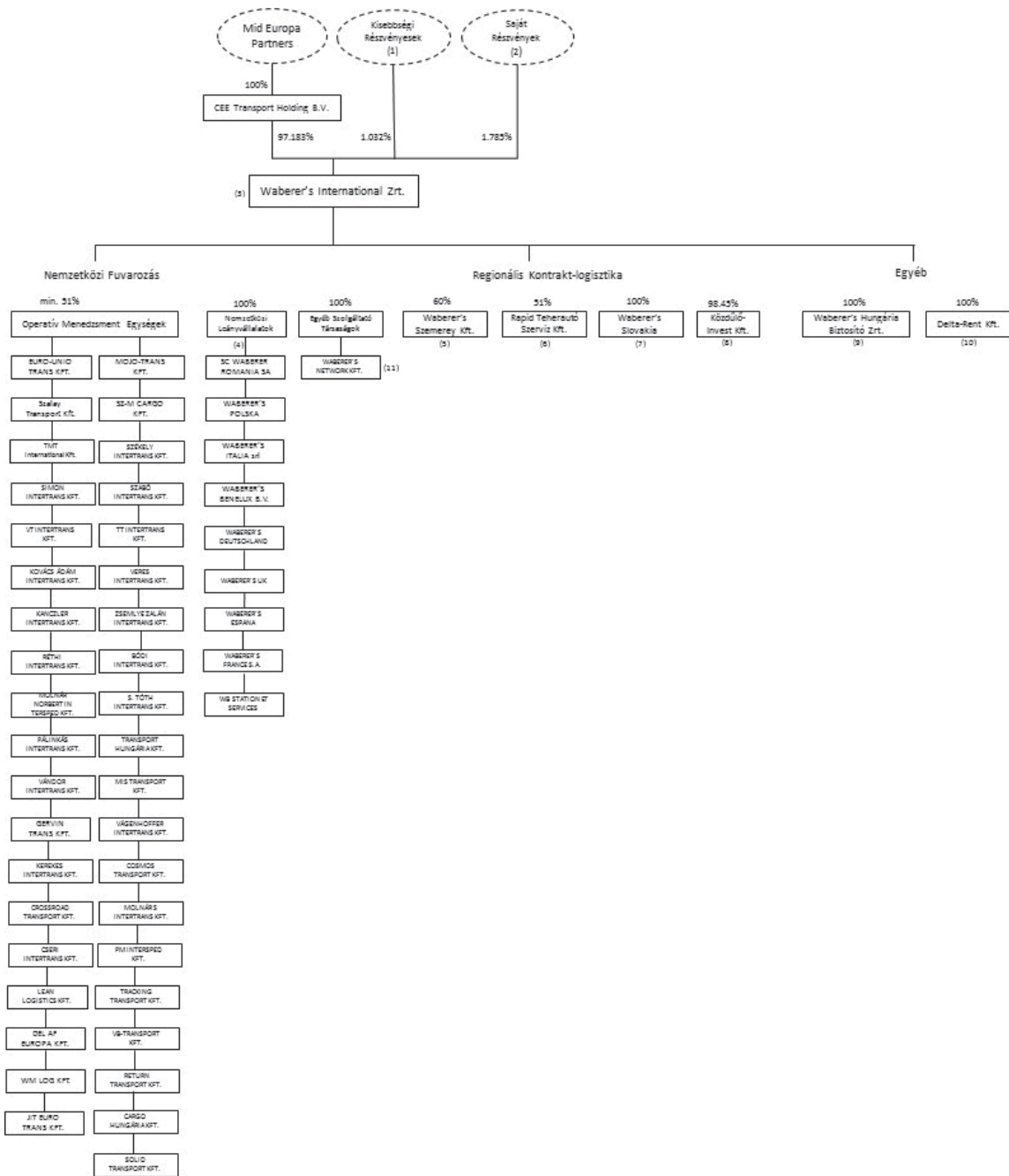
A Regionális Szerződéses Logisztika Szegmens révén a Csoport tehát rövid és középtávolságú közúti fuvarozási, raktározási és disztribúciós szolgáltatásokat nyújt regionális ügyfeleinek Magyarországon és a közép-kelet-európai régióban egyaránt. A Csoport Regionális Fuvarozási üzletága speciálisan felszerelt, száraz- és hűtött áru szállítására alkalmas gépjárműflottát működtet, illetve konténerek és gázpalackok szállítását is vállalja, míg a Regionális Logisztikai Üzletág 2017. március 31. napján 182 399 m² bérelt raktárkapacitással rendelkezett, beleértve a partnerek telephelyein 25 241 m² területen kínált ún. kiszervezett raktározási szolgáltatásokat is.

A Csoport Regionális Szerződéses Logisztika Szegmensében folytatott tevékenységét elsősorban a Waberer’s-Szemerey Kft. végzi, amely 60%-ban a Csoport, 40%-ban pedig Szemerey Lóránd tulajdonában van. A Csoport Regionális Szerződéses Logisztika Szegmensének működése elsősorban Magyarországhoz köthető. A Regionális Szerződéses Logisztikai Szegmens Szlovákiában olyan irodát működtet, amely logisztikai szolgáltatásokat nyújt Szlovákiában egy energetikai vállalat részére.

		<p>A Biztosító Társaság 2016. április 8-án történt felvásárlásával a Csoport üzleti tevékenysége kibővült, amely eredményeképp nem-életbiztosítási termékeket és szolgáltatásokat is kínál Magyarországon, amelynek legnagyobb ügyfele a Csoport fuvarozási és logisztikai üzletága. A Csoport Egyéb Szegmense főként a Biztosító Társaság biztosítási üzletágát és termékeit foglalja magában, amelyeket Csoporton kívüli harmadik felek számára nyújt.</p> <p>A Csoport székhelye és működésének központja Budapesten, Magyarországon található, azaz Közép-Európában jelentős nemzetközi tranzitútvonalak csomópontjában helyezkedik el széles földrajzi lefedettséget biztosítva Európában.</p> <p>A Csoport üzleti tevékenységét elsősorban a saját fejlesztésű testre szabott informatikai rendszerének; a teljes mértékben szabványosított modern flottájának; saját, integrált karbantartási és biztosítási modelljének; valamint az ösztönző szervezeti-vezetési modellnek köszönhetően iparág-vezető működési teljesítmény és hatékonyság jellemzi. A Csoport modern saját flottát működtet, amelynek átlagéletkora 2017. március 31-én 2,6 év volt. 2017. március 31-én a Csoport 3 730 gépjárművet működtetett, 6 857 munkavállalót foglalkoztatott, ebből 5 048 a gépjárművezető. A Csoport 2016 januárjában bevezette saját „Waberer’s Intelligent Routing Engine” („WIRE”) rendszerét, amely megtervezi az optimális útvonalat az áru felvételi és a kiszállítási pontok között, figyelembe véve többek közt az alábbiakat: a költségek, a gépjárművezetők számára előírt minimális pihenőidő. A Csoport 2013-ban bevezette saját „Waberer’s Intelligent Planning Engine” („WIPE”) informatikai rendszerét, amely – a rakottság növelése érdekében – segíti a szabad gépjármű-kapacitásnak az ügyfelek megrendeléseivel történő optimális összekapcsolását.</p> <p>A Csoport informatikai rendszere a saját modern flottával együtt hozzájárult a Csoport által elért magas rakottsági arányhoz, amely a Nemzetközi Fuvarozási Üzletágban a menedzsment által az Eurostat adatai alapján becsült 2015-ös EU-s 87,5%-os átlaghoz viszonyítva 2016-ban 91,6%-ot tett ki.</p>
<p>B.4.a</p>	<p>A kibocsátót és a tevékenysége szerinti ágazatot befolyásoló legfontosabb, legújabb trendek bemutatása</p>	<p>A menedzsment úgy véli, hogy a legfontosabb tényezők, amelyek a Csoport működésének és pénzügyi helyzetének eredményeit befolyásolták a 2017. március 31-én záruló három hónapban, valamint a 2014., 2015. és 2016. december 31-én záruló években – és a jövőben is jelentősen befolyásolhatják -, az alábbiak:</p> <ul style="list-style-type: none"> • általános piaci feltételek; • gyártók költségcsökkentése; • az ipari termelés globalizációja; • az árképzés és értékesítési volumen; • anyagköltségek; • gépjárművezetői állomány; • a Csoport egyedi informatikai rendszerének hatékonysága; • a logisztikai ágazat specializációja; • a flottamenedzsment és eszközértékesítés • szezonáltság; • a Biztosító Társasággal szembeni követelések súlyossága és gyakorisága; • a devizaárfolyamok hatása.

B.5	A csoport és a kibocsátó a csoporton belüli pozíciójának ismertetése	A Társaság a Csoport anyavállalata és egyik operatív egysége. Az alábbi szervezeti ábra a Csoport a Kibocsátó Csoporton belüli pozícióját mutatja be:
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Az alábbi táblázat mutatja be a csoport részletes társasági szerkezetét:



Megjegyzések:

- (1) Több mint 150 kisebbségi részvényt foglal magában, főként a Társaság azon jogelődjeinek (pl.: Volán Tefu Rt. és Hungarocamion Rt.) részvényeseit, akik munkavállalói értékpapír-juttatási program keretében részvényt vásároltak. A Társaság jelenlegi menedzsmentjéből kizárólag Lajkó Ferenc (a Társaság Vezérigazgatója, illetve az Igazgatóság tagja), illetve Kiss Csaba (Fuvarozási Igazgató) rendelkeztek a Társaság által kibocsátott Részvényekkel. A Tájékoztató keltének időpontjában: Lajkó Ferenc 11 559 Részvény, illetve Kiss Csaba 2 449 Részvény tulajdonosa – ezen Részvények együttesen a Társaság alaptőkéjének 0,098%-át teszik ki.
- (2) A Társaság alaptőkéjéből 1,785%-os saját részvényhányadot jelent, amelyből 2017. június 1. napján hozzávetőlegesen 1,07%-ot a Waberer's Munkavállalói Résztulajdonosi Program Szervezet tulajdonol.
- (3) Az egész Csoport érdekében működő központi irodai funkciói mellett a Társaság maga is üzleti tevékenységet folytat a Nemzetközi Fuvarozási Szegmensben.

	<p>(4) A Nemzetközi Fuvarozási Szegmens számos nemzetközi irodát tart fenn Európában, a Társaság 100%-os közvetlen vagy közvetett irányításával.</p> <p>(5) A Regionális Szerződéses Logisztikai Szegmens fő részét képezik. A Társaságnak vételi joga van a Szemerey Lóránd tulajdonában lévő 40%-os üzletrészre.</p> <p>(6) Karbantartási szolgáltatásokat nyújt elsősorban a Regionális Szerződéses Logisztikai Szegmens számára. A Részvények fennmaradó 49%-ának tulajdonosa Kovács Imre.</p> <p>(7) A Szlovákiában működő olajfinomító vállalat számára biztosított szolgáltatások révén a Regionális Szerződéses Logisztikai Szegmens részét képezi.</p> <p>(8) A Biztosító Társaság irányítja a Közdülő Invest Kft.-t, amely a raktárépületekből és irodaházakból álló PLK (Pestlőrinci Logisztikai Központ) tulajdonosa. A Közdülő Invest Kft. mint bérbeadó, a PLK logisztikai központban bizonyos raktár- és irodahelyiségeket ad bérbé a Waberer's-Szemerey Kft. részére.</p> <p>(9) A Biztosító Társaság 2016. április 8-án vált a Csoport tagjává.</p> <p>(10) A Csoportnak a Nemzetközi Fuvarozási Szegmensben illetve a Regionális Szerződéses Logisztika Szegmensben üzleti tevékenységet folytató csoportjain kívül további egy leányvállalata van (Delta-Rent Kft.), amely egyéb szolgáltatásokat nyújt a Csoport részére.</p> <p>(11) Magában foglalja a Csoport gyűjtő szállítványozási tevékenységét, amely 2010 decemberétől önálló jogi személyként működik.</p>
B.6	<p>Azon személyek megnevezése, akik közvetlenül vagy közvetve olyan érdekeltséggel rendelkeznek a kibocsátó tőkéjében vagy szavazati jogai tekintetében, amely bejelentési kötelezettséget von maga után, vagy azon személyek megnevezése, akik ellenőrzik a kibocsátót</p> <p>A jelen Tájékoztató időpontjában a Társaság fő részvényese a CEE Transport Holding B.V., az Értékesítő Részvényes, amely a Társaság 14 241 190 részvényének tulajdonosa, amely a Társaság jegyzett tőkéjének és szavazati jogainak mintegy 97,18%-át teszi ki.</p> <p>Az Értékesítő Részvényes olyan magántőke befektetéseket célzó társaság, amelynek végső tulajdonosa és vezetője a Mid Europa III Management Limited, mint a Mid Europe Fund III LP végső általános partnere (<i>general partner</i>) („Mid Europa”).</p>
	<p>Tájékoztató arról, hogy a kibocsátó közvetlenül vagy közvetve más személy tulajdonában vagy ellenőrzése alatt van-e, e más személy megnevezése, az ellenőrzés jellegének leírása</p> <p>A jelen Tájékoztató időpontjában az Értékesítő Részvényes irányítja a Társaságot. Az Értékesítő Részvényesnek a Társaság feletti irányítása azon alapszik, hogy a Társaságban megközelítőleg 97,18%-ban rendelkezik a részvények, illetve a szavazati jogok felett.</p>
	<p>Szavazati jogok</p> <p>A Társaság közgyűlésén minden Részvény egy szavazattal bír. Leszámítva azon jogi követelményt, miszerint a Részvények 10%-ot elérő, vagy azt meghaladó mértékének megszerzéséhez a Magyar Nemzeti Bank („MNB”) jóváhagyása szükséges, a szavazati jogokra egyéb korlátozások nem vonatkoznak. Az Értékesítő Részvényes tulajdonában lévő Részvények ugyanolyan szavazati joggal bírnak, mint a Részvények szavazati jogai.</p>
B.7	<p>Kiemelt pénzügyi és üzleti információk</p> <p>Az ismertetett pénzügyi és üzleti információk forrásai: (i) a Társaság 2017. március 31-én záruló három hónapra vonatkozó, nem auditált, konszolidált pénzügyi beszámolója, amely magában foglalja összehasonlításként a 2016. március 31-én záruló három hónapra vonatkozó információkat, beleértve a kiegészítő mellékletet (Notes) is („Időközi Pénzügyi Beszámoló”), valamint a Társaságnak a 2014., 2015. és 2016. december 31-én záruló éveire vonatkozó, auditált konszolidált pénzügyi beszámolója, beleértve a kiegészítő mellékletet (Notes) is („Éves Pénzügyi Beszámoló”), illetve az Időközi Pénzügyi Beszámolókat (együttesen „Pénzügyi Beszámoló”); továbbá a (ii) Társaság belső számviteli rendszere. Az Éves Pénzügyi Beszámolókat az Ajánlattétel céljából készítették el.</p>

	<p>A pénzügyi beszámolók a Nemzetközi Számviteli Standard Testület (IASB) által kiadott és az EU által elfogadott Nemzetközi Pénzügyi Beszámolási Standardok („IFRS”) szerint készültek el. Az Éves Pénzügyi Beszámolókat az Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság („Ernst & Young”), (cím: H-1132 Budapest, Váci út 20. Magyarország) auditálta, ahogy azt a jelen Tájékoztatóban szereplő Pénzügyi Beszámolókhöz csatolt jelentésük tartalmazza. Az Időközi Pénzügyi Jelentést az Ernst & Young átnézte, ahogy azt a jelen Tájékoztatóban szereplő Közbeső Pénzügyi Beszámolókhöz csatolt jelentésük tartalmazza.</p>
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Konzolidált Átfogó Eredménykimutatás adatai a 2017. március 31-én, illetve a 2016. március 31-én záruló három hónapra, továbbá a 2014., 2015. és 2016. december 31-én záruló évekre vonatkozóan, beleértve a 2016. december 31-én záruló évre szóló Pro Forma Eredménykimutatásokra vonatkozó adatokat is (a Biztosító Társaság és a LINK felvásárlását oly módon figyelembe véve, mintha azok 2016. január 1-jén történtek volna meg):

	Március 31-én záruló három hónap (nem auditált)		2016. december 31-én záruló év – Pro Forma (nem auditált)	December 31-én záruló év (auditált)		
	2017	2016	2016	2015	2014	
<i>(adatok ezer euróban megadva, kivéve az egy részvényre jutó összegeket és %-okat)</i>						
Folyamatos tevékenységek						
Bevétel	155 158	127 230	676 116	572 352	522 480	496 200
Közvetlen bérek, járulékok és juttatások	(23 104)	(19 448)	(97 850)	(86 590)	(70 004)	(64 176)
Üzemanyag költségek ..	(30 001)	(24 850)	(115 488)	(104 654)	(107 820)	(123 097)
Útdíj és tranzit költségek	(25 221)	(24 363)	(106 683)	(94 229)	(93 590)	(86 288)
Alvállalkozói teljesítés költsége és vizontbiztosítási díj	(29 919)	(22 099)	(154 824)	(110 549)	(92 208)	(81 498)
Eladott áruk beszerzési értéke	(3 067)	(1 966)	(13 988)	(13 650)	(16 765)	(11 834)
Egyéb költségek ⁽¹⁾	(16 053)	(11 803)	(52 670)	(46 934)	(41 309)	(32 765)
Gépjárművek értékesítéséből származó nettó jövedelem	(26)	737	2 996	4 038	6 134	8 259
Bruttó nyereség	27 766	23 438	137 609	119 784	106 918	104 801
Közvetett bérek és juttatások	(7 478)	(5 778)	(31 702)	(27 681)	(23 055)	(19 200)
Egyéb szolgáltatások ⁽²⁾	(4 473)	(3 284)	(20 912)	(18 321)	(15 372)	(12 405)
Egyéb működési bevételek ⁽³⁾	1 933	2 870	8 600	6 208	6 996	9 358
Egyéb működési költségek ⁽⁴⁾	(469)	(788)	(12 059)	(10 808)	(5 184)	(14 418)
Kamatok, adózás és értékcsökkenési leírás előtti eredmény (EBITDA) (nem auditált).	17 280	16 458	81 535	69 182	70 303	68 136
Értékcsökkenés és amortizáció	(12 160)	(13 014)	(57 359)	(52 012)	(49 556)	(41 892)
Kamatfizetés és adózás előtti eredmény (EBIT) (nem auditált)	5 120	3 444	24 177	17 170	20 747	26 244
Kamat	(1 006)	(867)	(3 629)	(3 126)	(2 875)	(9 016)
Adózás előtti nyereség (veszteség)	4 114	2 578	20 548	14 044	17 872	17 228
Adófizetési kötelezettség ..	(631)	(1 560)	(6 357)	(4 870)	(5 452)	(6 147)
Mérleg szerinti eredmény .	3 483	1 017	14 191	9 174	12 420	11 081
Korrigált EBITDA (nem auditált)⁽⁵⁾	18 189	16 496	86 861	73 595	71 511	68 136⁽⁶⁾
Korrigált EBIT (nem auditált)⁽⁵⁾	6 029	3 482	29 502	21 583	21 955	26 244⁽⁶⁾
Korrigált EBITDA ráta (nem auditált)⁽⁵⁾⁽⁷⁾	11,7%	13,0%	12,8%	12,9%	13,7%	13,7%⁽⁶⁾

Megjegyzések:

- (1) Az egyéb költségek elsősorban közvetlen javítási és karbantartási költségekből, közvetlen biztosítási költségekből, közvetlen bérleti díjakból, a gépjárműadókból, illetve egyéb szerződésekből származó kötelezettségekből állnak.
- (2) Az egyéb szolgáltatások elsősorban az alábbiakhoz kapcsolódó egyéb közvetett költségekből állnak: ingatlan, IT és telekommunikáció, marketing, szakértői és egyéb szolgáltatások.

	<p>(3) Az egyéb működési bevételek elsősorban a céltartalék visszairásából, a kapott kártérítésekből, a Csoport részére fizetett bírságokból, büntetésekből, késedelmi kamatokból, munkavállalói visszatérítésekből, valamint a követelések értékvesztésének visszairásából, illetve a kártartalékokat fedező, lekötött biztosítási betétekre kapott kamatokból, valamint egyéb bevételekből állnak.</p> <p>(4) Az egyéb működési költségek elsősorban a fizetett kártérítésekből, céltartalékból, a követelések értékvesztéséből, a bírságokból és büntetésekből, a készletek értékvesztéséből, a hitelezési veszteségből, az állóeszközök értékvesztéséből, a biztosítási károkból és egyéb ráfordításokból állnak.</p> <p>(5) A 4 413 ezer euró összegű 2016. évi korrekciója a következő nem ismétlődő tételeket tartalmazza: (i) a Társaság nyilvános ajánlattételének megszakítása kapcsán felmerült, a Csoport által 2015 és 2016-ban vállalt egyszeri költségeket, valamint a kapcsolódó munkavállalói rész tulajdonosi program (MRP) kapcsán felmerülő egyszeri szakértői díjakat 3 139 ezer euró összegben; továbbá (ii) a Csoport által 2016-ban vállalt, a Társaság irányításában bekövetkezett változások kapcsán felmerült egyszeri költségeket, amelyek magukban foglalják a Csoport által a Társaság menedzsmentjének korábbi tagjai részére fizetett 797 ezer euró összegű végkielégítéseket; valamint (iii) a Társaság munkavállalói rész tulajdonosi program (MRP) kialakítása során felmerült egyszeri költségeket, és a munkavállalói rész tulajdonosi program (MRP) részére kifizetett jövőbeni juttatások fedezésére szolgáló tartalékképzést 477 ezer euró összegben.</p> <p>A 2015-re vonatkozó korrekció magában foglalja a Társaság nyilvános ajánlattételének megghiúsulása okán felmerült, a Csoport által 2015 és 2016-ban vállalt egyszeri költségeket, valamint a kapcsolódó munkavállalói rész tulajdonosi programot (MRP) 1 208 ezer euró összegben.</p> <p>(6) 2014-re vonatkozóan nem történt korrekció.</p> <p>(7) A Korrigált EBITDA osztva a bevétellel.</p>	
	<p>Jelentős változások a kibocsátó pénzügyi helyzetében és működési eredményében</p>	<p>A Csoport pénzügyi helyzetét és teljesítményét a 2016. és 2017. március 31-én záruló három hónapra, továbbá a 2014., 2015. és 2016. december 31-én záruló évekre vonatkozóan jelentősen befolyásolta az a tény, hogy a 2016. december 31-én záruló évben a Társaság felvásárolta a Biztosító Társaságot, míg a 2015. december 31-én, illetve a 2014. december 31-én záruló években nem volt ilyen jelentős mértékű akvizíció. A 2016. december 31-én záruló évben a Csoport pénzügyi helyzetét és teljesítményét jelentősen befolyásolta a Biztosító Társaság 2016. április 8-án történő felvásárlása. A fenti akvizíció mellett a Csoport működési eredményét is kedvezően befolyásolta mind a Nemzetközi Fuvarozási Szegmensben, mind pedig a Regionális Szerződéses Logisztikai Szegmensben a megtett kilométerben mért teljesítmény növekedése, amelyet kis mértékben ellensúlyozott az egy kilométerre jutó alacsonyabb árbevétel, a Nemzetközi Fuvarozási Szegmensben foglalkoztatott gépjárművezetők bérének és létszámának növekedése, illetve az újonnan felmerült viszontbiztosítási díjak.</p>
<p>B.8</p>	<p>Kiemelt előzetes pénzügyi információk, amelyeket ilyenként határoztak meg</p>	<p>A Csoport nem auditált, <i>pro forma</i> eredménykimutatása abból a célból készült, hogy bemutassa a Biztosító Társaság 2016. április 8-i felvásárlásának, illetve a LINK jelenleg is zajló akvizíciójának a Csoport 2016. december 31-én záruló évre vonatkozó eredménykimutatására gyakorolt hatását, oly módon, mintha a Biztosító Társaság és a LINK felvásárlásaira 2016. január 1-jén került volna sor, és a Csoport mérlegére gyakorolt hatását oly módon, mintha a LINK felvásárlására 2016. december 31-én került volna sor („Pro Forma Pénzügyi Beszámoló”). A Pro Forma Pénzügyi Beszámoló az Éves Pénzügyi Beszámolókból származó pénzügyi információkon alapulnak, míg a Biztosító Társaságnak a 2016. december 31-én záruló évre vonatkozó auditált konszolidált pénzügyi beszámolója („Biztosító Társaság Pénzügyi Beszámolója”), illetve a LINK-nek a 2016. december 31-én záruló évre vonatkozó auditált pénzügyi beszámolója („LINK Pénzügyi Beszámolója”) a beszámolóban található kiegészítő megjegyzések, valamint a Csoport 2016. december 31-én zárult évre vonatkozóan elfogadott számviteli politikája alapján készült. A Pro Forma Pénzügyi Beszámoló csak szemléltetési célból készültek, illetve – természetüknél fogva – kizárólag feltételezett helyzetet mutatnak, ebből kifolyólag nem a Csoport valós pénzügyi helyzetét vagy eredményét jelzik. Következésképpen nem biztos, hogy a Pro Forma Pénzügyi Beszámoló – természetükből adódóan – valós képet adnak a Csoport pénzügyi helyzetéről vagy eredményéről.</p>

Nem Auditált, Pro Forma Eredménykimutatás-adatok a 2016. december 31-vel záruló évre

Az alábbi nem auditált *pro forma* eredménykimutatás a Biztosító Társaság és a LINK 2016. január 1-jén történt akvizíciójának a Csoport eredménykimutatására gyakorolt hatását szemlélteti a 2016. december 31-én záruló évre vonatkozóan, oly módon, mintha a Biztosító Társaság és a LINK akvizíciójára 2016. január 1-jén került volna sor:

	Korrekcio			Pro Forma 2016 Összesen (nem auditált)
	Csoport 2016. december 31-én záruló év (auditált)	LINK 2016. december 31-én záruló évre vonatkozó működése (nem auditált)	Biztosító Társaság harmadik feles üzletéből származó, a 2016. január 1-jén kezdődő és 2016. március 31-én záruló periódusra vonatkozó eredménye ⁽¹⁾ (nem auditált)	
<i>(adatok ezer euróban megadva, kivéve a %-ot)</i>				
Folyamatos tevékenységek				
Bevétel	572 352	94 309	9 455	676,116
Közvetlen bérek, járulékok és juttatások	(86 590)	(11 260)	—	(97 850)
Üzemanyag költségek	(104 654)	(10 834)	—	(115 488)
Útdíj és tranzit költségek.....	(94 229)	(12 454)	—	(106 683)
Alvállalkozói teljesítés költsége és viszontbiztosítási díj	(110 549)	(39 306)	(4 969)	(154 824)
Egyéb költségek ⁽²⁾	(46 934)	(3 570)	(2 166)	(52 670)
Gépjárművek értékesítéséből származó nettó jövedelem.....	4 038	(1 042)	—	2 996
Eladott áruk beszerzési értéke	(13 650)	(339)	—	(13 988)
Bruttó nyereség	119 784	15 506	2 320	137 609
Közvetett bérek és juttatások	(27 681)	(3 464)	(558)	(31 702)
Egyéb szolgáltatások ⁽³⁾	(18 321)	(2 446)	(145)	(20 912)
Egyéb működési bevételek ⁽⁴⁾	6 208	1 015	1 377	8 560
Egyéb működési költségek ⁽⁵⁾	(10 808)	(1 041)	(211)	(12 059)
Kamatok, adózás és értékcsökkenési leírás előtti eredmény (EBITDA)	69 182	9 570	2 783	81 535
Értékcsökkenés és amortizáció.....	(52 012)	(5 270)	(76)	(57 359)
Kamatfizetés és adózás előtti eredmény (EBIT)	17 170	4 230	2 707	24 177
Kamat	(3 126)	(537)	34	(3 629)
Adózás előtti nyereség (veszteség)	14 044	3 762	2 741	20 548
Adófizetési kötelezettség.....	(4 870)	(984)	(502)	(6 357)
Mérleg szerinti eredmény	9 174	2 778	2 239	14 191
Korrigált EBITDA (nem auditált)⁽⁶⁾	73 595	10 483	2 783	86 861
Korrigált EBIT (nem auditált)⁽⁶⁾	21 583	5 212	2 707	29 502
Korrigált EBITDA ráta (nem auditált)⁽⁷⁾	12,9%	—	—	12,8%

Megjegyzések:

- (1) A Pro Forma Pénzügyi Információk előkészítéseként használt, a Biztosító Társaság 2016. január 1-jén kezdődő és 2016. március 31-én záruló periódusra vonatkozó, nem auditált átfogó eredménykimutatások a Csoport és a Biztosító Társaság között létrejött tranzakciók hatásainak figyelmen kívül hagyásával készültek.
- (2) Az egyéb költségek elsősorban közvetlen javítási és karbantartási költségekből, közvetlen biztosítási költségekből, közvetlen bérleti díjakból, a gépjárműadóból, illetve egyéb szerződésekből származó kötelezettségekből állnak.
- (3) Az egyéb szolgáltatások elsősorban az alábbiakhoz kapcsolódó egyéb közvetett költségekből állnak: ingatlan, IT és telekommunikáció, marketing, szakértői és egyéb szolgáltatások.
- (4) Az egyéb működési bevételek elsősorban a céltartalék visszairásából, a kapott kártérítésekből, a Csoport részére fizetett bírságokból, büntetésekből, késedelmi kamatokból, munkavállalói visszatérítésekből, valamint a követelések amortizációjának visszairásából, illetve a kártartalékokat fedező biztosítási lekötött betétekre kapott kamatokból állnak.
- (5) Az egyéb működési költségek elsősorban a kifizetett kártérítésekből, a céltartalékból, a követelések értékvesztéséből, a bírságokból és büntetésekből, a készletek értékvesztéséből, a hitelezési veszteségből, az állóeszközök értékvesztéséből, a biztosítási károkból és egyéb költségekből állnak.

	<p>(6) A 4 413 ezer euró összegű 2016. évi korrekció a következő nem ismétlődő tételeket tartalmazza: (i) a Társaság első nyilvános ajánlattételének meghiúsulása okán felmerült, a Csoport által 2015-ben és 2016-ban vállalt egyszeri költségeket, valamint a kapcsolódó munkavállalói rész tulajdonosi program (MRP) kapcsán felmerülő egyszeri szakértői díjakat, 3 139 ezer euró összegben; (ii) a Csoport által 2016-ban vállalt, az irányításában bekövetkezett változások kapcsán felmerült egyszeri költségeket, amelyek magukban foglalják a Csoport által a Társaság menedzsmentjének korábbi tagjai részére fizetett 797 ezer euró összegű végkielégítéseket; valamint (iii) a Társaság munkavállalói rész tulajdonosi program (MRP) céljainak felülvizsgálata során felmerült egyszeri költségeket, és a munkavállalói rész tulajdonosi program (MRP) részére kifizetett jövőbeni juttatások fedezésére szolgáló tartalékképzést 477 ezer euró összegben.</p> <p>(7) A Korrigált EBITDA osztva a bevétellel.</p>
B.9	<p>Nyereség-előrejelzés és -becslés</p> <p>Nem alkalmazandó. A jelen Tájékoztató nem tartalmaz nyereség-előrejelzést, sem pedig becslést.</p>
B.10	<p>Múltbeli pénzügyi adatokra vonatkozó könyvvizsgálói korlátozások</p> <p>Nem alkalmazandó. Nincs ilyen jellegű korlátozás.</p>
B.11	<p>A kibocsátó jelenlegi szükségleteihez viszonyított működőtőke-hiánya</p> <p>A Menedzsment úgy véli, hogy a Csoport elegendő működőtőkével rendelkezik a jelenlegi szükségleteihez a jelen Tájékoztató keltétől számított legalább 12 hónapig.</p>
„C” SZAKASZ – ÉRTÉKPAPÍROK	
C.1	<p>Az eladásra felajánlott és/vagy kereskedelemre bevezetett értékpapírok fajtája és osztálya, értékpapír-azonosító számmal együtt</p> <p>A jelen Tájékoztató, többek között, az alábbiakra vonatkozik: legfeljebb 7 160 973, részvényenként 0,35 euró névértékkel bíró, teljes mértékben befizetett Meglévő, Értékesítésre Felajánlott Részvények értékesítésre történő felajánlására az Értékesítő Részvényes által, legfeljebb 1 485 876, részvényenként 0,35 euró névértékkel bíró, teljes mértékben befizetett Túljegyzési Részvények értékesítésre történő felajánlására az Értékesítő Részvényes által, illetve legfeljebb 3 088 236, részvényenként 0,35 euró névértékkel bíró Új Részvény kibocsátására.</p> <p>A Meglévő, Értékesítésre Felajánlott Részvények, illetve a Túljegyzési Részvények dematerializált értékpapírok az Új Részvények a Központi Elszámolóház és Értéktár Zrt.-nél (székhely: H-1074 Budapest, Rákóczi út 70-72., Magyarország) („KELER”) kerülnek megkezelésre.</p> <p>A jelen Tájékoztató a Társaság által kibocsátott Részvények Budapesti Értéktőzsdére való bevezetése céljából is készült. A Részvények bevezetéséhez és az értékpapír-kategória megállapításához a Budapesti Értéktőzsde jóváhagyása és bevezetési feltételeinek való megfelelés szükséges.</p> <p>A Részvények értékpapír-azonosítója (ISIN): HU0000120720.</p> <p>A Részvények kereskedési szimbóluma: WABERERS.</p>
C.2	<p>Az értékpapír-kibocsátás pénzneme</p> <p>Az Részvények névértéke euróban, az Ajánlati ársáv forintban került meghatározásra.</p>
C.3	<p>A kibocsátott és teljesen befizetett, illetve a kibocsátott, de még nem teljesen befizetett részvények száma, a részvények névértéke, illetve nyilatkozat arról, hogy a részvényeknek nincs névértékük</p> <p>A Társaság alaptőkéje 14 654 028 dematerializált, egyenként 0,35 euró névértékű „A” sorozatú törzsrészvényből áll. Minden Meglévő Részvény teljes mértékben befizetésre került.</p> <p>A Tájékoztató keltének időpontjában a Társaság nem rendelkezik Részvényekkel, kivéve azt a 261 614 saját részvényt, amelyek hozzávetőlegesen a Társaság alaptőkéjének 1,785%-át teszik ki, és amelyből 157 665, hozzávetőlegesen 1,07%-ot a Waberer's Munkavállalói Rész tulajdonosi Program Szervezet tulajdonol.</p>

		Valamennyi kibocsátott részvény a magyar jogszabályok hatálya alá tartozik, és a Részvények jövőbeni kibocsátása esetén is a magyar jogszabályok hatálya alá fog tartozni.
C.4	Az értékpapírokhoz kapcsolódó jogok ismertetése	<p>Különösen a Részvényesek Tulajdonosai jogosultak az alábbiakra:</p> <ul style="list-style-type: none"> • a közgyűlésen való részvétel és szavazati jog; • információhoz való jog; • osztalékhoz való jog; • az újonnan kibocsátott részvények elővásárlási joga. <p>A Részvények azonos szavazati és információhoz való jogot biztosítanak. A Részvényekhez azonos osztalékjogok és likvidációs hányadra vonatkozó jogok tartoznak. Azonos jogok fűződnek hozzájuk arra nézve is, hogy a részvényesek a Társaság saját tőkéjének terhére megvalósított tőkeemelés esetén részvényhányaduk arányában tarthatnak igényt részvényekre. Pénzbeli hozzájárulásként történő tőkeemelés esetén a Részvényesek elsőbbséget élveznek az újonnan kibocsátott részvények jegyzésére.</p> <p>A Részvényt nem lehet sem visszaváltani, sem kicserélni.</p>
C.5	Az értékpapírok szabad átruházhatóságára vonatkozó korlátozások ismertetése	<p>A Társaság alapszabálya nem tartalmaz korlátozást a Részvények átruházhatóságára vonatkozóan.</p> <p>A Részvények szabadon átruházhatóak, figyelemmel azonban az egyes joghatóságok (beleértve az Egyesült Államokat, az Egyesült Királyságot és az EGT tagállamokat, valamint más joghatóságokat) szerinti, az átruházóra vagy a kedvezményezettre vonatkozó értékesítési és átruházási korlátozásokra, és egyes részvényesekre vonatkozó szerződéses értékesítési korlátokra.</p> <p>A Részvények 10%-ot elérő, vagy azt meghaladó mértékű megvásárlásához az MNB jóváhagyása szükséges.</p> <p>Annak következtében, hogy a Biztosító Társaság a Társaság 100%-os tulajdonában álló leányvállalata, a Társaság Részvényeinek 10%-ot elérő, vagy azt meghaladó mértékű megvásárlásához az MNB jóváhagyása szükséges. Amennyiben az ilyen mértékű részvényvásárlást az MNB nem hagyja jóvá, úgy a részvényes nem vásárolhat 10%-ot elérő, vagy azt meghaladó mértékű Részvényt a Társaságban.</p> <p>A jelen Tájékoztató elfogadásával az Értékesítésre Felajánlott Részvények minden egyes vásárlójára úgy kell tekinteni, mint aki az Egyesült Államok vonatkozó értékpapírjogának betartásával jár el.</p>
C.6	Tájékoztató arról, hogy a felajánlott értékpapírok tekintetében nyújtottak-e be vagy nyújtanak-e be szabályozott piacra történő bevezetés iránti kérelmet	<p>A Részvények értékpapírpiacra történő bevezetésére korábban nem került sor.</p> <p>A Társaság a Meglévő Részvényeknek a Budapesti Értéktőzsdén történő bevezetését várhatóan 2017. június 19. napján vagy akörül, míg az Új Részvények bevezetését várhatóan 2017. július 3. napján vagy akörül fogja kezdeményezni. A Meglévő Részvények és az Új Részvények bevezetésének jóváhagyása várhatóan a következő időpontokban kerül közzétételre: 2017. június 20. és 2017. július 5. napján. A Részvények kereskedése a Budapesti Értéktőzsdén várhatóan 2017. július 6. napján kezdődik. A Részvények bevezetésével, illetve az értékpapír-kategóriával kapcsolatos döntések nem tartoznak az MNB hatáskörébe, ahhoz a Budapesti Értéktőzsde jóváhagyása és a bevezetési feltételeknek való megfelelés szükséges.</p> <p>A Részvények Budapesti Értéktőzsdén kívül bármely más tőzsdére való bevezetésével, illetve azokkal történő kereskedésére vonatkozóan nem érkezett és jelenleg nem várható kérelem.</p>

C.7	Osztalékpolitika ismertetése	<p>2017 és 2018-ban a Társaság szándékában áll minden rendelkezésre álló forrást és jövőbeni bevételt újra befektetni az üzleti tevékenység növekedésének és fejlesztésének finanszírozása céljából a megállapított stratégiával összhangban (ideértve az egyesülési és felvásárlási tranzakciókat is), illetve hozzávetőlegesen kétszeresre csökkenteni a jelenlegi tőkeáttételi arányt (nettó adósság osztva az EBITDA-val). Ennélfogva a Társaság nem tervez osztalékfizetést a 2017 és 2018-as pénzügyi évekre vonatkozóan. 2019-től kezdődően az Igazgatóság meg kívánja vizsgálni annak lehetőségét, hogy olyan osztalékpolitikát alkalmazzon a Társaság, amelynek célzott kifizetési aránya 30-50%-ig terjed, így maximalizálva a részvényesi értéket, valamint igazolva a Társaság erős jövedelmezőségi potenciálját és cash flow jellemzőit. Ugyanakkor az ilyen osztalékpolitikának lehetővé kell tennie a Társaság részére, hogy elegendő tőkét tartson fenn ahhoz, hogy hosszú távú növekedésbe fektessen be, figyelembe véve a további inorganikus növekedési lehetőségeket, illetve a működési feltételek folyamatos biztosítását.</p> <p>A Társaság a 2016., 2015. illetve a 2014. december 31-én záruló üzleti évek egyikében sem fizetett osztalékot.</p>
„D” SZAKASZ – KOCKÁZATOK		
D.1	A kibocsátóra vagy annak ágazatára jellemző sajátos kockázatokkal kapcsolatos alapvető információk	<ul style="list-style-type: none"> • A Csoport iparágára erős verseny jellemző, amely folyamatos veszélyt jelent az üzleti tevékenység sikerére nézve. • A Csoport elveszítheti meglévő ügyfeleit illetve előfordulhat, hogy nem sikerül új ügyfelekre szert tennie. • A Csoport problémákkal szembesülhet a gépjárművezetők és új alvállalkozók toborzásával illetve a jelenlegiek megtartásával kapcsolatban. • Annak eredményeként, hogy azokban a tagállamokban, ahol a Csoport kifejti tevékenységét, ott minimálbérre vonatkozó jogszabályokat és egyéb protekcionista intézkedéseket fogadnak el, amelyek kihatással lehetnek az európai fuvarozási és szállítmányozási ágazatra, így a Csoport arra kényszerülhet, hogy a munkabéreket emelje és/vagy egyéb intézkedéseket hozzon. • Az áruk határokon átnyúló szállítása folyamatos és egyre növekvő igény Európában, amely alapvetően határozza meg a Csoport működését, így káros hatással lehetnek bizonyos geopolitikai fejlemények, beleértve fokozódó nacionalizmust. • A Csoport felvásárlások útján történő nemzetközi terjeszkedése további kockázatokat rejthet magában és sikere megkérdőjelezhető. • A Csoportnak mind a nemzetközi, mind pedig a magyar piacon történő működése a menedzsment részéről kiemelt figyelmet és pénzügyi háttérrel követel, ugyanakkor a Csoportot a nemzetközi fuvarozási és szállítmányozási piacon rejlő kockázatoknak teszi ki. • A Csoport és ügyfelei az általános geopolitikai és gazdasági hatásoknak vannak kitéve. • Magyarország gazdasága és gazdasági fejlődése érzékeny a kedvezőtlen külső hatásokkal szemben, beleértve a nagyobb kereskedelmi partnereit érintő, a jövőben felmerülő gazdasági problémákat is. • A Csoport működésére hatással van az üzemanyag-, illetve egyéb költségelemek árának emelkedése, amelybe beletartoznak az adók és az útdíjak is. Előfordulhat, hogy a Csoport nem lesz képes csökkenteni állandó költségeit.

		<ul style="list-style-type: none"> • A Csoport az új berendezések megemelkedett beszerzési árainak, romló termelékenységének, korlátozott hozzáférhetőségének, valamint a használt berendezések amortizációjának, illetve az irántuk való csökkenő kereslet kockázatának van kitéve. • A Csoport tőkeszükséglete jelentős és folyamatos. • A Csoport sikere nagymértékben függ a jelenlegi kiváló menedzsmentjét és munkavállalóit megtartó erejétől és reputációjától. • A Csoport bizonyos mértékig függ alvállalkozóitól. • A Csoport nehézségekkel nézhet szembe az áruk és szolgáltatások beszerzése során. • Az olyan új technológiák, mint pl. a sofőr nélküli vezetés, alapjaiban változtathatja meg a Csoport üzletének természetét, így előfordulhat, hogy a Csoport nem tud majd alkalmazkodni ezekhez a technológiai újításokhoz. • A Csoport márkanéve védjegyszerződés hatálya alá tartozik, amelynek alapján használati jogát a Csoport nem biztos, hogy a jövőben is meg tudja tartani. • Elképzelhető, hogy a Csoport nem fogja tudni tartani a fő teljesítménymutatók szintjét, illetve negatív publicitással is szembesülhet. • A Csoport függ a menedzsment információs és kommunikációs hálózatától. • A Cégcsoport raktárkapacitása alapvetően korlátozott számú bérelt létesítménytől függ. • Szigorú nemzeti szintű munkajogi szabályozás van érvényben néhány olyan országban, ahol a Csoport üzleti tevékenységet folytat. • A Csoportnál illetve ügyfeleinél munkabeszüntetés szakíthatja meg a normál üzletmenetet. A Csoport ki van téve a kedvezőtlen időjárási körülmények, természeti katasztrófák, közegészségügyi krízisek, politikai válságok vagy más katasztrófával járó események kockázatának. • A Csoport gépjárművei és pótkocsijai a gépkocsivezetők és az ügyfelek akarata ellenére, vagy a velük kötött megállapodásokat megszegve az illegális nemzetközi személy- és áruszállításra is felhasználhatóak. Továbbá a gépjárművekben és a pótkocsikban ún. „potyautasok” is elrejtőzhetnek. • A Csoport üzleti tevékenysége devizakockázatot hordoz magában. • A Társaság menedzsmentje és tisztségviselői érdekkonfliktusba kerülhetnek a Csoport és a Társaság részvényesei felé fennálló egyéb kötelezettségeivel. • A Csoport pénzügyi és alapvető fontosságú kereskedelmi szerződéseiben található „<i>change of control</i>” (irányítási jog megváltozása)” rendelkezések életbe léphetnek az Ajánlattétellel kapcsolatban. • A Magyarországra vonatkozó jogszabályok alapján a Csoport <i>de facto</i> vállalatcsoportnak minősülhet, következésképpen a Társaság felelősségre vonható a Csoport valamelyik másik tagjának kötelezettségeiért annak végelszámolási eljárása során, továbbá kisebbségi részvényeseinek kivásárlására kötelezhető. • A Csoport működéssel járó kockázatoknak van kitéve.
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		<ul style="list-style-type: none"> • A Csoport széleskörű jogi szabályozás alatt áll, így számolnia kell a változó jogszabályi környezettel, valamint a szabályok megsértéséből eredő kockázattal. • A Csoport működését számos, a környezetvédelemmel kapcsolatos jogszabály és szabályzat korlátozza. • A Biztosító Társasággal szemben az MNB felügyeleti és ellenőrzési vizsgálatokat folytathat le. • A Csoport működése és üzleti tevékenysége a működéshez szükséges engedélyek megszerzésétől és megtartásától függ. • A Csoport bizonyos tevékenységeinek a Regionális Szerződéses Logisztikai Szegmensbe történő kiszervezése versenyjogi problémákat vethet fel. • A fejlettebb piacokhoz képest a közép- és kelet-európai országok nagyobb jogi, gazdasági és politikai kockázatnak vannak kitéve. • Magyarország hitelminősítésének esetleges romlása kihathat a Csoport hitelfelvételi lehetőségeire és költségeire. • Magyarországgal szembeni indított túlzottdeficit-eljárás a Kohéziós Alapból Magyarországnak nyújtott támogatások átmeneti felfüggesztését vagy megszüntetését eredményezheti. • Az Európai Bizottság által megállapított meg nem felelési problémák hátrányos pénzügyi következménnyel járhatnak Magyarországnak számára. • A befektetés-védelemhez kapcsolódó eljárások jelentősen kihathatnak Magyarországnak fiskális politikájára. • A Csoport a hatályos adójogszabályok megváltozása, illetve a magyar gépjárműtársaságokat támogató intézkedések megszüntetése esetén elveszítheti adókedvezményeit. • Tekintve, hogy a Csoport egyben saját biztosítójaként is működik, előfordulhat, hogy Csoportnak nem lesz elegendő biztosítási és viszontbiztosítási fedezete. • Elképzelhető, hogy a viszontbiztosítás jelenlegi szintje és árai a jövőben nem lesznek tarthatók, amely korlátozhatja a Társaság új üzleti lehetőségeit. • Viszontbiztosításai a Biztosító Társaságot a viszontbiztosító hitelkockázatának teszi ki. • Előfordulhat, hogy a Biztosító Társasághoz benyújtott kárigények száma és a követelések összege hirtelen megnő. • A Biztosító Társaság felelősségbiztosítási üzletágából származó bevétele nagymértékben függ a biztosítási ügynökök által nyújtott szolgáltatás minőségétől. Biztosítóként a Biztosító Társaság működése és eredményessége nagymértékben ki van téve a szélsőséges időjárás okozta katasztrófák kockázatának. • A biztosítási üzletág ciklikus természete nagyban befolyásolja a Biztosító Társaság üzleti tevékenységét és annak sikerességét. • Kedvezőtlen piaci feltételek nehezíthetik a Biztosító Társaság portfólió-optimalizálási modelljének felépítését, és negatívan befolyásolhatják a Biztosító Társaság befektetéseiből származó nyereségét. Előfordulhat, hogy a Biztosító Társaság nem lesz képes üzleti stratégiáját megvalósítani, és az sem biztos, hogy a megvalósított stratégiája a várt eredményeket hozza. • A Csoporttal szemben jelenleg különböző jogi eljárások vannak folyamatban, és előfordulhat, hogy a jövőben is hasonló eljárásokkal kell szembenéznie.
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		<ul style="list-style-type: none"> • Előfordulhat, hogy a Csoport <i>pro forma</i> pénzügyi beszámolóit nem a pontos képet mutatják a Csoport korábbi üzleti tevékenységéről és működési eredményéről. • A Csoport középtávú üzleti mutatószámait nem minősülnek a Tájékoztatóról szóló Rendeletben meghatározott nyereség-előrejelzésnek, következésképpen pontosságuk csorbulhat, prediktív erejük gyengébb lehet, valamint lényegesen eltérhetnek a Csoport tényleges üzleti eredményétől. • Az Adóhatóság vizsgálhatja, hogy a Társaság által az Értékesítő Részvényes számára kifizetett menedzsment díjak a Társaság adóalapjából költségként leírhatók-e. • Elképzelhető, hogy az adóhatóság megítélése szerint a Csoport a kapcsolt felekkel folytatott ügyletei során alkalmazott árakat nem a piaci feltételeknek megfelelően alakította ki.
<p>D.3</p>	<p>Az értékpapírokra jellemző sajátos kockázatokkal kapcsolatos alapvető információk</p>	<ul style="list-style-type: none"> • A Magyar Tőkepiaci Törvény értelmében a Társaság, az Értékesítő Részvényes és a Forgalmazók együttes és egyetemleges felelősségének hiányában az Ajánlattétel kiemelten kockázatos a befektetők számára. • A Részvényvásárlás magasabb befektetői kockázatot rejthet magában más értékpapír-befektetéshez képest. • A Részvénybe történő befektetésre semmilyen jogszabályi befektetés-védelmi rendszer nem terjed ki. • A Társaság vagy a Csoport más tagjainak fizetési képtelensége esetén a befektetők Részvényeik teljes értékét elveszíthetik. • Azon befektetők esetében, akiknek nem az euró az elsődleges pénzneme, az árfolyamingadozások negatívan befolyásolhatják a Részvények piaci árát és értékét, akár csak a Részvények után fizetett osztalékok vagy egyéb bevételek alakulását. • Az Ajánlattételt követően az Értékesítő Részvényes – amely végső soron a Mid Europa Partners tanácsadása mellett működő alapok tulajdonában áll – jelentős részesedést tart meg, továbbra is érdemi befolyást gyakorolhat a Csoport üzleti tevékenységére, és érdekei eltérhetnek a Társaság más részvényeseinek érdekeitől, vagy azokkal ellentétbe is kerülhetnek. A Társaság dönthet úgy, hogy nem fizet osztalékot és megeshet, hogy a jövőben nem tudja teljesíteni osztalékfizetési kötelezettségeit. • A Részvények 10%-ot elérő, vagy azt meghaladó mértékű megvásárlásához az MNB mint biztosítás-felügyeleti hatóság jóváhagyása szükséges. • A tőkeemelés jegyzése vagy az Új Részvények keletkeztetése tervezetthez képest későbbi időpontra tolódhat. • A Társaság számol a Részvények piaci árának jelentős fluktuációjával, amely a Részvénybefektetés értékének csökkenését eredményezheti, aminek következtében elképzelhető, hogy a Részvényeket nem lehet majd a beszerzési áron vagy afelett értékesíteni. • A magyar értékpapírpiac teljesítményét elsősorban a nemzetközi tőkepiaci fejlemények határozzák meg. • A Részvényekkel korábban egyetlen nyilvános értékpapírpiacra sem történt kereskedés, és előfordulhat, hogy a jövőben nem alakul ki, illetve nem marad fenn a részvények aktív kereskedelmi piaca. • A Részvények likviditása korlátozott lehet.

		<ul style="list-style-type: none"> • Budapesti Értéktőzsdéről történő kivezetés a Részvények rendkívül alacsony likviditását eredményezné. • A Részvények kereskedésének felfüggesztése hátrányosan befolyásolhatná a Részvények árát. • A Részvények Budapesti Értéktőzsdén történő bevezetésének eredményeképpen a Társaságnak további adminisztratív követelményeknek kell megfelelnie, magasabb folyó működési költségekkel kell számolnia, és köteles belső ellenőrzési rendszerét a tőzsdei szabályozásnak megfelelően kialakítani. • A Társaság Részvényeinek aktuális piaci értéke jelentősen csökkenthet további részvények jövőben történő kibocsátásának következtében. • A Részvények jelentős mértékben történő eladása – beleértve a Társaság vagy az Értékesítő Részvényes által történő értékesítést is – az értékesítési tilalmakra („lock-up”) vonatkozó megállapodások lejáratát követően jelentős befolyással lehet a Részvények piaci árára. • A Csoportról készült elemzések vagy értékelések negatív irányba történő változása hátrányosan befolyásolhatja a Részvények piaci árát és likviditását. • A jogszabályi környezet változása kihatással lehet a Részvényekre, valamint a Részvényekhez fűződő tulajdonosi jogokra is. • A Részvénybefektetésre vonatkozó jogszabályok megváltozhatnak. • A befektetések adózására vonatkozó magyar adójogszabályok értelmezése ellentmondásos lehet, és e jogszabályok változhatnak is. • A magyar jogszabályok bizonyos rendelkezéseinek befolyásszerzést gátló hatásai lehetnek. • A magyar jogszabályok értelmében, egyes esetekben a részvények vagy szavazati jogok legalább 90%-ával rendelkező részvényesek a kisebbségi részvénytulajdonosokat részvényeik eladására kényszeríthetik. • Elképzelhető, hogy az új részvények jegyzéséhez kapcsolódó elsőbbségi jog gyakorlása Magyarországon kívül nem lehetséges. • Nincs garancia arra, hogy túljegyzés esetén az összes, valamely befektető által jegyzett, Értékesítésre Felajánlott Részvény allokációja és eladása megvalósul az Ajánlattétel során. • A részvényesi jogokból eredő jogviták, valamint az ezeken alapuló döntések érvényesítése befektetői kockázatot jelent.
„E” SZAKASZ – AJÁNLTÁTEL		
E.1	<p>A kibocsátás/ajánlattétel teljes nettó árbevétele és a becsült összes költsége, ideértve a kibocsátó vagy az ajánlattevő által a befektetőre terhelt költségek becsült összegét is</p>	<p>Az Értékesítő Részvényest illeti a Meglévő, Értékesítésre Felajánlott Részvények és az Opció Részvények eladásából származó nettó árbevétel, míg az Új Részvények eladásából származó nettó árbevétel a Társaságot illeti. Feltételezve, hogy az összes Értékesítésre Felajánlott Részvényt az Ajánlati Ártartomány közepén elhelyezkedő ajánlati árértékű értékesítik és a „Greenshoe” opció teljeskörűen gyakorlásra kerül, úgy az Ajánlattétel teljes nettó árbevétele várhatóan megközelítőleg 197.2 millió euró, amelyből az Értékesítő Részvényes megközelítőleg 152.2 millió eurót, míg a Társaság megközelítőleg 45.0 millió eurót fog kapni.</p> <p>Az Ajánlattételhez kapcsolódó összes jutalék, díj illetve költség várhatóan megközelítőleg 10 millió euró és 12 millió euró közötti összegig terjed. Az Ajánlattételhez kapcsolódó banki jutalékokat és díjakat a Társaság és az Értékesítő Részvényes között az értékesített Új Részvényeknek és az értékesített Meglévő Értékesítésre Felajánlott Részvényeknek egymáshoz viszonyított arányában kell felosztani. A nem banki jutalékoknak,</p>

		<p>költségeknek és díjaknak – amelyek várhatóan megközelítőleg az összköltség 20-25%-át fogják kitenni – 80%-át a Társaság, 20%-át pedig az Értékesítő Részvényes viseli. A Társaság viseli továbbá a Részvények Budapesti Értéktőzsdére történő bevezetéséhez kapcsolódó eljárás díjak megfizetését, amelyek összege várhatóan körülbelül 6 500 euró.</p>
E.2a	<p>Az ajánlattétel okai, a bevétel felhasználása, a nettó bevétel becslült összege</p>	<p>Az Ajánlattételre abból a célból kerül sor, hogy elősegítse az Értékesítő Részvényes egyes Meglévő Részvényeinek, valamint a Társaság Új Részvényei értékesítését és tőkebevonását, mindemellett növelje a Társaság ismertségét a nemzetközi befektetői piaci közösség körében és piacot teremtsen a Részvények számára.</p> <p>A Társaság az Új Részvények eladásából származó nettó árbevételből körülbelül 32 millió eurót a LINK folyamatban levő felvásárlására, valamint az Új Részvények eladásából származó nettó árbevételének fennmaradó részét vállalati és működőtőke beruházásokra tervezi felhasználni.</p> <p>Amennyiben a LINK folyamatban lévő felvásárlása megghiúsul (amelyről a vezetőség úgy véli, hogy nem valószínű), a Társaság az Új Részvények eladásából származó nettó árbevételét az európai országokban – köztük Lengyelországban – egyesülések és elvásárlások újabb lehetőségeinek kiaknázására szeretné fordítani ki, összhangban a Csoport azon célkitűzésével, hogy szelektív akvizíciók révén növelje piaci pozícióját, vagy ennek alternatívájaként lengyelországi üzleti tevékenységének organikus növekedését, valamint vállalati és működőtőke beruházásokat finanszírozzon.</p> <p>Bár a Társaság a fentiek szerint kívánja felhasználni árbevételét, ennek tényleges realizálása a piaci körülmények, váratlan események illetve egyéb tényezők függvényében ettől eltérhet. Következésképpen a Társaság rendszeresen felül fogja vizsgálni az árbevételi források lehetséges felhasználási lehetőségeit, és adott esetben az ilyen felhasználásokat bármely sajátos körülmény vagy esemény megvalósulásához igazítja.</p>
E.3	<p>Az ajánlattétel feltételeinek ismertetése</p>	<p>Az Ajánlattétel a következőkre vonatkozik: (i) legfeljebb 7 160 973 darab Meglévő Értékesítésre Felajánlott Részvény valamint legfeljebb 1 485 876 darab Túljegyzési Részvény értékesítésre történő felajánlására az Értékesítő Részvényes által, illetve (ii) legfeljebb 3 088 236 darab, a Társaság által kibocsátandó Új Részvény értékesítésére. A Társaság meglévő részvényeseinek az Új Részvények jegyzésére vonatkozó elsőbbségi joga kizárásra kerül, a Társaság 2017. május 31. napján megtartott rendkívüli közgyűlésének döntésével összhangban. Az Ajánlattétel a következőképpen épül fel:</p> <p>(i) legfeljebb 1 379 718 darab Meglévő Értékesítésre Felajánlott Részvényekre, legfeljebb 297 175 darab Túljegyzési Részvényekre, illetve legfeljebb 617 647 darab Új Részvényekre vonatkozó nyilvános ajánlattétel Magyarországon az Elfogadható Intézményi Befektetőkön kívüli befektetők számára („Nyilvános Ajánlattétel”);</p> <p>(ii) legfeljebb 1 465 402 darab Értékesítésre Felajánlott Részvényekre vonatkozó ajánlattétel a Csoport jogosult munkavállalói és vezető tisztségviselői számára – az alábbiakban meghatározott korlátozásnak megfelelően – („Munkavállalói Ajánlattétel”), amely a Tőkepiaci Törvény 22. § (1) (e) bekezdése szerinti felajánlásnak minősül, amely előírja, hogy nem kell tájékoztatást közzétenni, amennyiben a Társaság vagy bármely kapcsolt vállalkozása a Jogosult Munkavállalók részére értékesít vagy bocsát rendelkezésre értékpapírokat, feltéve, hogy az értékpapírok számára és típusára vonatkozó információk, valamint az ilyen értékpapírok értékesítésére</p>

vagy rendelkezésre bocsátásának okai és körülményei elérhetőek, mint ahogy a Munkavállalói Ajánlattétel esetében ez megvalósul; továbbá

- (iii) Értékesítésre Felajánlott Részvényekre vonatkozó zártkörű értékesítés a magyarországi és más joghatóságok szerint elfogadható intézményi befektetők számára, amely úgy történik, hogy a zártkörű ajánlattétel az USA-ban a *Rule 144A* szerint és annak megfelelően bizonyos minősített intézményi vevők (*angol rövidítés: QIB*) körében történik meg, Magyarországon és az USA-n kívüli más joghatóságra vonatkozó területeken pedig olyan elfogadható intézményi befektetők körére elérhető, akik megfelelnek a tőkepiacról szóló 2001. évi CXX. törvény („**Tőkepiaci Törvény**”) 5. § (1) bekezdése 92. pontjában foglalt követelményeknek, vagy akik Minősített Befektetőnek számítanak (a továbbiakban együttesen: „**Elfogadható Intézményi Befektetők**”) offshore ügyleteik révén a *Regulation S* alapján („**Intézményi Ajánlattétel**”).

Ajánlati Időszak, Ártartomány és Ajánlati Ár

Azon ártartomány, amelyben vételi ajánlatok tehetőek, Értékesítésre Felajánlott Részvényenként 5 100 forinttól 6 300 forintig terjed („**Ajánlati Ártartomány**”). A végleges ajánlati árat („**Ajánlati Ár**”) az Értékesítő Részvényes, a Társaság, a Citigroup Global Markets Limited („**Citi**”), a Joh. Berenberg, Gossler & Co. KG („**Berenberg**” és a Citi-vel együttesen „**Együttes Globális Koordinátorok**” és az „**Együttes Könyvvezetők**”), az Erste Group Bank AG és leányvállalatai („**Erste Group**” vagy az „**Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója**”), továbbá a Renaissance Securities (Cyprus) Limited és leányvállalatai (az „**Együttes Könyvvezető**” az Együttes Globális Koordinátorokkal és az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazójával együttesen: a „**Forgalmazók**”) határozzák meg könyvépítési eljárás („*book building process*”) alapján, az Ajánlati Ártartományon belül. Az Ajánlati Ár várhatóan 2017. június 29. napján vagy akörül kerül közzétételre a Társaság honlapján: www.waberers.com, a Budapesti Értéktőzsde honlapján: www.bet.hu, valamint az MNB hirdetésmények közzétételére szolgáló honlapján: www.kozzetetelek.hu, illetve – erre irányuló kérés esetén – nyomtatott formában és ingyenesen elérhető lesz a Társaság székhelyén (együttesen: „**Közzétételi Helyek**”). Az Ajánlati Árnak az Ajánlati Ártartományon belül kell maradnia és semmilyen esetben sem lehet magasabb, mint az Ajánlati Ártartomány felső határa („**Maximális Ár**”). Az Értékesítésre Felajánlott Részvények Ajánlati Ára ugyanaz a Nyilvános Ajánlattételben, a Munkavállalói Ajánlattételben és az Intézményi Ajánlattételben résztvevő befektetők számára. Az Ajánlati Időszak lejártával az Ajánlati Ár és az eladni kívánt Értékesítésre Felajánlott Részvények végleges száma az Értékesítő Részvényes, a Társaság, illetve az Együttes Globális Koordinátorok és az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója által, az Ajánlattétel során alkalmazott könyvépítési eljárással („*book building process*”) létrehozott ajánlati könyv alapján kerülnek meghatározásra, amelyet az árazási megállapodás („**Árazási Megállapodás**”) megkötése követhet az Értékesítő Részvényes, a Társaság, valamint a Forgalmazók által.

A ajánlati időszak alatt az Értékesítésre Felajánlott Részvényekre vonatkozóan 2017. június 19. napjától kezdődően, 2017. június 29. napján déli 12:00 óráig (közép-európai idő szerint) bezárólag tehetnek vételi ajánlatokat a Nyilvános Ajánlattételben résztvevő befektetők („**Nyilvános Ajánlati Időszak**”); 2017. június 19. napjától kezdődően, 2017. június 27. napján 17:00 óráig (közép-európai idő szerint) bezárólag a Munkavállalói Ajánlattételben résztvevő befektetők („**Munkavállalói**

Ajánlati Időszak”), illetve 2017. június 19. napjától kezdődően, és 2017. június 29. napján 17:00 óráig (közép-európai idő szerint) bezárólag az Intézményi Ajánlattételben résztvevő befektetők („**Intézményi Ajánlati Időszak**” a Nyilvános Ajánlati Időszakkal és Munkavállalói Ajánlati Időszakkal együttesen az „**Ajánlati Időszak**”). A Tőkepiaci Törvény 23. § (1) bekezdése szerinti forgalmazói feladatokat az Erste Group Bank AG látja el, és megbízottja, az Erste Befektetési Zrt. alforgalmazóként jár el.

Az Ajánlati Ár meghatározása és az értékesítendő Értékesítésre Felajánlott Részvények végleges száma

Az Értékesítő Részvényes, a Társaság, illetve az Együttes Globális Koordinátorok és az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója az alábbi kritériumokat határozzák meg az Ajánlati Ár meghatározására és a Nyilvános Ajánlattétel, a Munkavállalói Ajánlattétel és az Intézményi Ajánlattétel során értékesítendő Értékesítésre Felajánlott Részvények végleges számára vonatkozóan: az Ajánlati Időszak lejártával, az Ajánlati Ár és az eladni kívánt Értékesítésre Felajánlott Részvények végleges száma az Értékesítő Részvényes, a Társaság, illetve az Együttes Globális Koordinátorok és az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója által, az Ajánlattétel során alkalmazott könyvépítési eljárással („*book building process*”) létrehozott megrendelési könyv alapján kerülnek meghatározásra, amelyet az Árazási Megállapodás megkötése követhet az Értékesítő Részvényes, a Társaság illetve a Forgalmazók által.

Az Ajánlati Időszak végét követően az összes vételi ajánlat kiértékelésre kerül az ajánlott árak és minőségi kritériumok alapján, úgymint a vételi ajánlat időpontja, a befektető típusa és az adott Elfogadható Intézményi Befektetők befektetési időtávjai, illetve befektetők általi teljes kereslet összege, beleértve a Nyilvános Ajánlattételben és a Munkavállalói Ajánlattételben résztvevő befektetők teljes keresletének arányát az Intézményi Ajánlattételben résztvevő befektetők teljes keresletéhez képest. Az eladni kívánt Értékesítésre Felajánlott Ajánlati Részvények száma ezúton történő meghatározásának elvi célja az, hogy a bevételeket, illetve a Társaság jövőbeni részvényesi szerkezetét optimalizálja. Figyelembevételre kerül az is, hogy az Ajánlati Ár és az eladni kívánt Értékesítésre Felajánlott Részvények száma lehetővé teszi-e azt az ésszerű várakozást, hogy a részvényárfolyam stabil teljesítményt mutasson a másodlagos piacon is, figyelembe véve az Értékesítésre Felajánlott Részvények iránti, az ajánlati könyvben rögzített keresletet. Nem csak a befektetők által felajánlott árakat, illetve egy adott áron Értékesítésre Felajánlott Részvényeket vásárolni kívánó befektetők száma kerül figyelembevételre, hanem a Társaság részvényesei csoportjának összetétele is, amely egy adott ár eredményeként kialakulhat, illetve a várható befektetői magatartás is.

Az Értékesítő Részvényes, a Társaság, az Együttes Globális Koordinátorok és az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megvizsgálják a fenti kritériumokat és feltételeket, amely szerint az Ajánlati Ár és az Értékesítésre Felajánlott Részvények végleges száma meghatározásra kerül, majd a következőképpen allokálják az Értékesítésre Felajánlott Részvényeket: (i) a kártyaleosztás elve szerint a Nyilvános Ajánlattételben részt vevő befektetők között; (ii) teljes leosztás szerint a Munkavállalói Ajánlattételben résztvevő befektetők között, vagy a kártyaleosztás elve szerint, amennyiben a Munkavállalói Ajánlattételben résztvevő befektetőktől érkező vételi ajánlatok összege meghaladja az 1 465 402 Értékesítésre Felajánlott Részvényt; illetve (iii) teljes diszkrecionális alapon az Intézményi Ajánlattételben részt vevő befektetők között.

Az Értékesítésre Felajánlott Részvények kártyaleosztás elve szerinti allokálásakor az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megbízottján keresztül és a jelen Tájékoztatóban megszabott feltételek szerint fordulóban fogja allokálni az Értékesítésre Felajánlott Részvényeket, külön a Nyilvános Ajánlattételben, illetve külön a Munkavállalói Ajánlattételben részt vevő befektetők között; minden fordulóban egy Értékesítésre Felajánlott Részvény kerül kiosztásra a Nyilvános Ajánlattétel vagy a Munkavállalói Ajánlattétel során tett (amelyik alkalmazandó) minden egyes vételi ajánlatra, a vételi ajánlati lista elejétől a végéig, egészen addig, ameddig vagy teljes mértékben teljesülnek a vételi ajánlatok, vagy nincsenek további allokálandó Értékesítésre Felajánlott Részvények a Nyilvános Ajánlattételben vagy a Munkavállalói Ajánlattételben. Mind a Nyilvános Ajánlattétel során, mind pedig a Munkavállalói Ajánlattétel során benyújtott vételi ajánlatok listája méret szerint csökkenő módon kerül elrendezésre, amely azt jelenti, hogy azok a legnagyobb vételi ajánlattal kezdődnek, és a legkisebb vételi ajánlattal végződnek.

Az Ajánlati Időszak végét követően a Társaság Igazgatósága döntést hoz a Társaság alaptőkéjének emeléséről, továbbá a kibocsátandó Új Részvények számáról, valamint kijelöli a Citigroup Global Markets Limited-et, hogy az Új Részvényeket jegyzési ügynökként jegyezze le, amely előreláthatólag 2017. június 29. napján vagy napja körül fog bekövetkezni. Miután a Társaság alaptőke-emelését a cégbíróság bejegyezte és a KELER megkeletkeztette az Új Részvényeket, amely előreláthatólag 2017. július 5. napján vagy napja körül fog bekövetkezni, az Új Részvényeket az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója transzferálja az adott befektetőkhez az Ajánlati Ár megfizetése ellenében.

Az Ajánlati Ár Közzététele és az Értékesítésre Felajánlott Részvények végleges száma

Az Ajánlati Ár és az eladni kívánt Értékesítésre Felajánlott Részvények végleges száma 2017. június 29. napján vagy akörül kerül közzétételre a Tőkepiaci Törvény 34. § (3) bekezdésével összhangban. Amennyiben az elégtelen kereslet miatt nem az összes Értékesítésre Felajánlott Részvény kerül értékesítésre, az Új Részvények fognak elsőbbséget élvezni a Meglévő Értékesítésre Felajánlott Részvények felett. A befektetőket az Ajánlattétel részeként nem fogják terhelni sem költségek sem pedig adók, leszámítva a szokásos banki és/vagy ügynöki díjakat. A lehetséges Elfogadható Intézményi Befektetőknek tanácsoljuk, hogy tájékozódjanak ezekről a költségekről. Azon Elfogadható Intézményi Befektetők, amelyek a Forgalmazók egyikénél az Értékesítésre Felajánlott Részvényekre vonatkozóan ajánlatot tettek, a rájuk allokált Értékesítésre Felajánlott Részvények számáról várhatóan az Ajánlati Időszak lejártakor vagy az akörülre eső munkanapon kapnak tájékoztatást. A Nyilvános Ajánlattételben résztvevő befektetők minden információt a befektetési szolgáltatójukkal kötött megállapodás szerint kapnak meg.

Nyilvános Ajánlattétel

Teljes jogképességgel rendelkező természetes személyek és jogi entitások (mind a jogi személyiséggel rendelkezők, mind a jogi személyiséggel nem rendelkezők), az Elfogadható Intézményi Befektetők kivételével, vehetnek részt Magyarországon a Nyilvános Ajánlattételben. A Nyilvános Ajánlattételben való részvétel érdekében minden ilyen befektetőnek szükséges (i) rendelkeznie magyar adószámmal; (ii) benyújtania vételi ajánlatot az Értékesítésre Felajánlott Részvényekre vonatkozóan az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megbízottjának (alforgalmazójának) a Nyilvános Ajánlati Időszak alatt; (iii) értékpapírszámlát nyitnia és fenntartania az Erste Befektetési Zrt.-nél a befektető nevében; illetve (iv) megfelelnie az Európai

az Európai Parlament és a Tanács 2014/65/EU irányelve (2014. május 15.) a pénzügyi eszközök piacairól, valamint a 2002/92/EK irányelv és a 2011/61/EU irányelv módosításáról, alapján, az Erste Befektetési Zrt. által elvégzett alkalmazandó tesztnak. A vételi ajánlatot a Nyilvános Ajánlattételben résztvevő befektetőnek a jelen Tájékoztató 1. sz. Mellékletként csatolt formanyomtatványon kell benyújtania (i) személyesen vagy meghatalmazással, amelynek mintájaként a jelen Tájékoztatóhoz 2. sz. Mellékletként csatolt meghatalmazás szolgál (az angol nyelvű verzió csupán tájékoztatóként szolgál), a jelen Tájékoztató 3. sz. Mellékletében megjelölt Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megbízottjának (alforgalmazójának), vagy megbízottjainak (közvetítőinek) fiókjaiba, vagy (ii) az Együttes Könyvvezető és a Magyar Nyilvános Ajánlattétel Forgalmazója megbízottjának (alforgalmazójának) online kereskedelmi rendszerén keresztül, amennyiben a befektető rendelkezik hozzáféréssel ehhez a rendszerhez, és amennyiben az adott befektető megfelel a megbízott általános üzleti feltételeiben meghatározott feltételeinek. A Nyilvános Ajánlattételben résztvevő befektetők által tett ajánlatok érvényesen 300 millió forintig tehetők meg. Ennek megfelelően a Nyilvános Ajánlattételben résztvevő befektetők részére a vételi ajánlat 300 millió forintot meghaladó része vonatkozásában nem kerül allokálásra Értékesítésre Felajánlott Részvény. Amennyiben a Nyilvános Ajánlattételben résztvevő befektető több vételi ajánlatot tesz, ezek a vételi ajánlatok egy vételi ajánlatként lesznek kezelve az Értékesítésre Felajánlott Részvények egyedi vételi ajánlatainak összege szerint. A Tőkepiaci Törvény alapján a Nyilvános Ajánlattétel során az Értékesítésre Felajánlott Részvényekre tett Vételi Ajánlatok feltétel nélküliek és visszavonhatatlanok.

Munkavállalói Ajánlattétel

A Társaság a Társaságnál vagy bármely Megfelelő Társaságnál 2017. március 27. napjától, vagy ennél régebb óta teljes munkaidőben és részmunkaidőben foglalkoztatott munkavállalói (beleértve a szülési szabadságon tartózkodó munkavállalókat, illetve a munka törvénykönyvéről szóló 2012. évi I. törvény 128. § és 130. § szakaszaiban meghatározott fizetés nélküli gyermeknevelési szabadságon tartózkodó munkavállalókat), a feladataikat érvényes megbízási szerződés alapján ellátó vezető tisztségviselői számára, de kizárva azon munkavállalókat és vezető tisztségviselőket, akiknek a munkaviszonya vagy megbízása a Megfelelő Társaságnál bármely okból a Tartási Időszak utolsó napját megelőzően megszűnik, kivéve, amennyiben azt egy másik Megfelelő Társaságnál új munkaviszony vagy megbízás váltja fel („**Jogosult Munkavállalók**”), felajánlja a lehetőséget, hogy részt vegyenek a Munkavállalói Ajánlattételben. Minden Jogosult Munkavállaló csak egyszer jogosult részt venni a Munkavállalói Ajánlattételben, még abban az esetben is, ha a Jogosult Munkavállalónak egynél több Megfelelő Társasággal van érvényes munkaszerződése vagy megbízási szerződése. A Jogosult Munkavállalók részt vehetnek a Nyilvános Ajánlattételben is.

A „**Megfelelő Társaság**” magában foglalja a Társaságot, a Waberer's-Szemerey Logisztika Korlátolt Felelősségű Társaságot és a Társaság egyes leányvállalatait is.

A Munkavállalói Ajánlattétel keretében minden Jogosult Munkavállaló legfeljebb olyan darabszámban jogosult a Részvények Ajánlati Árán Részvényeket („**Megfelelő Részvény**”), vásárolni, amely 2 000 000 forint és a Maximális Ár hányadosa, lefelé kerekítve a legközelebbi egész számra („**Munkavállalói Ajánlattételi Limit**”). Amennyiben a Jogosult Munkavállaló a Munkavállalói Ajánlattételi Limitet túllépő vételi ajánlattételt tesz, az ilyen vételi ajánlat megosztásra kerül oly módon, hogy a Munkavállalói Ajánlattételi Limitet meg nem haladó része a

		<p>Munkavállalói Ajánlattétel keretében tett vételi ajánlatként lesz tekintve, és a Munkavállalói Ajánlattételi Limitet meghaladó része a Nyilvános Ajánlattétel keretében tett vételi ajánlatként lesz tekintve. Amennyiben egy Jogosult Munkavállaló egynél több vételi ajánlatot tesz, csak a legnagyobb vételi ajánlat lesz a Munkavállalói Ajánlattétel keretében kezelve, a Munkavállalói Ajánlattételi Limitet figyelembe véve, míg a fennmaradó vételi ajánlatok a Nyilvános Ajánlattétel keretében lesznek kezelve.</p> <p>A Munkavállalói Ajánlattételben való részvételhez minden Jogosult Munkavállalónak szükséges (i) rendelkeznie magyar adószámmal; (ii) vételi ajánlatot leadnia a Munkavállalói Ajánlati Időszakban az 1. sz. Mellékletben csatolt vételi ajánlati formanyomtatványon az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megbízottjainak (alforgalmazójának) vagy a jelen Tájékoztató 3. sz. Mellékletében felsorolt megbízottjainak (közvetítőinek) (az angol nyelvű verzió csupán tájékoztatóként szolgál) vagy az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megbízottja (alforgalmazója) által működtetett online kereskedelmi rendszerein keresztül, feltéve, hogy a Jogosult Munkavállaló a rendszerhez hozzáféréssel rendelkezik, illetve hogy a Jogosult Munkavállaló megfelel a megbízott (alforgalmazó) általános üzleti feltételeiben meghatározottaknak, személyesen vagy meghatalmazással, amelynek mintájaként a jelen Tájékoztatóhoz 2. sz. Mellékletként csatolt meghatalmazás szolgál; (iii) megnyitnia és a Jogosult Munkavállaló nevében 2017. június 29. napjáig, és a Tartási Időszak egésze alatt fenntartania egy értékpapír számlát az Erste Befektetési Zrt.-nél; (iv) rendelkeznie a Társaság által ellenőrzött és megerősített foglalkoztatási / megbízási státusszal; (v) megfelelnie az Európai az Európai Parlament és a Tanács 2014/65/EU irányelve (2014. május 15.) a pénzügyi eszközök piacairól, valamint a 2002/92/EK irányelv és a 2011/61/EU irányelv módosításáról, alapján, az Erste Befektetési Zrt. által elvégzett alkalmazandó tesztnak; illetve (vi) a Jogosult Munkavállaló által vásárolni kívánt Értékesítésre Felajánlott Részvények száma és a Maximális Ár szorzatával megegyező pénzügyi összeggel rendelkeznie a Jogosult Munkavállaló pénzeszámláján legkésőbb 2017. június 27. napján közép-európai idő szerint 17:00 óráig. A Tőkepiaci Törvényben meghatározott kivételekre tekintettel, a Munkavállalói Ajánlattételben az Értékesítésre Felajánlott Részvényekre vonatkozó vételi ajánlatok feltétel nélküliek és visszavonhatatlanok. Minden olyan befektető, aki Jogosult Munkavállaló és a jelen Tájékoztató 1. sz. Mellékleteként csatolt formanyomtatványon keresztül vételi ajánlatot tesz, részt vesz a Munkavállalói Ajánlattételben, a Munkavállalói Ajánlattételben, az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója vagy az Erste Befektetési Zrt. feltételeire figyelemmel.</p> <p>A Társaság viseli a Jogosult Munkavállalók értékpapírszámlájának megnyitására és fenntartására vonatkozó költségeket, amelyek a Megfelelő Részvények tartásával kapcsolatban, a Bónusz Részvények elszámolása előtt merülnek fel. Amennyiben a Jogosult Munkavállaló értékpapírszámlája bármely ok miatt bezárásra kerül mielőtt a Bónusz Részvények jóváírásra kerülnének az adott értékpapírszámlán, a befektetők nem tekinthetők a továbbiakban Jogosult Munkavállalónak, és nem követelhetnek kompenzációt vagy kártalanítást a Társaságtól, az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazójától vagy az Erste Befektetési Zrt.-től.</p> <p>Az elszámolás napjától számított egy évet (365 napot) („Tartási Időszak”) követően a Társaság minden Jogosult Munkavállaló által a Tartási Időszak egésze alatt tulajdonolt minden tizedik Megfelelő Részvény után részére ellenérték nélkül biztosítani fog egy bónusz Részvényt („Bónusz Részvény”). Bónusz Részvények töredékei nem kerülnek biztosításra,</p>
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illetve abban az esetben, ha a Jogosult Munkavállaló a Tartási Időszak utolsó napján annyi Megfelelő Részvényt tulajdonol, amely tízzel osztva nem kerek számot ad, az ilyen számot a legközelebbi teljes számra lefelé kell kerekíteni. A Bónusz Részvényekre vonatkozó várható elszámolási nap körülbelül két héttel a Tartási Időszakot követően következik be. A Jogosult Munkavállaló elveszti a Bónusz Részvényre való jogosultságot abban az esetben, amennyiben (i) a Jogosult Munkavállaló eladja vagy átruházza a Megfelelő Részvényeket a Tartási Időszak lejártát megelőzően, vagy (ii) a Jogosult Munkavállaló foglalkoztatása vagy megbízása a Tartási Időszak lejártát megelőzően a Megfelelő Társaság által megszüntetésre kerül. Amennyiben a Részvényeket a Budapesti Értéktőzsdéről kivezetik, ez nem érinti a Jogosult Munkavállalók azon jogát, hogy e bekezdésnek megfelelően Bónusz Részvényeket kapjanak.

A Társaság legfeljebb 1 465 402 Értékesítésre Felajánlott Részvényt tart fenn a Munkavállalói Ajánlatban részt vevő Jogosult Munkavállalóktól beérkezett vételi ajánlatokra vonatkozóan. A Munkavállalói Ajánlattétel egyszeri javadalmazást jelent, amelynek feltétele, hogy az Ajánlattétel elszámolására 2017. december 31. napját megelőzően sor kerül, és a Társaság által visszavonható legkésőbb 2017. július 5. napjáig, de nem később, mint az Értékesítésre Felajánlott Részvények allokációjának befejeződését követően.

A Nyilvános Ajánlattételre és a Munkavállalói Ajánlattételre egyaránt Alkalmazandó Feltételek

Az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megbízottja (alforgalmazója) az adott vételi ajánlatban meghatározott Értékesítésre Felajánlott Részvények számával megszorított Maximális Ár mértékéig zárolást hajt végre a Nyilvános Ajánlattételben résztvevő befektetők és a Munkavállalói Ajánlattételben résztvevő Jogosult Munkavállalók pénzeszámláin (a Tőkepiaci Törvény 147. §-ban meghatározott ügyfélszámlákon) a Nyilvános Ajánlati Időszak utolsó napján, közép-európai idő szerint 12:00 órakor, délben, vagy a Munkavállalói Ajánlati Időszak utolsó napján, közép-európai idő szerint 17:00 órakor. Továbbá, a Tőkepiaci Törvény 47. § (7) bekezdése alapján, az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megbízottja (alforgalmazója) ezen összegeket az Erste Bank Hungary Zrt.-nél vezetett letéti számlán tartja. Az Együttes Könyvvezető és a Magyarországi Nyilvános Ajánlattétel Forgalmazója megbízottja (alforgalmazója) a Nyilvános Ajánlattételben és a Munkavállalói Ajánlattételben résztvevő befektetők számláin meg fogja szüntetni a Maximális Ár és az Ajánlati Ár közötti különbség (amennyiben van ilyen) zárolását minden, a befektető által az allokáció szerint megszerzendő Értékesítésre Felajánlott Részvény, valamint az allokáció után fennmaradó összeg tekintetében, azzal egyidejűleg, hogy az Értékesítésre Felajánlott Részvények jóváírásra kerülnek az adott befektetőnek a vételi szándéknyilatkozatban megjelölt vonatkozó értékpapír-számláján, anélkül, hogy kamat járna arra az időszakra, ameddig az összegek zárolása fennállt. Az Értékesítésre Felajánlott Részvények tekintetében töredékrészvények nem kerülnek allokálásra.

Intézményi Ajánlattétel

Az Elfogadható Intézményi Befektetők vételi ajánlatot tehetnek az Ajánlati Időszakban az Értékesítésre Felajánlott Részvényekre a Forgalmazók vagy megbízottjaik részére az Elismert Intézményi Befektető és az adott Forgalmazó által egyeztetett kommunikációs formában. Az Elfogadható Intézményi Befektetők euróban is megtehetik ajánlataikat. Az Elfogadható Intézményi Befektetők az Intézményi Ajánlati Időszak alatt az Ajánlati Ártartományon belül nyújthatják be ajánlataikat. Egész euró összegben vagy 25, 50 vagy 75 eurocentenként kell megjelölni az euróban megtett vételi ajánlatok korlátait. Az euróban

teljesített vételi ajánlatok, az MNB által az Árazási Megállapodás keltének napján közzétett legfrissebb deviza-árfolyamon kerülnek forintosításra. A többszörös vételi ajánlatok megengedettek.

Túljegyzés és stabilizáció

A Részvényekre vonatkozó Ajánlattétellel összefüggésben és a vonatkozó jogszabályoknak megfelelően az Erste Group Bank AG mint stabilizációs menedzser („**Stabilizációs Menedzser**”) (vagy a nevében eljáró személyek) a Forgalmazók részéről eljárva megteheti (de nem kötelessége), hogy a Részvények túljegyzését eszközli vagy stabilizációs tranzakciókat hajt végre abból a célból, hogy a Részvények piaci árát a Stabilizációs Időszakban olyan árszinten támogassa, amely magasabb annál, mint amely egyébként érvényesülne (feltéve, hogy az allokált Részvények összesített összege nem haladja meg az Értékesítésre Felajánlott Részvények összesített összegének 115%-át). Stabilizációs intézkedésre azonban nem biztos, hogy sor kerül és azok bármikor meg is szűnhetnek; a Stabilizációs Menedzser nem köteles ilyen jellegű tranzakciókat kötni, illetve ezeket a tranzakciókat végrehajthatják bármely értékpapír piacon, tőzsdén kívüli kereskedelemben, részvénypiacon vagy egyéb módon. Bármilyen stabilizációs intézkedés a Részvények Budapesti Értéktőzsdén való kereskedése megkezdésének napján vagy azt követően veheti kezdetét és amennyiben megkezdődött, bármikor véget érhet, de ezen naptól számított 30 napon belül mindenképpen be kell fejezni („**Stabilizációs Időszak**”). A Stabilizációs Menedzsernek (vagy a nevében eljáró személyeknek) valamennyi stabilizációs intézkedést vagy túljegyzést az összes alkalmazandó jogszabálynak és szabályzatnak megfelelően, a Stabilizációs Menedzser (vagy a nevében eljáró személyek) helységeiben és a Budapesti Értéktőzsdén kell eszközölnie. A stabilizáció Részvények olyan tőzsdei vagy piaci árának kialakulását eredményezheti, amely magasabb annál, mint amely egyébként érvényesülne és a tőzsdei vagy piaci ár elérhet egy olyan mértéket, amely állandó jelleggel nem fenntartható.

A lehetséges stabilizációs intézkedésekre tekintettel és a jogszabályok által megengedett mértékben a befektetők között az Új Részvényeken és a Meglévő Értékesítésre Felajánlott Részvényeken kívül további legfeljebb 1 485 876 darab Meglévő Részvény is allokálásra kerül (a „**Túljegyzési Részvények**”). A lehetséges túljegyzéssel összefüggésben az Erste Group Bank AG, mint a Forgalmazók megbízásából eljáró elszámolási ügynök részére az Értékesítő Részvényessel kötött részvénykölcsönzési megállapodás feltételei szerint az Értékesítő Részvényes által tulajdonolt legfeljebb 1 485 876 számú Túljegyzési Részvényt fognak költségmentesen rendelkezésre bocsátani értékpapír-kölcsönzés formájában; az ilyen módon rendelkezésre bocsátott Túljegyzési Részvények összesített névértéke nem haladhatja meg a Meglévő Értékesítésre Felajánlott Részvények és Új részvények összesített névértéke 115%-át.

Ebben az összefüggésben az Értékesítő Részvényes vételi jogot biztosít a Forgalmazók részére, hogy legfeljebb 1 485 876 darab Meglévő Részvényt („**Opcionális Részvények**”) (amely a Meglévő Értékesítésre Felajánlott Részvények és Új Részvények összesített darabszáma legfeljebb 15%-ának felel meg) szerezzen meg a Forgalmazók részéről eljáró az Értékesítő Részvényestől az Ajánlati Áron („**Greenshoe Opció**”). A Greenshoe Opciót az Erste Group Bank AG, mint Forgalmazók részéről eljáró Stabilizációs Menedzser gyakorolhatja, és csak olyan mértékben, amilyen mértékben a Meglévő Részvényeket túljegyzés keretében értékesítették.

A Stabilizációs Időszak után egy héttel a Közzétételi Helyeken hirdetemény tesznek közzé arról, hogy stabilizációs intézkedésre sor került-e, illetve a következőkről: a stabilizációs intézkedés kezdő időpontjáról; azon időpontról, amikor stabilizációs intézkedésre utoljára sor került; az ártartományról, amin belül a stabilizációs intézkedésre sor került,

		<p>feltüntetve minden olyan dátumot, amikor stabilizációs tranzakcióra került sor illetve a kereskedési helyszínt, ahol a stabilizációs tranzakciókra sor került. Amennyiben van túljegyzés és Greenshoe Opció gyakorlás, a túljegyzés és a Greenshoe Opció gyakorlásának ténye, ezek időpontja és az érintett Meglévő Részvények száma a fent leírt módon és határidőben közzétételre kerül.</p> <p>Elállási Jog</p> <p>Amennyiben a Tőkepiaci Törvényben meghatározott bármilyen olyan lényeges tény vagy körülmény felmerül, amely a jelen Tájékoztató kiegészítésének közzétételét igényelné, a Nyilvános Ajánlattételben vagy a Munkavállalói Ajánlattételben a kiegészítés közzététele előtt résztvevő befektetőknek a Tőkepiaci Törvény alapján joguk van a kiegészítés közzétételét követő két (2) munkanapon belül a vételi ajánlataiktól történő elállásra.</p> <p>Elszámolás</p> <p>Az a várakozás, hogy az Ajánlattétel során értékesített és allokált Értékesítésre Felajánlott Részvények a KELER, Euroclear Bank S.A./N.V. mint az Euroclear System üzemeltetője, és a Clearstream Banking, société anonyme rendszerein keresztül dematerializált formában kerülnek a befektetőknek a bankok és a befektetési szolgáltatók által vezetett értékpapírszámláin jóváírásra 2017. július 5. napján vagy napja körül.</p>
E.4	<p>A kibocsátás/ajánlattétel szempontjából lényeges érdekeltségek bemutatása, ideértve az összeférhetlen érdekeltségeket is, az érintett személyek és az érdekeltség jellegének részletezésével</p>	<p>Nincs olyan érdekeltség, ideértve az összeférhetlen érdekeltséget is, amely az Ajánlattétel szempontjából lényeges lenne, kivéve, hogy az Ajánlattétellel összefüggésben valamennyi Forgalmazó és leányvállalataik önálló befektetőként eljárva vásárolhatnak Értékesítésre Felajánlott Részvényeket az Ajánlattétel során, és ebben a minőségükben tarthatnak, vásárolhatnak vagy eladhatnak ilyen értékpapírokat vagy Értékesítésre Felajánlott Részvényeket vagy kapcsolódó befektetéseket, és felajánlhatják eladásra vagy eladhatják az Értékesítésre Felajánlott Részvényeket vagy más befektetésekre más módon, mint az Ajánlattétellel összefüggésben.</p> <p>Az Értékesítő Részvényes fogja megkapni a Meglévő Részvények, illetve az Opció Részvények értékesítéséből származó nettó bevételt, és a Társaság fogja megkapni az Új Részvények eladásából származó nettó bevételt. Feltételezve, hogy az összes Ajánlati Részvény az Ajánlati Ártartomány közepén elhelyezkedő ajánlati áron kerül értékesítésre, az Ajánlattételből származó nettó bevétel várhatóan megközelítőleg 197.2 millió euró lesz, amelyből az Értékesítő Részvényes megközelítőleg 152.2 millió eurót, a Társaság pedig 45.0 millió eurót fog kapni.</p>
E.5	<p>Az értékpapírt eladásra felajánló természetes vagy jogi személy neve</p>	<p>A Meglévő Értékesítésre Felajánlott Részvényeket, illetve a Túljegyzési Részvényeket az Értékesítő Részvényes ajánlja fel értékesítésre, az Új Részvények pedig a Társaság által kerülnek értékesítésre.</p>
	<p>Lekötési megállapodások („lock up”): az érintett felek; és a lekötési időszakra vonatkozó tájékoztatás</p>	<p>A Társaság a Forgalmazókkal megállapodott abban, hogy a jelen Tájékoztató keltének napján vagy napja körül, a Társaság, az Értékesítő Részvényes és a Forgalmazók által megkötött elhelyezési megállapodás („Elhelyezési Megállapodás”) keltétől, a Részvények Budapesti Értéktőzsdén történő kereskedésének első napjától számított 12 hónap végéig tartó időszak alatt, az alábbiak kivételével (a Forgalmazók nevében eljáró) Egyesült Globális Koordinátorok előzetes írásos engedélye nélkül a Társaság nem teheti meg az alábbiakat: (i) a Társaság bármely Részvényének vagy bármely, a Társaság Részvényeire átalakítható, akként érvényesíthető vagy gyakorolható értékpapírnak közvetlenül vagy közvetve történő kibocsátása, felajánlása, elzálogosítása, eladása, eladásra vonatkozó szerződés kötése, opció, jog vagy garancia biztosítása vagy</p>

	<p>eladása, illetve ezek eladására vonatkozó szerződés kötése, eladásra vonatkozó bármely opció gyakorlása, vásárlása, illetve eladására vonatkozó szerződés kötése, kölcsön adása, illetve azok bármely más módon történő átruházása, vagy azokkal való rendelkezése; (ii) bármely swap-megállapodás vagy bármely más olyan megállapodás kötése vagy tranzakció végrehajtása, amely közvetlenül vagy közvetve a Társaság bármely Részvénye vagy egyéb részvénye tulajdonjogának gazdasági következményét részben vagy egészben átruházza, függetlenül attól, hogy az (i) és (ii) pontokban leírt ilyen tranzakciók a Részvények vagy egyéb értékpapírok készpénzben vagy más módon történő átadásával valósulnak meg; (iii) nyilvános bejelentése az ilyen tranzakció végrehajtására irányuló szándéknak; vagy, (iv) olyan kérelem előterjesztése vagy bármilyen olyan jog gyakorlása, amely a Társaság bármely részvényének vagy a Társaság részvényeire átváltható, gyakorolható vagy átcserezhető értékpapírnak az amerikai értékpapírjog alatti regisztrációjára vonatkozik. Ezek a korlátozások nem vonatkoznak az (i) Ajánlattétel során az Új Részvények eladásra történő felajánlására és eladására, illetve a (ii) Részvények átruházására a munkavállalói részvénytulajdonosi program (MRP) és a Társaság által 15 munkavállaló (köztük több vezető tisztségviselő) részére felajánlott menedzsment ösztönző program keretén belül, amennyiben sikeres Ajánlattételt követően, a Társaság a Tájékoztató keltének napján birtokolt Részvényeinek több mint 50%-át értékesíti, vagy alternatívaként, amennyiben az Ajánlattétel nem valósul meg és az Értékesítő Részvényes a Társaságban lévő teljes tulajdonosi részesedését értékesíti.</p> <p>Az Értékesítő Részvényes a Forgalmazókkal megállapodott abban, hogy az Elhelyezési Megállapodás keltétől, a Részvények Budapesti Értéktőzsdén történő kereskedésének első napjától számított hat hónap végéig tartó időszak alatt, az alábbiak kivételével (a Forgalmazók nevében eljáró) Egyesült Globális Koordinátorok előzetes írásos engedélye nélkül az Értékesítő Részvényes nem teheti meg az alábbiakat: (i) a Társaság bármely Részvényének vagy bármely, a Társaság Részvényeire átalakítható, akként érvényesíthető vagy gyakorolható értékpapírnak közvetlenül vagy közvetve történő kibocsátása, felajánlása, elzálogosítása, eladása, eladásra vonatkozó szerződés kötése, opció, jog vagy garancia biztosítása vagy eladása, illetve ezek eladására vonatkozó szerződés kötése, eladásra vonatkozó bármely opció gyakorlása, vásárlása, illetve eladására vonatkozó szerződés kötése, kölcsön adása, illetve azok bármely más módon történő átruházása, vagy azokkal való rendelkezése; (ii) bármely swap-megállapodás vagy bármely más olyan megállapodás kötése vagy tranzakció végrehajtása, amely közvetlenül vagy közvetve a Társaság bármely Részvénye vagy egyéb részvénye tulajdonjogának gazdasági következményét részben vagy egészben átruházza, közvetlenül attól, hogy az (i) és (ii) pontokban leírt ilyen tranzakciók a Részvények vagy egyéb értékpapírok készpénzben vagy más módon történő átadásával valósulnak meg; (iii) nyilvános bejelentése az ilyen tranzakció végrehajtására irányuló szándéknak; vagy, (iv) olyan kérelem előterjesztése vagy bármilyen olyan jog gyakorlása, amely a Társaság bármely részvényének vagy a Társaság részvényeire átváltható, gyakorolható vagy átcserezhető értékpapírnak az amerikai értékpapírjog alatti regisztrációjára vonatkozik. Ezek a korlátozások nem vonatkoznak az Ajánlattétel során a Meglévő Értékesítésre Felajánlott Részvények és a Túljegyzési Részvények értékesítésére és eladására.</p> <p>A Társaság vezető tisztségviselői: Barna Zsolt, Lajkó Ferenc, Erdélyi Barna, Tóth Szabolcs és Kiss Csaba, a Forgalmazókkal megállapodtak abban, hogy az Elhelyezési Megállapodás keltétől, a Részvények, a Budapesti Értéktőzsdén történő kereskedésének első napjától számított 12 hónap végéig tartó időszak alatt, az alábbiak kivételével, és Kiss Csaba esetében azon Részvények kivételével, amelyeket a Részvények Budapesti</p>
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		<p>Értéktőzsdén való kereskedésének első napja előtt tulajdonol, (a Forgalmazók nevében eljáró) Egyesült Globális Koordinátorok előzetes írásos engedélye nélkül nem tehetik meg az alábbiakat: (i) a Társaság bármely Részvényének vagy bármely, a Társaság Részvényeire átalakítható, akként érvényesíthető vagy gyakorolható értékpapírnak közvetlenül vagy közvetve történő kibocsátása, felajánlása, elzálogosítása, eladása, eladásra vonatkozó szerződés kötése, opció, jog vagy garancia biztosítása vagy eladása, illetve ezek eladására vonatkozó szerződés kötése, eladásra vonatkozó bármely opció gyakorlása, vásárlása, illetve eladására vonatkozó szerződés kötése, kölcsön adása, illetve azok bármely más módon történő átruházása, vagy azokkal való rendelkezése; (ii) bármely swap-megállapodás vagy bármely más olyan megállapodás kötése vagy tranzakció végrehajtása, amely közvetlenül vagy közvetve a Társaság bármely Részvénye vagy egyéb részvénye tulajdonjogának gazdasági következményét részben vagy egészben átruházza, közvetlenül attól, hogy az (i) és (ii) pontokban leírt ilyen tranzakciók a Részvények vagy egyéb értékpapírok készpénzben vagy más módon történő átadásával valósulnak meg; (iii) nyilvános bejelentése az ilyen tranzakció végrehajtására irányuló szándéknak; vagy, (iv) olyan kérelem előterjesztése vagy bármilyen olyan jog gyakorlása, amely a Társaság bármely részvényének vagy a Társaság részvényeire átváltható, gyakorolható vagy átcsereélhető értékpapírnak az amerikai értékpapírtörvény alatti regisztrációjára vonatkozik.</p>
E.6	Az ajánlattételtől eredő közvetlen felhígulás összege, százalékban is megadva. Meglévő részvényeseknek szóló jegyzési ajánlat esetén, a közvetlen felhígulás összege százalékban is megadva, az új ajánlat jegyzésének megíiusulása esetén	<p>A Társaság jelenlegi részvényeseinek szavazati aránya az Új Részvények kibocsátásának eredményeképpen fel fog hígulni. A jelenlegi részvényesek szavazati arányának felhígulása maximális mértékben 17.41% lesz, feltételezve, hogy az Új Részvények maximális számban kerülnek kibocsátásra.</p>
E.7	A kibocsátó vagy az ajánlattevő által a befektetőre terhelt költségek becsült összege	<p>A befektetők részére az Ajánlattétel részeként semmilyen költség vagy adó nem kerül felszámításra a szokásos banki és/vagy ügynöki díjakon túl. A Nyilvános Ajánlattételben és a Munkavállalói Ajánlattételben résztvevő befektetők a szolgáltatóikkal kötött megállapodás szerint kapnak tájékoztatást.</p>

RISK FACTORS

Any investment in the Shares is subject to a number of risks. Prior to investing in the Shares, prospective investors should carefully consider risk factors associated with any such investment in the Shares, the Group's business and the industry in which it operates, together with all other information contained in this Prospectus including, in particular, the risk factors described below, and consult with their respective legal, financial or other advisors.

The risk factors described below are not an exhaustive list or explanation of all risks which investors may face when making an investment in the Shares and should be used as guidance only. Additional risks and uncertainties relating to the Group that are currently not known to the Group, or that the Group currently deems immaterial, could individually or cumulatively also have a material adverse effect on the Group's business, results of operations, financial condition, cash flows, prospects, reputation and, if any such risk should occur, the price of the Shares may decline and investors could lose all or part of their investment. The risk factors described below are not ordered according to their materiality or likelihood of their occurrence. Prospective investors should consider carefully whether an investment in the Shares is suitable for them in the light of the information in this Prospectus and their personal circumstances.

Risks related to the Group's business

The Group's industry is highly competitive and competition presents an ongoing threat to the success of its business.

The Group operates in a highly competitive transportation and freight industry, which includes a multitude of trucking and logistics companies operating in Europe. The Group's operating segment comprising international transportation services focused on the EU (the "**International Transportation Segment**") primarily competes with other truckload carriers that provide long-haul truckload carrier services and freight forwarding services similar to those provided by the Group. The Group's operating segment comprising regional transportation and logistics services in Hungary and the CEE region (the "**Regional Contract Logistics Segment**") primarily competes with other companies providing regional logistics, warehousing and distribution services in Hungary. Wáberer Hungária Biztosító Zrt. (the "**Insurance Company**") competes with other non-life insurance providers in Hungary, many of which have well-established national reputations, substantially more capital and significantly greater marketing resources.

The Group also competes to a certain extent with railroads and rail-road intermodal services. In the long run, these methods of transportation may become more attractive to the Group's existing customers and potential customers than the services provided by the Group. In particular, although rail-road intermodal services currently present only a small share of the European transportation market, the Group can give no assurance that these services will not develop in the future, increase their market share and increase competitive pressure on the Group. While the Group has also started to develop rail-road intermodal services, it can give no assurance that its introduction will be successful. Additionally, competition from railroads and railroad intermodal services is greater when the price of fuel increases.

The Group transports or arranges for the transportation of various types of freight both in its International Transportation Segment and in its Regional Contract Logistics Segment. Competition for such freight is based mainly on customer service, freight rates, efficiency, fleet capacity and the availability of skilled drivers. The Group's ability to compete effectively depends on, among others, its ability to maintain and effectively utilise its fleet of truck and ability to adapt quickly to new markets and industry trends, customer behaviour and regulatory developments. Various factors could adversely affect the Group's ability to adapt to such new trends, including failure to timely identify new products or customer demands, misinterpretation of anticipated trends, flawed assumptions underlying such initiatives or unsuccessful execution of implementation measures.

Competition in many of the Group's core markets has recently increased due to the economic and financial sanctions against Russian citizens and certain Russian companies generally, as well as sanctions applied by Russia banning the import of products from countries imposing such sanctions against Russian citizens and companies. While the Group is not active in the Russian market, these sanctions have caused its competitors from Poland and the Baltic states to leave or decrease their activities in the Russian market and focus their trucking capacity on the Western European and Central and Eastern European ("**CEE**") markets in which the Group operates. This has created

overcapacity in the market, increased competition and had and continues to have a negative effect on freight rates generally, including the freight rates the Company charges to its customers.

The Group's inability to compete effectively and maintain its revenue and market share and any increases in competition in the transportation industry could adversely affect the Group's market share, freight volumes, freight rates the Group charges its customers and, in turn, the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group may fail to retain its existing customers or to acquire new customers.

In order to retain and increase its revenue and profitability, it is important that the Group retains its existing customers and continues to acquire new customers across all of its business lines.

A large portion of the International Transportation Segment's revenue is generated from a limited number of existing key customers. For the three months ended 31 March 2017, the Group's top 50 customers based on revenue accounted for 42.6% of the Group's revenue, the Group's top 20 customers based on revenue accounted for 31.5% of the Group's revenue, the Group's top 10 customers based on revenue accounted for approximately 23.3% of the Group's revenue and the Group's largest customer, a leading grocery and general merchandise retailer, accounted for approximately 3.6% of the Group's revenue. For the year ended 31 December 2016, the Group's top 50 customers based on revenue accounted for 42.2% of the Group's revenue, the Group's top 20 customers based on revenue accounted for 29.8% of the Group's revenue, the Group's top 10 customers based on revenue accounted for approximately 21.4% of the Group's revenue and the Group's largest customer, a leading white goods manufacturer, accounted for approximately 3.8% of the Group's revenue. A substantial portion of the Group's freight volume is generated from a diversified customer base especially in the fast-moving consumer goods ("FMCG"), automotive and electronics sectors.

The Group's contracts with its existing customers are generally for a one-year term in the International Transportation Segment and for a two-to-five-year term (three-years on average) in the Regional Contract Logistics Segment. After the initial term, these contracts are subject to competitive bidding pursuant to tender processes in which the Group and its competitors participate. However, no assurance can be given that the Group's existing contracts will be renewed or that the Group will win such tenders in the future. Accordingly, there can be no assurance that the Group's existing customer relationships will continue in the future and on the same terms as currently agreed. The Group's Other Segment, acting through the Insurance Company, enters into insurance contracts with customers outside the Group on an annual basis.

Further, in order to enhance its business, the Group must appeal to and acquire customers who have historically used the services of its competitors and may prefer alternatives to the Group's services, including other trucking and freight forwarding companies or other modes of transport such as railroads or rail-road intermodal services. No assurance can be given that the Group's efforts to acquire such customers will be successful.

If the Group is unable to retain its existing customers or acquire a sufficient number of new customers under satisfactory terms, the revenue the Group generates may decrease and its profit margins may decrease, which, in turn, could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group may experience difficulty in truck driver and third party carrier recruitment and retention.

The Group's business model strongly relies on employment of drivers from Hungary and Romania and the Group can give no assurance that its business will not experience difficulty in attracting and retaining qualified drivers and qualified independent sub-contractors in the future. The truckload transportation industry periodically experiences a shortage of qualified drivers, particularly during periods of economic growth, in which alternative employment opportunities are more plentiful and freight demand increases, or during periods of economic downturns, in which unemployment benefits might be extended and financing is limited for independent contractors who seek to purchase equipment or for students who seek financial aid for driving school.

The relatively high level of turnover of driving staff, measured as the number of drivers leaving a company during a given period divided by the average number of drivers for such period ("**Driver Churn**"), is an issue generally affecting the transportation market, both for the regional businesses in Hungary and those specialising in the international arena. The Group's Driver Churn rates for the years 2016, 2015 and 2014 were 44.6%, 53.5% and 58.3%, respectively.

In addition, stricter European and national hours-of-service regulations may increase the number of drivers necessary for the Group's operations in order to provide the same level of services due to working time limits. For example, regulations of the EU impose certain mandatory requirements with respect to truck drivers, including requirements that daily driving period for drivers do not exceed nine hours in a day generally or that the total weekly driving time for a driver may not exceed 56 hours and the total driving time per fortnight may not exceed 90 hours (see "*Regulation—Transportation and Logistics—EU Law and International Treaties*" for more information).

Any difficulty in recruiting and retaining competent drivers or if the Group is unable to attract and contract with independent contractors and third-party truckload carriers, the Group could be forced to, among other things, limit its growth, decrease the number of its trucks in service, or adjust its driver compensation package and independent contractor compensation, all of which could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group may be required to increase wages and take other steps due to the adoption of minimum wage laws and other protective measures affecting the European truckload industry by the Members States in which the Group operates.

The regulation of the European truckload industry has undergone, and continues to undergo, significant changes which management believes are mainly driven by efforts to protect local workers, markets or transportation and logistics companies. These changes include, in particular, the application of national minimum wage laws to truck drivers passing through a certain Member State (in particular in Germany, France, Austria and Italy), the obligation for drivers to spend longer weekly rest periods outside of the truck (in particular in Belgium, France and Germany) and the prohibition of drives over weekends. For example, as of 1 January 2015, Germany introduced a law under the name MILOG (the "**MILOG Act**"), which imposes an obligation on employers to pay the German minimum wage (EUR 8.84/hour as of 1 January 2017) to all employees who have no German employment contract, but conduct work activities within the territory of Germany, and as of 1 July 2016, France introduced a law under the name Loi Macron (the "**Loi Macron Act**"), which imposes on employers the obligation to pay at least EUR 9.76/hour to all employees conducting work activities within the territory of France as of 1 January 2017. In Austria, pursuant to its new Minimum Wage Act effective as of 1 January 2017 regulating cabotage and bilateral point to point international transport operations, the Group is obliged to comply with minimum wage requirements prescribed in collective agreements which carries a certain level of uncertainty as these collective agreements usually require to apply a different minimum wage depending on, among others, age, education or work experience. As of 1 April 2017, Belgium introduced a mandatory minimum wage for drivers of non-Belgian transport companies performing cabotage operations in Belgium, which imposes on employers the obligation to pay between EUR 10.6 and EUR 11.5 per hour, depending on the size of the vehicle and the workweek of the driver (see "*Regulation—Transportation and Logistics—Minimum wages and working conditions of drivers*" for more information). In addition, many of these regulatory changes are recent and a common sector-wide understanding of their interpretation, application and consequences is absent, in particular the new regulation of minimum wages in Austria. The Company did not create any provisions with regards to the MILOG Act between 1 January 2017 and the date of this Prospectus in 2017 and management estimates that the additional costs to the Group attributable to the MILOG Act in the range of EUR 0.2 million to EUR 0.3 million

It can be generally expected that the national and European trends introducing protective measures to improve driver working environment and road safety conditions will continue in the future and that social awareness and attention of the relevant authorities to this issue including enforcement of the applicable laws and regulations may increase in the future. Such legislative changes and similar legislative initiatives in the future could materially increase the Group's wage costs and could require the Group, among others, to hire more drivers in order to provide the same level of services due to working time limits.

The compliance with the new minimum wage requirements may significantly increase drivers' wages, put substantial administrative burdens on the Group, as well as increase the cost of operations for the road transport industry. In particular, if the provisions of the minimum wage acts are to be applied in such manner that for the purposes of the minimum wage acts, any other emolument paid by the employer in relation to the employment relationship (for example: daily allowance, fuel savings) does not qualify as "wages", which would result in the difference between the current wage

and the statutory requirement being considerably larger. Further, any failure of the Group to comply with these measures and requirement would expose the Group to the risk of various sanctions, penalties and legal proceedings.

Any of these developments could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The continuing and increasing demand for cross-border transportation of goods within Europe, on which the Group substantially depends, may be harmed by recent geopolitical developments including rising nationalism.

The Group's International Business Segment, which comprises international transportation services focused on the EU, is substantially dependent on continuing and increasing demand for cross-border transportation of goods within Europe. Recent geopolitical developments, such as the rising popularity of nationalist and anti-EU political movements in several members states of the EU including the United Kingdom and France, have resulted, and may in the future result in, among others, further countries leaving the EU and its common market and in the adoption and implementation of various protectionist measures, any of which may hinder the free movement of goods across the EU and result in lower demand for cross-border transportation of goods within Europe.

Should this trend of rising nationalism continue, more countries leave the EU and its common market or implement protectionist measures hindering the free movement of goods across the EU, this could result in, among others, lower demand for cross-border transportation of goods within Europe including lower demand for the Group's services, which, in turn, could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

Expansion of the Group's international operations through acquisitions may involve additional risks and may not be successful.

Management believes that the international expansion of the Group's operations through acquisitions presents significant opportunities for further growth. Historically, acquisitions have been a part of the Group's business and growth strategy and the Group may, from time to time, pursue further acquisitions and consolidation of its market share. For example, on 26 May 2017, the Company as purchaser entered into a preliminary share sale agreement for the shares of Link sp. z o.o., with its registered office in Wiązowna, at Nadrzeczna 17, 05-462 Wiązowna, Poland ("LINK") (see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK" for more information). However, there is no assurance that the Company will receive unconditional approval of the completion of the transaction from the relevant Polish and German competition authorities, that the Group will be able to successfully integrate LINK's operations into the Group and that the acquisition of LINK will overall be successful, which could result in, among others, the acquisition of LINK not closing, the potential cost and revenue synergies as currently estimated by management not materialising (see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK" for more information), or that the Group will be successful in identifying, negotiating, or consummating any future acquisitions for either its International Transportation Segment or Regional Contract Logistics Segment.

Also, if the Group does not make any future acquisitions, its growth rate could be lower compared to the past. Any future acquisitions the Group undertakes could involve the dilutive issuance of equity securities or incurring indebtedness and could also dilute profitability. In addition, acquisitions involve numerous risks, including, but not limited to, difficulties in integrating the acquired company's operations, the diversion of the Group's management's attention from other business concerns, risks of entering into markets in which the Group has had no or only limited direct experience and the potential loss of customers, key employees and drivers of the acquired company. If the Group makes acquisitions in the future, the Group cannot guarantee that it will be able to successfully integrate the acquired companies or assets into its business. Any of these risks could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

Both the Group's international operations and operations in Hungary require significant management attention and financial resources and expose the Group to factors inherent in the international transportation market.

Both the Group's international operations and operations in Hungary require significant management attention and financial resources. The Group's plans to expand into other international markets will likely increase these requirements of management attention and financial resources as it may be

necessary for the Group to, among others, make significant investments in information technology (“IT”), logistics, supplier relationships, merchandising and marketing, to invest in physical facilities and to establish real operational sites (hub offices) in the foreign jurisdictions in which it operates or plans to operate.

The Group may have to make these investments before determining the viability of its foreign operations. The Group has no extensive experience establishing such facilities internationally and may not be successful in expanding into additional international markets or in generating revenue from foreign operations. The Group may not be able to accurately predict the costs of, or anticipate and manage potential challenges in, establishing operations in such markets which could adversely affect the transportation rates the Group is able to charge its customers and the Group’s ability to generate revenue from such operations.

The recent growth has placed, and future growth will likely place, a significant strain on the Group’s management, administrative and operational systems. There can be no assurance that the Group’s business will continue to grow in the future, that the Group will be able to effectively adapt its management, administrative, and operational systems to respond to future growth and that the investment and additional resources required to establish and expand its international operations will produce desired levels of revenue or profitability. The Group may encounter changes in the operating conditions and customer relationships in its existing international and regional markets as well as different operating conditions and customer relationships in new European markets into which the Group may expand in the future where the Group has no operating experience.

The Group is also exposed to a number of factors inherent in both its international operations and operations in Hungary, including but not limited to:

- the need to vary its practices in ways with which the Group has limited or no experience or which are less profitable or carry more risk for the Group;
- inherent risk in developing new business models, such as intermodal transportation with railway, air and sea transport, which represent new areas where management has only limited experience;
- volatility in fuel costs and other operating costs which may vary from country to country;
- unexpected regulatory changes relating, for example, to taxes, trade laws, tariffs, export quotas, customs duties or other trade restrictions;
- differing employment regulations where employment laws may be more favourable to employees as compared to Hungary;
- differing regulatory framework providing for, among other things, differing levels of liability or intellectual property laws providing different or lesser protection as compared to Hungary;
- adverse changes in a specific country’s or region’s political or economic conditions;
- the rising cost of labour in foreign countries in which the Group’s suppliers operate, resulting in increases in its costs of doing business internationally;
- challenges inherent in efficiently managing an increased number of employees over large geographic distances, including the need to implement appropriate internal management systems, policies, benefits and compliance programs while maintaining the Group’s corporate culture across geographies;
- risks resulting from changes in currency exchange rates and/or interest rate levels;
- limitations on the Group’s ability to reinvest earnings from operations in one country to fund the capital needs of its operations in other countries;
- exposure to liability under anti-corruption and anti-money laundering laws;
- import/export controls; and
- logistics and sourcing.

Any of the above-mentioned factors inherent in both international operations and operations in Hungary or the Group’s inability to successfully realise the expansion of its international operation could adversely affect the Group’s business, results of operations, financial condition, cash flows and prospects.

The Group, its customers and other counterparties are subject to geopolitical and general economic conditions.

In case of a recessionary economic cycle and generally deteriorating economic conditions, consumer consumption decreases and demand for transportation services decreases as well. A number of factors may adversely affect general economic conditions, many of which are beyond the Group's control. These factors include, but are not limited to, further Member States following the United Kingdom's decision to leave the EU (the so-called 'Brexit'), further unwinding of European integration and increased popularity of anti-EU political movements, return of economic decline in China, further deterioration of relationships between Russia on one side and the United States and EU on the other side and imposition of further sanctions and trade restrictions or actual or threatened armed conflicts or terrorist attacks.

Economic conditions that decrease freight demand or increase the supply of trucks and trailers can exert downward pressure on rates or equipment utilisation, thereby decreasing asset productivity, particularly in the market segments and industries where the Group has concentration of customers (including FMCG, automotive, logistics and electronics sectors) and in regions of Europe where the Group has a significant business operations (including Germany, Italy, France, Spain, the Netherlands, Belgium and the United Kingdom). Adverse economic conditions may also affect the Group's customers, the volume of freight they ship, the shipment pricing and rates they obtain on the market, and their ability to pay for the Group's services. Customers encountering adverse economic conditions represent an increasing potential for loss, and the Group may be required to increase its provisions for doubtful accounts.

If the geopolitical or economic conditions deteriorate due to, among other things, concerns over the European economy, one or more countries leaving the EU or the Eurozone, a slow-down of economic growth or a return of a global recession, this could result in disruptions in the Group's markets, adversely affect its operating efficiency and productivity, result in higher operating costs, decrease demand for the Group's products and services and negatively impact both existing contractual relationships and the fulfilment of obligations by the Group or its customers or reduce the spending capacity of its customers, all of which, in turn, could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

Hungary's economy and economic growth are vulnerable to adverse external factors, including future economic difficulties of its major trading partners.

Hungary's economy and macroeconomic goals are vulnerable to adverse external factors, including, but not limited to, on-going instability in the international financial markets and the sovereign debt market of certain members of the European Monetary System. Hungary relies on exports as a significant driver of GDP growth, and, based on the data published by the Hungarian Central Statistical Office, 79% of Hungary's exports for the year 2015 were concentrated within Europe, particularly Germany, which is Hungary's largest export market. The on-going instability in international financial markets and the sovereign debt market of certain members of the European Monetary System may continue, and Hungary's primary trading partners may experience increased economic difficulties. Additionally, euro area members may experience difficulties issuing securities in the sovereign debt market, servicing existing debt or implementing budget austerity measures. Any of these events could have a material adverse effect on Hungary's balance of trade and economic growth.

A significant portion of Hungary's public debt and contingent liabilities are denominated in or linked to foreign currencies, particularly the euro. Accordingly, a devaluation of HUF relative to foreign currencies, particularly the euro, could have a negative impact on Hungary's foreign-currency debt service obligations and repayment amounts that may outweigh any positive impact on Hungary's HUF -denominated debt service obligations and repayment amounts, and any increased competitiveness of Hungarian exports due to such a devaluation. Conversely, any significant appreciation of HUF as compared to foreign currencies, particularly the euro, could have a negative impact on Hungarian exports that outweighs any positive impact on Hungary's foreign-currency debt service obligations. Any significant appreciation or depreciation of HUF relative to foreign currencies, particularly the euro, could therefore adversely affect the economic and financial condition of Hungary, and, in turn, adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The Group is subject to increases in fuel prices and other parts of its fixed cost base and it may not be able to decrease its fixed costs.

Significant costs that the Group incurs include fuel, taxes and interest rates, tolls, license and registration fees, insurance, fees, costs associated with the purchase of trucks and trailers, revenue equipment and related maintenance costs and labour costs (including increases in minimum wage and healthcare and other benefits for its employees). Consequently, the Group is, and will be in the future, subject to increases in these costs, which may be caused by factors outside of its control.

Particularly, the Group's transportation business is dependent upon fuel. Prices and availability of petroleum products are subject to political, economic, weather-related and market factors that are generally outside the Group's control and each of which may lead to fluctuations in the cost of fuel. Because both the International Transportation Segment and the Regional Contract Logistics Segment are largely dependent upon diesel fuel, significant increases in diesel fuel costs, fuel storage costs (mainly as a result of stricter environmental laws) or a shortage or rationing of diesel fuel could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects. Further, as of the date of this Prospectus, the Group does not engage in any hedging activities against the risk of increased fuel prices. This fuel price increase would be particularly adverse if the Group is unable to pass increased costs onto customers through rate increases or fuel surcharges in a timely manner or at all. The current contracts with most of the Group's customers allow the Group to pass such increases in costs onto customers with a delay of one to six months (two to three months on average), while contracts the Group concludes on the spot market, which accounted for 40.7% of the Group's revenue in 2016 (49% in the International Transportation Segment and 4% in the Regional Logistics Segment), enable the Group to immediately pass any increase in costs of fuel onto customers, as the prices on the spot market reflect the current conditions including fuel prices. Fuel is also subject to regional pricing differences and often costs more in Western Europe, where the Group currently has significant operations and is increasing the size of its operations.

With respect to the International Transportation Segment, the Group stores fuel in its underground storage bulk fuel tanks at its facilities in Budapest and Mosonmagyaróvár in Hungary. The Group's policy is to satisfy as much of its fuel purchasing needs for its International Transportation Segment through these tanking facilities as possible. The Group purchases fuel from several suppliers for these two facilities at a significant discount to the wholesale price offered generally. Outside of Hungary, the Group purchases fuel from several suppliers at a significant discount from market rates, which is negotiated by the Group with the respective suppliers directly. There can be no assurance that the Group's existing relationships providing for preferential pricing will continue in the future, and if so, on the same or preferential terms as currently agreed. Further, as of the date of this Prospectus, the Group does not engage in any hedging activities against the risk of increased fuel prices.

The Group's independent contractors are responsible for paying for their own equipment, fuel and other operating costs, and increases in these costs could cause them to seek higher compensation from the Group or seek other opportunities.

Other significant costs of the Group include, but are not limited to, taxes and interest rates, tolls, license and registration fees, reinsurance costs, costs associated with the purchase of trucks and trailers, revenue equipment and related maintenance costs and labour costs (including increases in minimum wage and healthcare and other benefits for its employees). The Group cannot predict whether, or in what form, any changes to these costs will occur.

In addition, the Group's expense levels in the future are based, in large part, on its expectations regarding net sales. Many of the Group's expenses are fixed in the short term or are incurred in advance of anticipated sales. Should the Group be unable to decrease its expenses in a timely manner to offset any shortfall of sales, or should an increase of prices of fuel, tolls and other parts of the Group's cost base occur, this could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The Group is exposed to the risk of increased prices, reduced productivity and restricted availability of new equipment, as well as decreased demand for and value of used equipment.

The Group is subject to risk with respect to higher prices for new trucks and trailers necessary for its operations. Prices may increase due to, among other reasons: (i) government regulations applicable to newly manufactured trucks, trailers, and diesel engines; (ii) the pricing discretion of equipment manufacturers; and (iii) price increases due to future consolidation of truck producers. In addition,

the engines installed in the Group's newer trucks are subject to emissions control regulations issued by the EU. Compliance with such regulations may increase the cost of new trucks and could impair equipment productivity, increasing the Group's operating expenses. Uncertainty as to the reliability of new vehicles equipped with the redesigned diesel engines and the residual values realised from the sale of these vehicles may increase the Group's costs or otherwise adversely affect the Group's business or results of operations as the emissions control regulations become effective.

In 2005, the European Parliament adopted Directive 2005/55/EC that introduced stringent emission standards for trucks which were applicable from 1 October 2008 for new type approvals (and from 1 October 2009 for new registrations). The directive set out the emission limits for EURO 5, which provides for lower emission levels for gasoline and diesel powered vehicles and also extends the manufacturers' responsibility for emission performance. In 2009, the European Parliament and the Council adopted Regulation 595/2009 as later amended by Commission Regulation 582/2011 and by Commission Regulation 133/2014, repealing Directive 2005/55/EC and the EURO 5 emission standards, which remained valid until 31 December 2013, and introduced the EURO 6 emission standards. Such standards took effect from 31 December 2012 for new type approvals (and from 31 December 2013 for new registrations) introducing even more stringent emission standards, the requirement to heavy duty emission limits, the measuring of carbon dioxide (CO₂) emissions, the establishment of numerical limits on particulate emissions, revised durability requirements and requirements with respect to access to vehicle repair and maintenance information. The primary focus of EURO 6 is to limit further emissions of diesel powered vehicles and to reduce them to a level equivalent to gasoline powered vehicles. Over the past several years, some manufacturers have significantly increased new equipment prices, in part to meet new engine design and operation requirements; including in particular to comply with the EURO 5 and the EURO 6 requirements. As of 31 December 2016, 70.3% of the Group's trucks met the EURO 6 requirements and 29.7% met the EURO 5 requirements. If the increase in new equipment prices continues, the Group may not be able to acquire its trucks and trailers from its preferred manufacturers at favourable prices, and among other things, may be forced to purchase new equipment from other manufacturers with whom the Group has not developed a track record of reliability. Any material decrease in the reliability of trucks and trailers as a result of a purchase of equipment from manufacturers other than the Group preferred manufacturers could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The market for used equipment is cyclical and can be volatile, and any downturn in the market could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation. The Group has contractual trade-in and repurchase commitments that specify, among other things, what its primary equipment vendors will pay the Group for disposal of a substantial portion of the Group's equipment. The prices the Group expects to receive under these arrangements may differ from the prices the Group would receive in the open market. The Group may suffer a financial loss upon disposition of its equipment if these vendors refuse or are unable to meet their financial obligations under these agreements, if the Group does not enter into definite agreements that reflect favourable equipment replacement or trade-in terms, if the Group fails to or is unable to enter into similar arrangements in the future or if the Group does not purchase the number of new replacement units from the vendors required for such trade-ins.

In addition, in recent periods the Group has recognised significant gains on the sale of its used trucks and trailers, in part because of a strong used equipment market. During periods of lower used equipment values, the Group has generated comparatively lower gains on sales of used equipment, such as for example in the second half of 2015, and management cannot rule out that this trend will continue in the future. In particular, prior to mid-2015, the Russian market and the Middle East became important acquirers of the Group's used trucks and trailers. As a result of the economic downturn in Russia and economic sanctions against and by Russia, used truck and trailer prices have depreciated materially since mid-2015. Price levels for used trucks could come under pressure in the future due to factors such as the adoption of new, stricter emission laws applicable to trucks or the transformation of the road transportation industry from driver-driven trucks to driverless trucks, among others. Such lower gains on sales would reduce the Group's business, results of operations, financial condition, cash flows and prospects. Alternatively, the Group could decide, or be forced, to operate its equipment longer, which could adversely affect maintenance and repairs expense, customer service, and driver satisfaction.

The Group has significant ongoing capital requirements.

The truckload industry generally and the Group's business specifically are capital intensive, and the Group's policy of operating newer equipment requires the Group to expend significant amounts each year. Following the trend in recent years, the Group expects to pay for projected capital expenditures with cash flows from daily operations or financing available under its existing lines of credit. For example, the Group recorded capital expenditures of EUR 9.7 million (representing 6.3% of its revenues) in the three months ended 31 March 2017 as compared to EUR 2.6 million (representing 2.0% of its revenues) in the three months ended 31 March 2016 and of EUR 33.3 million (representing 7.1% of its revenues) in 2016, EUR 44.3 million (representing 8.5% of its revenues) in 2015 and EUR 38.8 million (representing 7.8% of its revenues) in 2014. The Group's ability to obtain financing at acceptable costs and in amounts sufficient to meet ongoing, planned and future capital expenditures could be materially adversely affected by many factors beyond its control, including, but not limited to, the state of the economies of the countries in which the Group operates, the Group's ability to generate sufficient cash to fund capital expenditures and the Group's ability to obtain credit.

If the Group is unable to generate sufficient cash from operations or financing available under its existing lines of credit, the Group would need to seek alternative sources of capital, including additional debt financing, to meet its capital requirements. In the event that the Group is unable to generate sufficient cash from operations or obtain financing on favourable terms in the future, the Group may have to limit the size of its fleet (the majority of which is provided through finance leases), enter into less favourable financing arrangements or operate its revenue equipment for longer periods. Some of the Group's current financing agreements include financial covenants, the breach of which may lead to, among others, an acceleration of the loans thereunder (see "*Material Contracts*" and "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Quantitative and Qualitative Disclosure about Market Risk—Liquidity Risk*"). Further, in case the Group is unable to respond in a timely manner to requests for its services from its clients due to the Group's lack of capital necessary to increase capacity to be able to provide such services, this might result in loss of such clients. Finally, the Group may in the future be required to raise capital through public or private financing or other arrangements. Such financing may not be available on acceptable terms, or at all, and the Group's failure to raise capital when needed could harm its business. Additional equity financing may be dilutive to the Company's shareholders, and debt financing, if available, may involve restrictive covenants and could reduce the Group's profitability. If the Group cannot raise funds on acceptable terms, the Group may not be able to grow its business or respond to competitive pressures. Any of these risks could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group's success depends in large part on its ability to attract and retain high-quality management and operating personnel.

The Group's success depends on the services of certain key employees, including, but not limited to, its team of executive officers and key managers, including managers of Operational Management Units (see "*Business—Operational Management Model*" for further information). These individuals possess specific knowledge regarding the road transportation industry generally and the Group's business activities in particular that are critical to the operation of the Group's business. The employment agreements with executive officers and key managers have been generally concluded for indefinite terms, and the loss of any of their services could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation. Further, the Group's competitors may successfully solicit the Group's employees with employment opportunities by offering higher salary and benefits levels than the Group offers, resulting in harm to the Group's operations and future prospects.

Additionally, the Group's international and regional growth strategy relies to a large extent on its ability to recruit, develop and retain skilled and experienced managers and key employees, especially sales experts. Failure to recruit, develop and retain experienced managers and certain key employees could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group depends in part on third-party sub-contractors.

The Group's International Transportation Segment utilises third party sub-contractors to transport freight for its customers, and the Group's Regional Logistics business utilises warehousing capacity

provided by third parties. The Regional Contract Logistics Segment's dry distribution business is 80% hauled by third party sub-contractors while its full-truckload ("FTL") and refrigerated distribution business is 20% hauled by third party sub-contractors. Third party service providers with which the Group has, or in the future may have, contractual relationships could reduce their services in the future, which could increase the cost of the services the Group provides to its customers and could reduce the reliability, timeliness, efficiency and overall attractiveness of its services. In addition, the Group may not be able to negotiate additional contracts with third party service providers to expand its capacity or obtain services at current cost levels, any of which could limit its own capacity and thus its ability to provide such services.

The Group's third party sub-contractors may seek other freight opportunities and may require increased compensation in times of improved freight demand or lower trucking capacity in the market generally. The Group's third party sub-contractors may also be affected by certain factors to which the Group drivers and Operational Management Units are subject, including, but not limited to, changing workforce demographics, alternative employment opportunities, varying freight market conditions, trucking industry regulations, and limited availability of equipment financing (see "*Business—Operational Management Model*" for further information). To the extent the Group is not able to obtain corresponding customer rate increases, its inability to secure the required capacity of services of any third parties, or increases in the prices the Group must pay to secure such services, could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects due to the reduced flexibility of the Group's services.

The Group may experience difficulty in obtaining goods and services from its suppliers.

The Group relies on suppliers and service providers to provide it with certain specialised materials and services, including materials and services for, but not limited to, the supply of trucks, trailers, fuel and toll. Management believes that it has positive vendor and supplier relationships and is generally able to obtain favourable pricing and other terms from such parties. If the Group fails to maintain amenable relationships with its vendors and suppliers, or if its vendors and suppliers are unable to provide the products and materials the Group needs or undergo financial hardship, the Group could experience difficulty in obtaining needed goods and services because of production interruptions, limited material availability, or other reasons.

The financial condition of the Group's suppliers and service providers may be adversely affected by general economic conditions, such as credit risk and the turbulent macroeconomic environment in recent years. Because many of the tasks of these suppliers and service providers require specialised truckload industry knowledge and equipment, if any of these suppliers or service providers go out of business or otherwise become unable to perform, the Group may not be able to transition to substitute suppliers or service providers in a timely manner. Further, the Group's suppliers and service providers may at any time increase their fees significantly, which could adversely affect the Group's business.

The above factors could increase the Group's costs and disrupt its operations, which could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The introduction of new technologies, such as autonomous driving may change the nature of the Group's business and the Group may be unable to adapt to such technological changes.

New technologies in transportation and driving of cars or trucks continuously develop. For example, several companies are currently developing and testing the technology of autonomous driving, which consists of vehicles equipped with various levels of autonomous technology which may take over certain elements of driving from the human driver and in the future potentially drive the vehicle fully autonomously. There are several levels of autonomous driving depending on the level of autonomy, from level one (one individual control such as lane keeping or adaptive cruise control, with the driver still fully in control) to level four (a fully autonomous self-driving vehicle). In October 2016, Uber, in cooperation with Volvo and Anheuser-Busch InBev, successfully made the first commercial truck delivery, which involved the employment of driverless technology while the truck was on the highway. However, it is still expected that a human driver will be present in the truck and will manually drive the truck when not on the highway and oversee the truck in general. As the first step, companies are also testing so-called platooning, where several trucks link up through wireless connection, are then all driven by the driver of the first truck and their braking and steering are electronically synchronised. According to statements of some manufacturers and experts, some lower forms of autonomous

driving might be ready as soon as by 2020. Further, the introduction of these and other technologies depends, among others, on the amendment of the current legal framework and introduction of new laws and standardised regulations allowing such technologies to be applied. Further, several companies are currently developing electronic platforms, which would enable customers to order individual transportation services using a similar platform and basis as Uber's taxi service.

The introduction of these technologies may change nature of the business in which the Group operates and its competitive landscape. The Group may be unable to finance this technology change, adapt to the new environment swiftly enough or at all, implement these technologies or these technologies may allow the Group's current customer to handle their transportation needs themselves. As a result, the Group's market share and revenues may decrease, which, in turn, could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The Group's brand is subject to a trademark agreement under which the Group may not be able to maintain the rights to use.

The Company's name and logo are protected by trademarks registered in the name of the Company. Mr György Waberer, the former chief executive officer and former shareholder of the Company and the Company entered into a trademark agreement with Mr György Waberer regulating the use of Mr György Waberer's name by the Company (i) as the Company's name and (ii) in the Company logos protected by the trademarks, for an indefinite period and without any consideration (the "**Waberer Trademark Agreement**"). The Waberer Trademark Agreement applies also to the Company's consolidated subsidiaries that use the name of "Waberer" in their company name or trademarks. Beginning from 31 March 2018, Mr György Waberer has the right to request that the Company stops using the "Waberer" name as part of its trade name and trademark, with a three year grace period starting with such request but in any case not earlier than on 31 March 2018, during which the Company can continue to use the "Waberer" name allowing the Company adequate time to rebrand. Further, upon the passing away of Mr György Waberer, the Company will lose the right to use the "Waberer" name on the date which falls three years from the date of the passing away of Mr György Waberer, but in any event not earlier than 31 March 2021. In any event of termination, the Company shall, following the end of the relevant grace period, cease the use of the name "Waberer". Furthermore, the management is of the view that the relatives of Mr György Waberer shall be entitled to use the name "Waberer" during the relevant grace period as the prohibition set out in the Waberer Trademark Agreement in respect of using the name "Waberer" by the relatives may not be enforceable under Hungarian law.

Although the Company has a right to use the "Waberer" name for a minimum period up to and including 31 March 2021 and the Waberer Trademark Agreement provides for the three year grace period for rebranding of the Group's operations, if the Company loses the right to use the "Waberer" name for its business, the necessary rebranding required for the Company to stop using the "Waberer" name as part of its trade name and trademark could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The Group may fail to meet key performance indicators or receive negative publicity.

Most of the material agreements of the Company with key customers contain a provision entitling the relevant counterparties to terminate the agreement if certain key performance indicators are not met on a continuous basis. Such key performance indicators usually contain the requirement of timely pick-up and delivery, compliance with reporting obligations, avoidance of loading errors or compliance with GPS signal interval requirements. To continuously meet these key performance indicators the Group may be required to, among others, make substantial investments in its fleet, IT systems or other assets, maintain competitive pricing of its services and retain a well trained workforce of drivers and maintenance personnel. Customer complaints or negative publicity about the Group's transportation services, non-compliance with key performance indicators, delivery times or customer support and any customer complaints or negative publicity regarding coverage of insurance claims by the Insurance Company could harm the Group's reputation, result in termination of the relevant agreements or failure to extend their terms and diminish the Group's customer's use of its services and their confidence in the Group.

The Group is dependent on management information and communications systems.

The Group's business strongly depends on the efficient, stable and uninterrupted operation of its management information and communications systems. The Group's key software, especially the

Waberer's Intelligent Planning Engine ("WIPE"), Waberer's Intelligent Routing Engine ("WIRE") and the Group's accounting, enterprise management and telematics software, hardware systems and infrastructure have been developed internally in cooperation with external suppliers or by adapting purchased software applications and hardware to suit the needs of the Group. The Group's management information and communication systems are critical to its business and are used in various aspects of its business, including but not limited to load planning and receiving, dispatch of drivers and third-party capacity providers, customer billing, financial and other reports, and other general functions and purposes. If any of the Group's critical information or communications systems fail or become unavailable, the Group could have to perform certain functions manually, which would temporarily affect the efficiency and effectiveness of its operations.

The operations of the Group and of its technology and communications service providers are vulnerable to interruption by fire, earthquake, power loss, telecommunications failure, terrorist attacks, internet failures, computer viruses, malware, hacking, capacity limitations and other events beyond the Group's control. More sophisticated cyber-attacks have also increased security risks associated with information technology systems. The Group maintains information security policies to protect its information, computer systems and data from cyber security threats, breaches and other such events.

In 2016, the Group launched two internal integration projects, the first relating to its accounting system, replacing Oracle Finance, and the second for the introduction of a new transportation management system for its International Transportation Segment. The projects are currently ongoing and the first commenced operations on 1 January 2017, while the second is scheduled to commence operations in mid-2018.

The Group currently maintains its primary data centre providing the servicing for the Group's IT system through one of the biggest Information and Communication Technology companies in Hungary. In order to reduce the risk of disruption to the Group's business operations should a disaster occur, the Group currently follows the so-called "cold site strategy" with a secondary data centre placed in a different geographical location and equipped with a basic infrastructure for operation, such as heating, ventilation and air conditioning ("HVAC"), power and network connectivity. Management cannot predict the likelihood or extent to which such alternate location or the Group's information and communication systems would be affected. Although the Group upgrades its communications system from time-to-time, a system failure, disruption or security breach that causes a delay, interruption, impairment of the Group's services and operations, or the integration and other projects currently ongoing being unsuccessful could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group's warehousing capacity is substantially dependent on a limited number of leased facilities.

The warehousing business of the Group's Regional Contract Logistics Segment is highly dependent on the warehouse capacity at the Budapest Intermodal Logistics Centre ("BILK"), which accounts for approximately 53.6% of the Group's total warehousing capacity, at Pestlőrinci Waberer's Logisztikai Központ ("PLK"), which accounts for approximately 17.7% of the Group's total warehousing capacity, and at Budapest Park Prologis Sziget ("Prologis"), which accounts for approximately 8.4% of the Group's total warehousing capacity (but after the hand-over of the total capacity it is expected to account for approximately 18.6% of the Group's total warehousing capacity) as of 1 March 2017. As of 31 March 2017, the total warehousing capacity of the Group was 182,399 square metres.

The indirect owner of BILK is Mr György Waberer, the founder, former shareholder and former chief executive officer of the Company. On 21 April 2017, BILK Logisztikai Zrt. as lessor and the Group, through Waberer's-Szemerey as the lessee, concluded a new lease agreement replacing the previous lease agreement relating to the lease of BILK (the "BILK Lease Agreement"). Under the BILK Lease Agreement, the parties renewed the lease of the premises including warehouses, office and other areas with a total area of 106,291 square metres for a definite term commencing on 1 May 2017 and expiring on 31 May 2028 with respect to approximately 65% of the leased area, expiring on 31 March 2030 with respect to approximately 15% of the leased area and expiring on 31 December 2030 with respect to approximately 20% of the leased area. The Group has, among others, the following lease term related options under the BILK Lease Agreement: (i) option to extend the lease for a period of five years per extension (exercisable twice), relating to the whole of the leased premises or a specific leased area, with ten months' prior notice; (ii) a break option right to terminate the lease agreement as of the expiration of the fifth year of a lease term, relating to the whole of the leased premises or a specific leased area, with ten months' prior notice; (iii) contraction right – a right

of the lessee to decrease the leased area, exercisable with six months' prior notice, after the third year of a lease term up to 10% of the total area of the leased premises in a given five-year period of a lease term; and (iv) pre-lease right relating to a certain warehouse within BILK. The BILK Lease Agreement may be terminated by the lessor wholly or in respect of a specific leased area only in the termination events specified in the agreement with three months' notice period. These specified events include market standard termination events, such as insolvency of the lessee (the commencement of a liquidation, bankruptcy or forced liquidation procedure is ordered against the lessee), the lessee's failure to pay rent or other charges (and failure to remedy such event within a specified period), the lessee's failure to provide the relevant bank guarantee securing its payments (and failure to remedy such event within a specified period) and the lessee's committing a material breach of contract.

In addition, the warehousing capacity at Prologis has been leased to Waberer's-Szemerey until 17 March 2022 in respect of 61.2% of the area and until 17 April 2022 in respect of the remaining 38.8% of the area.

Should the lease agreements of BILK or Prologis be terminated, operations at BILK, PLK or Prologis disrupted or their warehouse capacity become impaired as a result of adverse events, such as industrial accidents, fires, floods, other natural disasters or other similar events, this could disrupt the Group's business, require the Group to find sufficient alternative warehousing space to serve its customers and result in loss of customers due to the relocation or disruption in the provision of warehousing space, all of which would also require management attention and other resources. This, in turn, could lead to the Group losing some of its customers and adversely affect the Group's business, results of operations, financial condition, cash flows, prospects.

Further, the mortgages registered over the BILK real properties secure obligations of third parties (obligations of the owner of BILK, a company outside the Group) which, if payment obligations under the financing arrangements are not satisfied by BILK, may lead to the forced sale through judicial enforcement or other forms of out-of-court sale of the real properties which may ultimately result in the repossession of the property or the renegotiation of the existing terms of the BILK agreements. In addition, operational interruptions could lead to an increase in the Group's costs as a percentage of revenues, significant delays in its ability to receive goods from its customers at its warehouses and delays in its ability to dispatch goods from its warehouses. Delays in these processes and, in turn, delays to or cancellations of deliveries to customers, could cause substantial financial losses as well as damage to the Group's reputation. Any such significant disruptions or reduced warehouse capacity could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation. For further information on the Group's current warehousing capacity, see the section entitled "*Business—Regional Contract Logistics*".

Employment laws in some of the countries in which the Group operates are stringent.

The Group faces the risk that the EU or one or more local jurisdictions where it operates will approve legislation significantly affecting its business and its relationship with its employees and independent contractors. Legislators in various European jurisdictions may continue to introduce legislation concerning the classification of independent contractors as employees, including, but not limited to, legislation that proposes to increase and heighten the tax and labour penalties against employers who intentionally or unintentionally misclassify their employees and are found to have violated employees' overtime or wage requirements. Local tax and other regulatory authorities in the jurisdictions where the Group operates apply a variety of standards in their determination of independent contractor status.

For example, certain members of the Group's personnel performing manual labour and providing services to the Regional Contract Logistics Segment (including fork-lift truck drivers and cargo workers, but excluding truck drivers) have not entered into an employment relationship with the Group. The Group engages several firms which provide the Group with the necessary services and personnel from time to time on an "as needed" basis. The Group does not enter into separate employment agreements with those individuals provided to it and the entire employment relationship is regulated by the service agreements the Group has entered into with the above mentioned firms. In management's view, such relationships are in compliance with applicable Hungarian law and, accordingly, the Group is not responsible for the wage-related costs of such personnel. According to the Group's general experience in the Hungarian market, several Hungarian companies use similar methods of procuring work personnel.

The Group currently observes and monitors its compliance with current related and applicable laws and regulations, but the Group can give no assurance that laws and regulations adopted in the future

regarding the Group's employment relations with its workforce will not adversely affect the Group's business, results of operations, financial condition, cash flows prospects and reputation.

The Group or its customers may experience work stoppages.

The Group substantially relies on its trained and experienced workforce in achieving its business objectives. The recruitment, training and retention of a professional driver workforce, which is one of the Group's most valuable assets, are essential to the Group's continued growth and meeting the service requirements of its international and regional customers. As of 31 March 2017, the Group (including Operational Management Units (see "Business—Operational Management Model" for further information)) had 6,857 employees, out of which 5,048 were truck drivers. In management's opinion, the Group enjoys the distinction of being an employer of choice for drivers, with comparatively low turn-over of drivers. The Group's Driver Churn rates for the years 2016, 2015 and 2014 were 44.6%, 53.5% and 58.3%, respectively. Certain members of the Group's workforce belong to one of two trade unions, namely the National Trade Union of International and Professional Drivers (in Hungarian, *Nemzetközi és Hivatásos Gépkocsivezetők Országos Szakszervezete*) or the European Trade Union of Truck Drivers (in Hungarian, *Teherfuvarozók Európai Szakszervezete*). If the Group's employees were to engage in a strike, work stoppage or other slowdown, the Group could experience a disruption of its operations. Such disruption could interfere with the Group's ability to fulfil its shipments on a timely basis and could have other negative effects, including, but not limited to, decreased productivity and increased labour costs. In addition, strikes or other work stoppages conducted by personnel at customer, port, border or other transportation locations could adversely affect the Group's business. Any strike, slowdown, picketing, work stoppage, lockout, employee grievance process, organisational activity or other labour dispute involving the Group or any of its customers, could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group is exposed to adverse weather conditions and to the risk of natural disasters, public health crises, political crises or other catastrophic events.

The Group's operations are subject to adverse weather conditions and natural disasters (such as hurricanes, tornadoes, floods, earthquakes and other adverse weather and climate conditions), unforeseen public health crises (such as pandemics and epidemics), unstable political conditions, the European refugee crisis and potential catastrophic events, whether occurring in Hungary or internationally. For example, adverse weather conditions increase the Group's operating expenses and decrease its fuel efficiency declines because of engine idling and harsh weather (e.g., summer time air-conditioning), which may also cause higher accident frequency, increased claims and more equipment repairs. In addition, the Group's operating expenses tend to be higher in the first quarter primarily due to colder weather, which causes higher fuel consumption.

These events could disrupt the Group's operations and/or the operations of one or more of its trading partners, fuel supplies, increase fuel costs, disrupt freight shipments or routes, affect regional economies, damage or destroy the Group's assets or adversely affect the business or financial condition of the Group's trading partners, any of which could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects

The Group's trucks and trailers may be used against its will and in violation of agreements with drivers and customers for the movement of goods and illegal transportation of persons across borders. Further, the Group's trucks and trailers may be targeted by stowaways.

Pursuant to the Group's agreements with its drivers and customers, the Group's trucks and trailers may only be used for the transporting of goods in compliance with applicable law. In the International Transportation Segment, the customer is responsible for the packing of the Group's trailers and the Group does not independently verify the contents of the goods which it transports. The Group relies on representations from its customers as to the contents of the goods being delivered and their compliance with applicable law. Although this practice is in keeping with international practice, there is a risk that the Group's trucks and trailers will be used illegally and in violation of its agreements with drivers and customer for the smuggling of goods, drug trafficking, illegal transportation of persons across borders and other illegal activities.

Illegal immigration and transportation of persons across borders in particular have represented and may continue to represent a growing risk for transportation companies operating in the EU such as the Group. The EU (including Hungary in particular) is currently experiencing an increased number

of refugees travelling to Europe, especially from the Middle East and Northern Africa, which has made this risk more acute and the centre of media attention generally. As a result, notwithstanding the Schengen Agreement signed on 14 June 1985 (subsequently incorporated into EU law) which allowed borderless travel within the majority of Europe by creating the so-called “Schengen Area”, certain member states to the Schengen Agreement restored border controls at their borders thereby temporarily suspending the Schengen Agreement, whereas EU member states that either have not been a party to the Schengen Agreement or are at the border of the Schengen Area, have instituted increased border control measures. On 14 September 2015, the Hungarian government declared a state of emergency in certain districts close to the Serbian border of Hungary which has since been extended to the entire territory of Hungary and was prolonged until 7 September 2017 and further measures are being considered. Although such state of emergency does not directly impose any requirements or restrictions on the trucking and logistics industry in Hungary, it could adversely affect the trucking and logistics industry generally, including the Group. In particular, trucks crossing Hungarian borders may be affected by enhanced border protection measures, such as halting of vehicles and checking of vehicles and travel documents, which could adversely affect the Group’s operations.

Transportation companies and their drivers must secure vehicles to stop ‘clandestine entrants’. A clandestine entrant is a person who hides in or on a vehicle to avoid going through border control. However, such security measures may not be successful and the Group’s trucks and trailers may be targeted by stowaways looking to illegally enter a country where the Group’s trucks are travelling. Even if it is not aware of the illicit activity, the Group may, among others, be liable for fines, suffer seizure, forfeiting or other forms of taking of the physical possession of the trucks and trailers, suffer damages due to contaminated goods or can face a loss of reputation as a result of the use of its trucks and trailers for illegal activities.

For example, several members of the Group active in the International Transportation Segment and the concerned drivers are involved in cases with the U.K. Home Office due to clandestine entrants in their vehicles. In the period from 1 January 2017 to 31 March 2017, there were 14 pending cases initiated by the U.K. Home Office against the Group, with the total amount claimed of GBP 93,400, which includes the fine against the relevant company and the driver also under joint and several liability.

The materialisation of any of these risks could adversely affect the Group’s business, results of operations, financial condition, cash flows, prospects and reputation.

The Group’s business is subject to foreign exchange risk.

Historically, the majority of the Group’s revenue has been denominated in euro, while approximately 25-30% of the Group’s costs, capital expenditures and investments have been denominated in HUF, with the remaining part being denominated in euro. Consequently, portions of the Group’s costs, profit margins and asset values are affected by fluctuations in the exchange rates between those currencies. Currency exchange fluctuations could cause losses if assets denominated in currencies with a falling exchange rate lose value, while at the same time liabilities denominated in currencies with a rising exchange rate appreciate.

Since the Group’s consolidated financial statements are presented in euro, the Group translates certain revenue, expenses, assets and liabilities from HUF into euro at exchange rates in effect during or at the end of each reporting period, as required by IFRS, resulting in variability in reported margins as well as the value of items originally denominated in HUF on the balance sheet.

In the three months ended 31 March 2017 and 2016, the Group engaged in hedging activities in the range of notional amounts of EUR 36 million and EUR 267 million, respectively, in order to mitigate its foreign exchange exposure. The Group expects to continue hedging activities in the future. Nevertheless, hedging may not be available or may not continue to be available on commercially reasonable terms and may not prevent losses. In addition, any hedging transactions conducted in the form of derivative financial instruments may result in mark-to-market losses. The Group can give no assurance that it will be able to hedge risks related to current or future assets or liabilities in accordance with its current policies in an efficient manner or at all. Disruptions such as market crises and economic recessions may limit the availability and effectiveness of the Group’s hedging instruments or strategies and could adversely affect the Group’s financial condition and its ability to fulfil its obligations.

The materialisation of any of these risks could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The Company's directors and officers have other interests which may conflict with their duties to the Group and the Company's shareholders.

Certain current directors and officers of the Company have other interests which could conflict with their duties to the Company and its shareholders, and which may have adverse effects on the interests of the Group and the Company's shareholders. Certain members of the Board of Directors hold similar management positions in international transportation companies and may have to determine how to allocate an opportunity between the Group and such other ventures. Accordingly, in addition to their membership of the Board of Directors, (i) Mr van Kesteren holds the position a member of the supervisory board of the Raben Group NV (Netherlands) and Planzer Holding AG (Switzerland), a member of the board of directors and chairman of the audit committee of Janel Corporation (USA), senior/industry advisor of Astor Place Holdings (USA) and Advent International (UK) and the chairman of CFO Circle Switzerland, (ii) Mr Stefan Delacher holds the position of member of the board of directors of Raben Poland and (iii) Dr Péter Lakatos is the managing partner of Lakatos, Köves and Partners Ügyvédi Iroda, which from time to time acts as legal advisor to the Company and also acts as legal advisor to the Company in connection with the Offering and this Prospectus. Also, such persons may have to decide on whether the Group should enter into commercial relationship with an entity with which they are related, or conduct other transactions, and if so, the terms thereof. Such determinations may either benefit the Group or be detrimental to the Group. The Company's directors and officers are expected to behave in a fair manner toward the Group, and the Group requires that potential conflicts be brought to the attention of the Board of Directors and that determinations will be made by a majority of directors who have no interest in the transaction.

Change-of-control provisions in the Group's financing and key-account commercial agreements may be triggered in connection with the Offering.

Several Group entities, particularly the Company, are party to financing and key-account commercial agreements that contain change-of-control or similar provisions that may be triggered as a result of the Offering. Such change-of-control or similar provisions, if triggered and not waived by the counterparties, could result in unanticipated material expenses or disruptions for the Group, defaults under and terminations of the contractual arrangements, particularly with respect to the Group's financing arrangements. While the relevant Group entities are in the process of seeking waivers from the relevant counterparties pursuant to such agreements, there is no guarantee that such waivers will be obtained, which would adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The Group may qualify as a de facto group of companies under Hungarian law and, consequently, the Company may be held liable for the liabilities of another member of the Group upon its liquidation and be required to buy-out minority shareholders

Pursuant to Hungarian corporate law, upon request of an interested party, the Group may be recognised as a *de facto* group of companies if it is evidenced that the Group was operating as a *de facto* group of corporations for at least three consecutive years. As a result, the Company may be held directly liable for the liabilities of other Group members in an insolvency scenario of such Group members. An insolvency of one or more Group members could trigger an insolvency of the Group, increasing the insolvency risk of the Group as compared to companies incorporated in other jurisdictions. Furthermore, the Group may be required to buy out minority shareholders of other Group members. Any of these risks could dramatically and adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group is exposed to operational risk.

The Group is exposed to operational risks of loss resulting from inadequacy or failure of internal processes or systems or from external events. The Group is susceptible to, among other things, fraud by employees or third parties, road accidents, including unauthorised transactions and operational errors, clerical or record-keeping errors and errors resulting from faulty computer or telecommunications systems. Although the Group maintains a system of internal controls and takes steps to back-up its IT systems, there can be no assurance that operational problems or errors will

not occur and that their occurrence will adversely affect consumer confidence in the Group or the Group's business and reputation.

Furthermore, the Group depends upon the reliability and security of its information technology systems, and the reliability and security of these systems depend upon human operators and future investments that may be required by evolving technology. Delays in increasing the capacity of the Group's IT systems, any problems or errors in connection with WIPE and WIRE IT systems or the withdrawal of the WIPE and WIRE licences before their expiry or other issues related to the Group's IT systems may disrupt the Group's daily operation and could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group is subject to extensive regulation and is exposed to the risk of changes, amendments and violations of the regulatory framework.

The Group operates in a highly regulated industry mainly in the EU and neighbouring countries of the EU and as such is subject to laws, regulations and regulatory oversight of multiple jurisdictions. These laws and regulations relate to, among others, exhaust emissions, so-called 'drivers' social dumping acts', various fitness, weight, dimensional, safety, and security requirements, drivers' hours-of-service, ergonomics, on-board reporting of operations, collective bargaining, and security of transported shipments, other matters affecting safety or operating methods, weight and equipment dimensions, including components and technical units intended for vehicles. Additionally, the Group is subject to generally applicable legislation such as anti-corruption and anti-money laundering.

In particular, the Insurance Company is subject to the Hungarian and European insurance regulatory agencies, especially the MNB, which have broad regulatory, supervisory and administrative powers, including, among other things, the power to grant and revoke licenses to transact business, the power to issue legislative and other regulatory measures and the authority to govern insurance-related activities, such as quantitative requirements (for example, the amount of capital an insurer should hold), requirements for the governance and risk management of insurers, as well as for the effective supervision of insurers or disclosure and transparency requirements (including reporting and monitoring requirements). The Insurance Company is further subject to the Solvency II Directive (2009/138/EC) that came into effect on 1 January 2016 and has been implemented into Hungarian law by Act LXXXVIII of 2014 on insurance activities (the "**Hungarian Insurance Act**") which sets forth directly applicable rules creating the regulatory environment for the Insurance Company's operation in the insurance segment.

These laws and regulation change from time to time and, as a result, the Group may become subject to new or more restrictive regulations. These may require changes in the Group's operating practices, influence the demand for the Group's services or require the Group to incur significant additional costs. For example, pursuant to Recommendation no 6/2016 (VI.14) of the MNB, the Insurance Company is required to hold a 50% volatility capital buffer. Furthermore, the Group's company drivers, independent sub-contractors and Operational Management Units (see "*Business—Operational Management Model*" for further information) also must comply with the applicable road safety policies of the EU, including those relating to safety performance and measurements, drug, alcohol and medicine testing and driver hours-of-service.

Specifically, the Insurance Company is currently involved in a number of litigation proceedings both in Hungary and other countries including France, the United Kingdom, Austria, Germany, Belgium or Italy, as a result of where the accident occurred, which arise in the ordinary course of its business in connection with its activities as an insurer. In accordance with applicable insurance laws, the Insurance Company has established outstanding claims reserves, which are balance sheet liabilities representing estimates of future amounts required to pay claims (losses) and claims handling expenses for insured claims. Applicable laws require insurance companies to establish claims reserves at certain minimum levels which however may be increased in the future. Further, estimates of the outstanding claims reserves are based on the current practice of the Hungarian courts in validating insurance claims and calculating the damages payable by the insurance companies or any new proceedings resulting from past claims which may change in the future.

Further, with respect to the protective regulation regarding drivers' hours-of-service, sets forth, among others, an obligation for drivers to spend their rest periods outside of the truck. This results in the cargo in the truck being unattended for certain periods of time, which may raise issues with customers as the respective contracts set out an obligation not to leave the cargo unattended. This could also disqualify the Group from CMR insurance coverage in case of any insurance events related hereto.

In addition, certain aspects of the Group's activities in connection with the Operational Management Units (see "*Business—Operational Management Model*" for further information) may be subject to relevant financial regulatory legislation and thus potential financial regulatory overview may apply.

Any changes and developments of existing regulations or the interpretation thereof, including the above-mentioned, introduction of new laws and regulation or violations of any existing or future regulations by the Group, a driver or subcontractor of the Group, could result in, among others, additional material costs for the Group, require it to amend its operating practices and influence the demand for the Group's products and services, all of which could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Group's operations are subject to various environmental laws and regulations.

The Group's operations are subject to various EU and local environmental laws and regulations dealing with the transportation, storage, discharge, presence, use, disposal and handling of hazardous materials, wastewater, waste oil and fuel storage tanks. The Group is also subject to various environmental laws and regulations involving emissions from its equipment. In particular, trucks and trailers used in the Group's operations have been and continue to be affected by applicable EU and local statutory and regulatory requirements related to air emissions and fuel efficiency. These and other similar restrictions could cause the Group to alter its drivers' behaviour and routes, purchase additional auxiliary or other on-board power units to replace or minimise engine power and idling or to experience decreases in productivity. The Group's trucks and trailers could also be adversely affected by related or similar legislative or regulatory actions in the future.

For example, in 2005, the European Parliament adopted the EURO 5, which provides for lower emission levels for gasoline and diesel powered vehicles and also extends the manufacturers' responsibility for emission performance. In 2009, the European Parliament adopted the EURO 6, which took effect from 31 December 2012 for new type approvals (and from 31 December 2013 for new registrations) and introduced even more stringent emission standards, as well as the requirement to measure carbon dioxide (CO₂) emissions, numerical limits on particulate emissions, revised durability requirements, and requirements with respect to access to vehicle repair and maintenance information.

The Group's operations involve the risks of fuel spillage or seepage, environmental damage and hazardous waste disposal. Certain of the Group facilities have fuel storage tanks and fuelling islands. A small percentage of the Group's freight consists of hazardous substances, which subjects the Group to various regulations. Should any such environmental claims arise the Group could possibly be deemed responsible for clean-up costs.

Management believes that the Group is currently in compliance with applicable environmental laws and regulations. However, the current environmental laws and regulation may change and new laws and regulation may be introduced, imposing further requirement on the Group. Further, if (i) the Group became involved in a spill or other accident involving hazardous substances, (ii) there were releases of hazardous substances the Group's transports, (iii) soil or groundwater contamination were found at the Group's facilities or results from the Group's operations, or (iv) the Group were found to be in violation of or fail to comply with applicable environmental laws or regulations, then the Group could be subject to clean-up costs and other liabilities, including, but not limited to, substantial fines or penalties or civil and criminal liability, any of which could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Insurance Company may be subject to compliance investigations by the MNB.

The Insurance Company is subject to regulatory oversight of the MNB in its capacity as the financial regulator. In case the MNB finds any non-compliance of the Insurance Company with the applicable regulation, it may launch proceedings against the Insurance Company, order it to pay fines, remedy its non-compliance, implement certain protective or proactive measures within its internal systems, impose other restrictive measures and ultimately suspend its business licence. For example, in 2016, the MNB issued a number of resolutions which established certain shortcomings on part of the Insurance Company and its non-compliance with certain provision of the Hungarian Insurance Act and ordered the Insurance Company to pay a fine in the amount of approximately EUR 45 thousand. The shortcomings established by MNB were the following:

- the Insurance Company's outsourcing agreements did not comply with the statutory provisions of the Hungarian Insurance Act, for instance by failing to include insurance secret related obligations or termination rules);
- the Insurance Company's insurance agreements did not comply with the statutory provisions of insurance law, for instance by using incorrect or ambiguous wordings, failing to determine important obligations, and by using unlawful definitions;
- the Insurance Company did not comply with its customer information obligations. For instance, it did not send relevant documents to its customer, its agreement included ineffective of incorrect references, it did not draw the attention of the customers to certain points of the agreements;
- the Insurance Company did not operate its complaint handling systems properly. For instance, complaints were not registered or not answered in time, its complaint handling rules did not comply with the applicable laws, its call centres were unavailable for certain periods);
- the Insurance Company did not inform in due course the competent registries, bodies, bond issuers of the damages occurred and did not register its documents in timely manner;
- the Insurance Company did not set up its internal risk management system and applicable internal procedures, the supervisory board of the Insurance Company did not approve the inspection plan of the IT security appointee, and the supervision of the implementation of the recommendation of the internal supervisory team did not occur;
- the Insurance Company did not take into consideration the expiry of its obligation with respect to the outstanding claims reserves between second quarter of 2013 and third quarter of 2015;
- certain committees of the Insurance Company were not properly included in its organisational rules;
- the call centre of the Insurance Company did not record the incoming calls between 1 and 10 April 2015 and did not conduct the statutory inspection being applicable in such cases;
- the invoicing system order (in Hungarian, *számlarend*) of the Insurance Company did not include every main invoices of the company, even though these invoices were included in the chart of accounts; and
- the capital reserves ratio of the Insurance Company in 2015 and 2014 did not comply with the applicable Solvency II rules.

There can be no assurance that such proceeding will not occur in the future or that the amount of fined and the severity of imposed measures will not increase. As of the date of this Prospectus, the MNB is in the process of reviewing the answers of the Insurance Company to the inquiries of the abovementioned investigation conducted by MNB in 2016. Should the MNB in the future establish non-compliance of the Insurance Company with the applicable regulation, launch new proceedings or order the Insurance Company to pay fines, implement protective or proactive measures within its internal systems, impose other restrictive measures or suspend its business licence, this could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

Further, Hungarian and EU laws impose risk-based capital requirements on insurance companies to ensure that insurance companies maintain appropriate levels of surplus to support their overall business operations and to protect customers against adverse developments, after taking into account default, credit, underwriting and off-balance sheet risks. If the amount of the Insurance Company's capital falls below this minimum, the Insurance Company may face restrictions with respect to soliciting new business and keeping existing business, which could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

The Group's operations depend on obtaining and maintaining licences and permits necessary for the operation of its business.

The Group conducts its business operations in the EU and neighbouring countries of the EU under various licences and permits which authorise it to carry out a full range of road-transportation and logistics related business activities, such as a transport company licence and certification. In particular, the Insurance Company holds the licenses required for carrying out its insurance business issued by the MNB. As a result, the Group's activities are dependent upon the grant, renewal or continuance in

force of these licences and permits, which in certain circumstances may be valid only for a defined time period, may be subject to limitations and may provide for withdrawal in certain circumstances. There can be no assurance that such licences and permits will be granted, renewed or continue in force and, if so, on what terms. Failure to obtain necessary licences or permits or any suspension or termination thereof could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

Outsourcing of certain activities of the Group's client to the Regional Contract Logistics Segment may raise competition law issues.

The Group in the Regional Contract Logistics Segment, in accordance with local practice takes over certain activities from its clients under outsourcing arrangements. As part of this outsourcing, the client sometimes provides certain equipment and assets to the Regional Contract Logistic Segment. Depending on the amount of the revenue generated by the equipment and assets being transferred to the Regional Contract Logistic and the nature of the outsourced activities (for example timing or exclusivity), such outsourcing may constitute a concentration practice and therefore become reportable to the Hungarian Competition Authority or subject to its approval. In case the Group has to obtain approval from the Hungarian Competition Authority to complete other outsourcing arrangements in the future, this could delay tender processes in which the Group participates and adversely affect the Group's ability to succeed in such tender processes. A failure by the Group to make the necessary notifications could result in fines, penalties or even in imposition of obligations to divest, any of which could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

Markets in Central and Eastern Europe are subject to greater risks than more developed markets, including significant legal, economic and political risks.

Investors in markets in CEE should be aware that these markets are subject to greater risks than more developed markets, including in some cases significant legal, economic and political risks. In addition, market institutions and commercial practices are generally weaker and less developed in CEE countries than in more developed countries. Investors should also note that economies of CEE countries are subject to rapid change and that the information set out herein may become outdated relatively quickly. Accordingly, investors should exercise particular care in evaluating the risks involved and must decide for themselves whether, in light of those risks, their investment is appropriate. Generally, investment in CEE markets is more suitable for experienced investors who fully appreciate the significance of the risks involved. Investors should consult with their own legal and financial advisors before making an investment in the Group's securities.

Hungary's credit rating could be downgraded and affect the Group's cost of borrowing.

As of the date of this Prospectus, Hungary's long-term foreign currency debt was rated BBB- by S&P, with a stable outlook, Baa3 by Moody's, with a stable outlook, and BBB- by Fitch, with a stable outlook, and Hungary's short-term foreign currency debt was rated A-3 by S&P and F3 by Fitch. A credit rating may not reflect the potential impact of all risks related to structure, market, additional factors above, and other factors that may affect the value of the Shares. A credit rating is not a recommendation to buy, sell or hold securities and may be subject to suspension, reduction or withdrawal at any time by the assigning rating agency.

Any decision by a rating agency to downgrade Hungary's sovereign rating or place Hungary on ratings watch could adversely affect the cost of borrowing of the Group, which in turn could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

An excessive deficit procedure against Hungary may result in temporary suspension or termination of Hungary's Cohesion Fund allocations.

While the excessive deficit procedure launched against Hungary by the European Commission in 2004 was closed by the European Council on 21 June 2013, if in the future Hungary either breaches or is in risk of breaching the deficit threshold of 3% of GDP or violates the debt rule by having a government debt level above 60% of GDP, which is not diminishing in accordance with applicable rules, there is a risk that a new excessive deficit procedure would be launched against Hungary. If this occurs, Hungary will need to comply with specific recommendations of the European Commission and the European Council within a set timeframe. If Hungary fails to take effective action to correct

the excessive deficit in time then it may face a temporary suspension of financing from the EU Cohesion Fund. The EU Cohesion Fund finances activities regarding trans-European transport networks and the environment, and is aimed at less developed member states of the EU, intending to bolster their economic and social development, as well as to stabilise their economies. If the EU Cohesion Fund allocation to Hungary is delayed, suspended or terminated, the development of key sectors of the Hungarian economy might be hindered. In addition, Hungary may face difficulties in obtaining necessary funding from external sources and the price of funding may further increase, particularly if the GDP growth of Hungary does not improve. There is no ongoing excessive deficit procedure against Hungary as of the date of this Prospectus.

Any of the foregoing negative developments could adversely affect the Group's ability to raise funds necessary to finance the Group's activities and in turn adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

Non-compliance procedures by the European Commission may have a detrimental fiscal effect on Hungary.

The European Commission may take whatever action it deems appropriate in response to either a complaint or indications of infringements which it detects with respect to a member state not correctly implementing or applying EU law. Under the European Commission's non-compliance procedures, the first phase is the pre-litigation administrative phase, also called "infringement proceedings", which are intended to enable the member state to conform voluntarily with the relevant requirements. If infringement proceedings fail, referral by the European Commission to the European Court of Justice opens litigation proceedings. There are a number of infringement proceedings currently on-going in front of the European Commission against Hungary, and some have already been referred to the European Court of Justice for litigation. If, as has been the case in the past, Hungary loses its case in the European Court of Justice, then Hungary may face payment obligations. In order to cover these payment obligations, the Hungarian government may implement, among others, sectoral taxes applicable to the Group, certain restrictive measures or may cut-back certain spending, any of which could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

Proceedings related to protection of investments could adversely affect Hungary's fiscal policy.

As a result of the implementation of various fiscal and taxation measures designed to support and stabilise the Hungarian economy by the Hungarian government in the period since 2010, certain investors have launched arbitral proceedings against Hungary in international courts, such as the International Centre for the Settlement of Investment Disputes and the European Court of Human Rights. These investors allege breaches of bilateral investment agreements and other rights designed to protect investors. In the past five years, six proceedings were closed, of which the respective tribunals dismissed the claims in four instances, ruled in favour of the claimant once and found that it had no jurisdiction once. However, the majority of these proceedings are still pending as of the date of this Prospectus, if some or all of those proceedings are resolved in a manner adverse to Hungary, the government may be required to pay significant damages to such investors and may decide to reverse certain implemented stabilisation measures, all of which may have a detrimental effect on Hungary's budget deficit which could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The Group may lose tax benefits as a result of the change of applicable tax laws or termination of measures supporting Hungarian trucking companies.

The Group benefits from certain tax benefits under the applicable law. Specifically, the benefits cover the following areas:

- local business tax through deductible toll fees of 7.5%;
- corporate income taxes as the former progressive tax rate of 10 to 19% has been reduced to a flat rate of 9%;
- excise duty at approximately 3.5% is refundable;
- benefits offered to the Group's employees;
- provisions relating to the foreign daily allowance up to an amount of EUR 60 per day and the daily allowance in Hungary up to an amount of HUF 3,000 per day; and

- provisions relating to the amounts paid as a compensation for fuel efficiency up to an amount of HUF 100,000 per month.

Further, as of the date of this Prospectus, there are several measures in effect in Hungary which support Hungarian trucking companies in order to enhance their competitiveness. In particular, such measures allow the deduction of the amount of (i) the toll fees paid in a given financial year, and (ii) the vehicle weight tax from the tax base of corporate income tax. As a result thereof, the Group's taxable income is reduced (see "*Business—Regulatory Environment—Hungarian National Action Plan for Transportation*" for further information on government measures aiming to enhance the competitiveness of logistics and road freight transportation companies in Hungary).

Any change to the above tax allowance schemes or termination of measures supporting Hungarian trucking companies could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects.

The Group's insurance coverage and, as the Group acts as its own insurer, also the Group's reinsurance coverage may be insufficient.

Historically, the Group has maintained insurance with several licensed insurance carriers, including the Insurance Company, which has been providing insurance services covering substantially all of the Group's vehicle insurance needs since January 2016. On 8 April 2016, the Group acquired the Insurance Company, which became a wholly-owned subsidiary of the Group. As part of this in-house insurance model, the Group acts as its own insurer and satisfies substantially all of its vehicle insurance needs. Substantially all expenses and income related to insurance stay therefore within the Group. The Insurance Company, in turn, maintains reinsurance policies with various reinsurers (see "*Business—the Insurance Company—Reinsurance Strategy*" for more information").

As a result of this integrated in-house insurance model, the Group is exposed to the risk that the insurance coverage maintained with the Insurance Company together with the reinsurance coverage relating to the Group's vehicles, proves insufficient to provide effective coverage under all circumstances. Further, even if the Group's insurance coverage is adequate to cover the Group's losses, the Group may not be able to obtain a timely replacement vehicle in the event of a loss. The materialisation of any of these risks could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

Reinsurance may be unavailable at current levels and prices, which may limit the Insurance Company's ability to write new business.

Market conditions beyond the Insurance Company's control impact the availability and cost of the reinsurance the Insurance Company obtains. No assurances can be given that reinsurance will remain continuously available to the Insurance Company to the same extent and on the same terms and rates as currently available. For example, the Insurance Company's ability to afford reinsurance to reduce its exposure may be dependent upon its ability to adjust premium rates for its cost, and there are no assurances that the terms and rates for its current reinsurance program will continue to be available in the future. If the Insurance Company is unable to maintain its current level of reinsurance or purchase new reinsurance protection in amounts that the Insurance Company considers sufficient and at prices that the Insurance Company considers acceptable, the Insurance Company will have to either accept an increase in its exposure risk, reduce its insurance writings or develop or seek other alternatives. This could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects

Reinsurance subjects the Insurance Company to the credit risk of its reinsurers.

The collectability of reinsurance recoverables is subject to uncertainty arising from a number of factors, including changes in market conditions, whether insured losses meet the qualifying conditions of the reinsurance contract and whether reinsurers, or their affiliates, have the financial capacity and willingness to make payments under the terms of a reinsurance arrangement or contract. Since the Insurance Company is primarily liable to an insured for the full amount of insurance coverage, the Insurance Company's inability to collect a material recovery from a reinsurer could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

The Insurance Company may experience unanticipated increases in the severity or frequency of claims.

While the Group's International Transportation Segment and Regional Contracts Logistics Segment represent the Insurance Company's biggest customers, 67% and 61% of the Insurance Company's revenue (earned premiums) for the three months ended 31 March 2017 and for 2016, respectively, came from premiums paid to the Insurance Company by entities outside the Group. As a result, the Insurance Company and the Group are exposed to the risk of changes in the severity or frequency of claims. Changes in vehicle physical damage claim severity are driven primarily by inflation in vehicle repair costs, vehicle parts prices and used vehicle prices. However, changes in the level of the severity of claims are not limited to the effects of inflation and demand surge in these various sectors of the economy. Increases in claim severity can arise from unexpected events that are inherently difficult to predict, such as a change in the law or an inability to enforce exclusions and limitations contained in the Insurance Company's policies. There can be no assurances that the Insurance Company will successfully identify or reduce the effect of future increases in claim severity, and a significant increase in claim frequency could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

The third-party insurance business of the Insurance Company is highly dependent on its insurance brokers for a large portion of its revenues.

The Insurance Company markets its third-party insurance products primarily through insurance brokers. A large percentage of the Insurance Company's third-party gross premiums written are sourced through a limited number of brokers in Hungary. The Insurance Company's top 10 brokers provided a total of 30% of its gross premiums written for the three months ended 31 March 2017, 28% for the year ended 31 December 2016 and 21% of its third-party gross premiums written for the year ended 31 December 2015. The nature of the Insurance Company's dependency on these brokers relates to the high volume of business they consistently refer to the Insurance Company's third-party insurance business. A loss of all or a substantial portion of the business provided by one or more of these brokers could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

As an insurer, the Insurance Company is exposed to the risk of catastrophes and severe weather events.

Because of the exposure of the Insurance Company's insurance business to catastrophic events, the Group's results of operations and financial condition may vary significantly from one period to the next. Catastrophes can be caused by natural disasters, such as hurricanes, tornadoes, floods, earthquakes or acts of sabotage. Management believes that the Insurance Company has adequate catastrophe reinsurance coverage. In addition, the Insurance Company is subject to claims arising from non-catastrophic weather events such as winter storms, rain, hail and high winds. The incidence and severity of weather conditions are largely unpredictable. There is generally an increase in the frequency and severity of claims when severe weather conditions occur.

Despite its catastrophe reinsurance coverage, the Insurance Company is exposed to catastrophes that could adversely affect the Insurance Company's liquidity or terms and conditions of future reinsurance arrangements, result in extraordinary losses, downgrade of the Insurance Company's financial strength ratings, any one of which could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

The Insurance Company' is subject to the cyclical nature of the insurance business.

The insurance business is cyclical and has experienced periods characterised by relatively high levels of price competition, less restrictive underwriting standards and relatively low premium rates, followed by periods of relatively lower levels of competition, more selective underwriting standards and relatively high premium rates. A downturn in the profitability cycle of the insurance business could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

Adverse financial market conditions may significantly affect the Insurance Company's ability to optimise its portfolio selection and realise profits on its investments.

As an insurer, the Insurance Company invests the premiums it receives and trades continuously on the financial market. Although the Insurance Company makes efforts to optimise its portfolio selection and asset allocation, the Insurance Company's investments are highly dependent on financial market conditions. The optimal asset allocation may change dynamically over time, which implies

rebalancing of the investment portfolio and is largely affected by the volatility and disruption of the financial market. Accordingly, adverse conditions on the financial market could adversely impact the Insurance Company's portfolio selection and its ability to realise profits on its investments. In turn, this could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

The Insurance Company may not be able to successfully implement its strategy and its strategy may not yield the anticipated benefits.

The Insurance Company's insurance business strategy aims to generate capital and improve earnings via premium increases, expansion of its current product portfolio in the non-life market segment, selective growth in the niche segments and stabilisation of the portfolio. The Insurance Company's ability to meet its targets and implement its strategy depends on a variety of factors including market conditions and industry knowledge in specific market segments where the Insurance Company may not have access to sufficient historical information or the necessary experience to effectively compete with its peers and on the accuracy of various assumptions involving factors that are, in part, significantly or entirely beyond the Insurance Company's control and are subject to known and unknown risks (including the risks described in this section), uncertainties and other factors that may result in the Insurance Company being unable to achieve these targets or implement its strategy. The ability to successfully implement the strategy will also be impacted by factors such as general economic and business conditions, many of which are outside of the Insurance Company's control. If the Insurance Company is not able to implement its strategy successfully, or if its strategy doesn't yield the anticipated benefits, this could adversely affect the Insurance Company's and the Group's business, results of operations, financial condition, cash flows and prospects.

The Group is and may in the future become subject to various legal proceedings.

In the ordinary course of their business, the Company and certain other Group members are, and may in the future become, subject to various civil, administrative, arbitration and other legal proceedings. As of 31 March 2017, the Group (excluding the Insurance Company) was involved in 195 legal proceedings with the total amount claimed against the Group (excluding the Insurance Company) of EUR 4.2 million for which the Group (excluding the Insurance Company) has created provisions in the total amount of EUR 1.4 million. In addition, management believes that a part of these claims in the amount of EUR 1.0 million is covered by insurance and, as such, by reinsurance of the Insurance Company. However, there is no assurance that the Company and the Insurance Company will receive the full amount under the insurance and reinsurance coverage, respectively, or any amount at all.

These legal proceedings include also pending lawsuits initiated by several of the Group's employees regarding mainly dismissals and the driver's remuneration system generally applied by the Group. As of 31 March 2017, the total amount of claims regarding employee related claims was approximately EUR 238 thousand for which the Group has created provisions in its accounts in the total amount of approximately EUR 70 thousand. Although the legality of the Group's remuneration system for truck drivers has been upheld by Hungarian courts in the past, if the Hungarian courts were to change their position in this regard (as the Hungarian legal system is not based on legal precedent) and find that the Group's remuneration system for truck drivers is not in compliance with applicable Hungarian law, it could adversely affect the Group's labour costs, which in turn could adversely affect the Group's business, results of operations, financial condition, cash flows and prospects. In addition, on 15 June 2017, the Company was informally notified that one of its minority shareholders filed a court petition challenging the resolutions of the annual general meeting of the Company dated 11 May 2017, which, among others, approved the financial statements of the Company as of and for the year ended 31 December 2016. However, the Company has received no formal notice of this challenge and management believes that the challenge is not founded and it is not aware of any defects in the resolutions of the annual general meeting of the Company dated 11 May 2017.

As of the date of this Prospectus, the Insurance Company was involved in a number of litigation proceedings in Hungary, involving claims against the Insurance Company which arise in the ordinary course of its business in connection with its activities as an insurer. As of 31 March 2017, the Insurance Company's exposure from these proceedings was approximately EUR 6.4 million plus certain pecuniary allowances claimed by the plaintiffs, for which the Insurance Company created provision in the amount of approximately EUR 4.7 million. Historically, these provisions were sufficient to cover the claims and management believes that the current provisions are sufficient to

cover the claimed amount. All of these proceedings relate to the insurer activity of the Insurance Company.

In addition to the potential financial exposure the Group may face in relation to such legal proceedings, these proceedings, whether or not successful, could materially affect the Group's reputation in the market or a relationship with customers or suppliers who may cease to trade with the Group, and the proceedings or settlement in relation to litigation may involve internal and external costs, which may, even in the case of the successful completion of a relevant proceeding, not be fully reimbursable, divert management's time or use other resources which would otherwise be utilised elsewhere. Each of these additional consequences of legal proceedings could adversely affect the Group's business, results of operations, financial condition, cash flows, prospects and reputation.

The Company's pro forma information may not accurately reflect the Group's historical business and results of operations.

The unaudited pro forma financial information included in the Pro Forma Financial Statements (as defined in section "*Presentation of Financial and Other Information—Pro Forma Financial Information*") has been prepared for illustrative purposes only and, because of its nature, addresses a hypothetical situation and does not, therefore, represent the Group's actual financial position or results. Accordingly, the Pro Forma Financial Statements may not, because of their nature, give a true picture of the Group's financial position or results. The Group's future results of operations and financial position may differ materially from the pro forma financial information reflected in the Pro Forma Financial Statements.

The unaudited pro forma income statement of the Group have been prepared to illustrate the effect of the acquisition of the Insurance Company, which was acquired on 8 April 2016, and of the currently ongoing acquisition of LINK on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016 and on the Group's balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016. Pro forma adjustments are based on available information and assumptions, but the actual effects of the acquisition of the Insurance Company and LINK had they taken place on 1 January 2016 may differ from what is presented in this Prospectus, as a result of which the results of operations presented in the Pro Forma Financial Statements. See section "*Unaudited Pro Forma Financial Information*" for more information.

The Group's mid-term business outlook does not constitute a profit forecast as defined in the Prospectus Regulation and as such, its accuracy and predictive value may be lower and it may material differ from the Group's actual future results of operations.

The Group's mid-term business plan outlook as presented in the section "*Business—Business Plan Outlook*" does not constitute a profit forecast as set out in Article 13 of Annex I of the Prospectus Regulation. As such, it does not meet the requirements set forth for by the Prospectus Regulations for profit forecasts and, in particular, is not accompanied by a report of an independent accountant. In addition, the mid-term business outlook constitutes forward looking statements (see "*Important Information and Cautionary Statement Regarding Forward-Looking Statements*" for more information). As a result, the projections included in the Group's mid-term business outlook as presented in the section "*Business—Business Plan Outlook*" may, as compared to profit forecasts pursuant to the Prospectus Regulation, be less accurate or have lower predictive value to investors.

The tax deductibility of the management services received by the Company from the Selling Shareholder may be scrutinised by the Hungarian tax authority.

Under Hungarian corporate income tax legislation, costs qualify as tax deductible costs if they are incurred in relation to the taxpayer's business activity. The legislation explicitly qualifies certain costs as tax deductible and tax non-deductible. Besides these explicitly listed categories, there is a general rule to examine whether the services, based on their nature and actual content, used by the Company actually relate to its business activity and whether the services were actually carried out. This general rule is commonly used by the Hungarian tax authority in assessing the tax deductibility of the used services.

In the years ended 31 December 2016 and 2015, the Company received various management and legal services of which the most significant part was the management services provided by the Selling Shareholder. The service agreement was concluded between the Company and the Selling Shareholder with the purpose of enhancing the strategic and business planning of the development and operation

of the Company's road freight transportation activity and covered providing advisory services and assistance in relation to, among others, mergers and acquisitions, human-resources strategy, marketing or project development. The service agreement between the Company and the Selling Shareholder is to be terminated as of the date when the admission of the Existing Shares to the Budapest Stock Exchange becomes effective (the "Admission").

Although management believes it can produce documentation supporting the tax deductibility of the above services received from the Selling Shareholder, there is no guarantee this view would also be shared by the relevant tax authority. Should the tax deductibility of the above services be successfully challenged, this could partially absorb the tax losses generated in the tax year ended 31 December 2016 for corporate income tax purposes and a tax authority, upon its inquiry, could, for Hungarian VAT purposes, assess tax shortage and impose a tax penalty and late payment interest, which, in turn, could adversely affect the Group's business, results of operations, financial condition, cash flows, reputation and prospects.

The Hungarian tax authority may assess that the prices applied by the Group to related party transactions were not conducted on an arm's length basis.

The Group's related party transactions are subject to Hungarian transfer pricing rules stating that transactions should be carried out on arm's length terms. Therefore, as a general rule, if the price applied to the Group's related party transactions deviate from the price that would have been applied to transactions between independent parties (on arm's length terms), the corporate income tax base of the entities should be adjusted by the difference accordingly.

Further, Hungarian transfer pricing rules prescribe that the Company is obliged to prepare transfer pricing documentation setting out the pricing method applied upon related party transactions, provided that the contractual value of the transactions individually exceeds HUF 50 million (EUR 164,000) *per annum*. If the transfer pricing documentation is not presented to the Hungarian tax authority upon an audit, the Hungarian tax authority is entitled to levy a default penalty per missing documentation per tax year, which would amount to approximately EUR 1.5 million for the period between 2013 and 2016 on a worst case scenario basis.

As of the date of the Prospectus, management is in the process of preparing Hungarian transfer pricing documentation supporting the arm's length nature of the Group's related party transactions carried out in the period between 2013 and 2016.

In addition, a number of transactions carried out within the Group were priced on a cost basis (without applying any mark-up). In general, a positive mark-up should be applied in relation to the sale of goods or services since independent parties would not agree to perform similar activities on a cost basis over the long term.

The Hungarian tax authority may require that the Group entities should have realised an arm's length mark-up on their activities. As a result, during a tax audit the tax authority may increase the Group entities' corporate income tax base by the difference between the applied and the arm's length mark-up. In relation to a tax base adjustment assessed by the tax authority, a 50% tax penalty may also be imposed on the unpaid tax, excluding late payment interest charges (which is calculated as the double of the prime rate published by the MNB). This could adversely affect the Group's business, results of operations, financial condition, cash flows, reputation and prospects.

Risks Related to the Shares

In the absence of joint and several liability of the Company, the Selling Shareholder and the Managers, the Offering carries higher-than-customary risk for the investors pursuant to the Hungarian Capital Markets Act.

The Company shall bear legal liability (including the liability on the basis of Sections 29 and 38 of the Hungarian Capital Markets Act) for the information contained in this Prospectus and for the information absent from this Prospectus. In the absence of the joint and several liability of the Company, the Selling Shareholder and the Managers, investment in the Shares carries higher-than-customary risk (in Hungarian, *kiemelten kockázatos*) for the investors.

Investments in the Shares may bear higher investment risk than investment in some other securities.

Investors acquiring the Shares should be aware that in principle the risk of direct investments in equities on the capital markets is larger than the risk of investment in government debt securities or participation units in investment funds with diversified investment portfolios, which is unpredictable in

terms of changes in equity prices in the short-as well as the long-term. In the Hungarian capital markets, the risk is relatively higher than in other more developed markets due to its less mature development, price fluctuations and relatively limited liquidity.

Investment in the Shares is not covered by any statutory investment protection schemes.

Investment in the Shares is not covered by the National Deposit Insurance Fund, the Investor Protection Fund or any other similar statutory investment protection scheme. Therefore, investors cannot seek satisfaction from such statutory investment protection schemes for losses suffered in the value of their Shares.

In the event of the insolvency of the Company or other Group members, investors could suffer a total loss in the value of their Shares.

As a general matter, creditors of a Hungarian company are entitled to receive payment from the company's assets upon insolvency of such company before any assets are distributed among the company's shareholders. Furthermore, should the Group, upon request of an interested party, be recognised as a *de facto* group of companies under Hungarian law, the Company may be held directly liable for the liabilities of other Group members in an insolvency scenario. If the Company or other Group members were to be declared insolvent, it would be very likely that all or substantially all of their assets would be used to satisfy the claims of the creditors of such insolvent company and investors in the Shares would suffer a partial or complete loss of their investment.

Exchange rate fluctuations may impact on the market price and the value of the Shares, as well as any dividends or other income paid on the Shares for an investor whose principal currency is not the euro.

The Shares are denominated in euro. An investment in the Shares by an investor in a jurisdiction whose principal currency is not euro exposes the investor to foreign currency rate risk. Any depreciation of the euro in relation to such foreign currency, will reduce the value of the investment in the Shares or any dividends in foreign currency terms. Further, the Company declares and distributes dividends or other income, if any, in euro. Exchange rate movements of the euro will therefore affect the value of these dividends or other income for investors whose principal currency is not the euro. This could affect the value of the Shares and of any dividends or other income paid on the Shares for an investor whose principal currency is not the euro. Additionally, should the Eurozone break up as a result of the current sovereign debt crisis in Europe or for other reasons, or should certain member states of the Eurozone abandon the euro, the resulting exchange rate movements to the euro could also materially affect the value of any dividends or other income for investors whose principal currency is not the euro.

Following the Offering, the Selling Shareholder, who is ultimately owned and controlled by Mid Europa, will retain significant interests in, and will continue to be able to exercise substantial influence over the Group's business and its interests may differ from or conflict with those of other Company's shareholders.

Following the completion of the Offering (assuming the maximum number of Offer Shares is sold and the Greenshoe Option (as defined in "*Plan of Distribution—Over-Allotment and Stabilisation*") is fully exercised), the Selling Shareholder, who is ultimately owned and controlled by Mid Europa III Management Limited in its capacity as the ultimate general partner of Mid Europa Fund III LP ("**Mid Europa**"), will hold approximately 31.53% of the Shares and is likely to remain a significant shareholder of the Company following the Offering.

Whilst the Company has entered into the Relationship Agreement (as defined in section "*Related Party Transactions—Relationship Agreement*") with the Selling Shareholder to ensure that the Group is capable of carrying on its business independently of the Selling Shareholder, by virtue of the level of the voting power exercised, the Selling Shareholder is likely to be able to exercise substantial influence over certain matters requiring the approval of the Company's shareholders, such as the election and removal of members of the Board of Directors, the declaration of dividends and the approval of certain business decisions and could block any decision requiring 75% majority approval (see the section entitled "*Description of Share Capital and Summary of Articles of Association—General Meeting*"). Concentrated ownership of the Shares can influence shareholder decisions, may discourage a change in control and may have an effect on the market price of the Shares. Further, the Selling Shareholder may decide to buy Shares in the market and increase its ownership in the Company or may decide to terminate material contracts between its related party entities and the

Group. Finally, the interests of the Selling Shareholder may not always be aligned with those of the Company's other shareholders.

The Company may choose not to pay dividends and it cannot assure investors that it will make dividend payments in the future.

The Company may not be able to, or, as the decision on the payment of dividends is in the competence of the general meeting of the Company's shareholders, may choose not to, pay dividends in the future. The payment of future dividends will depend on, *inter alia*, the Group's future profit, business plan, financial position, distributable reserves, working capital requirements, general economic conditions, future outlook and other factors. There can be no assurance that the Company will pay dividends or, if it does choose to pay dividends, as to the amount of such dividends.

Acquisition of 10% or more of the Shares would be subject to the approval of the MNB as the insurance regulator.

Pursuant to the Hungarian Insurance Act, the acquisition of a so-called 'qualifying interest' or 20%, 33% or 50% in an insurance company such as the Insurance Company is subject to the prior approval of the MNB in its capacity as the regulator of the insurance sector. A qualifying interest is defined as (i) the direct or indirect acquisition of 10% of the voting rights or capital of an insurance company, (ii) the acquisition of power to appoint or remove 20% or more of the members of an insurance company's decision making, management, supervisory or other similar bodies, or (iii) the acquisition of power to exercise significant influence over the management of an insurance company (either through the articles or by-laws of such insurance company or through a contract). Prior to the consent of the MNB, the acquiring party may not exercise any shareholders' rights attached to the acquired shares.

Because the Insurance Company is a wholly-owned subsidiary of the Company, the acquisition of 10% or more of the Shares in the Company would be subject to MNB's approval. If the MNB does not approve the acquisition, the shareholder may not acquire 10% or more of the Shares in the Company.

The registration of the capital increase or the creation of the New Shares may be delayed.

Pursuant to applicable Hungarian law, the increase of a company's share capital is to be registered by the court of registration within three business days. However, should the court of registration fail to comply with this time limit, this may result in a delay of the registration date of the increase of the Company's share capital and the delay of the subsequent steps as indicated in the section "*Plan of Distribution—Timeline*", including the settlement date, the delivery of the Offer Shares to investors and the trading of the Shares on the Budapest Stock Exchange.

In addition, despite the steps the Company has already taken with the Hungarian Central Clearing House and Depository (in Hungarian, *Központi Elszámolóház és Értéktár (Budapest) Zrt.*), with its registered seat at 1074 Budapest, Rákóczi út 70-72 ("**KELER**"), in case KELER fails to create the New Shares or to credit the New Shares on the securities accounts of Citigroup Global Markets Limited and its affiliates ("**Citi**") as the subscription agent on the day immediately following the registration date of increase of the Company's share capital by the court of registration, this may result in a delay of the settlement date, the delivery of the Offer Shares to investors and in the trading of the Shares on the Budapest Stock Exchange to commence past the anticipated Trading Date (see the section "*Plan of Distribution—Timeline*" for more information on the timeline currently anticipated by the Company).

The Company expects that the market price of the Shares may fluctuate significantly, which could cause the value of an investment in the Shares to decline, and an investor may not be able to resell its Shares at or above the acquisition price of the Shares.

Securities markets worldwide have experienced, and will likely continue to experience, significant price and volume fluctuations. This market volatility, as well as general economic, market or political conditions, could reduce the market price of the Shares regardless of the performance of the Group's business or its financial condition, prospects and results of operations. The market price of the Shares may be volatile and subject to price fluctuations in response to various factors, including but not limited to the following:

- conditions in the broader stock markets;

- actual or anticipated fluctuations in the Group's financial condition and results of operations;
- introduction of new services by the Group, the Group's competitors or its customers;
- issuance of new or changed securities analysts' reports or recommendations;
- investor perceptions of the Group as well as the markets of road transportation and logistics services;
- sales, or anticipated sales, of large blocks of the Shares, including those by the current shareholders of the Company;
- additions or departures of key personnel;
- regulatory or political developments;
- litigation and governmental investigations; and
- prevailing economic conditions.

These and other factors, some or many of which are beyond the Group's control, may cause the market price and demand for the Shares to fluctuate substantially, which may limit or prevent investors from readily selling their Shares and may otherwise negatively affect the liquidity of the Shares.

Performance of the Hungarian stock markets is primarily driven by developments on the international capital markets.

The Hungarian stock markets are largely dependent on international market developments as they are relatively open and small in terms of size. Performance of the Hungarian stock markets is therefore primarily driven by international – most significantly the European – movements on the capital and monetary markets, which may result in price movements independent of the performance of the Group's business or its results of operations. Investors' judgment as to the country risk of Hungary may also have a bearing on the price of the Shares.

There has been no prior public trading market for the Shares and an active trading market may not develop or be sustained in the future.

There has been no public trading market for the Shares. The Company can give no assurance that an active trading market for the Shares will develop or, if developed, will be sustained. If an active trading market is not developed or maintained, the liquidity and market price of the Shares could be adversely affected, including by volatility.

The Shares may have limited liquidity.

The admission of the Shares to trading on the Budapest Stock Exchange does not guarantee their liquidity. Listed companies experience from time to time significant fluctuations in securities trading volumes, which can have a negative impact on the market price of the Shares. If an appropriate level of trading in the Shares is not achieved or maintained, this could have a material impact on the liquidity and market price of the Shares. Even if an appropriate level of trading in the Shares is achieved and maintained, the market price of the Shares may be below the acquisition price. Any inadequate level of liquidity of the Shares may limit the ability of investors to sell the required number of Shares at the expected price. Additionally, it cannot be guaranteed that the market price of the Shares will not be lower than the acquisition price and that investors acquiring the Shares will be able to sell them at any time against a satisfactory price.

Liquidity of the Shares would become extremely low upon their delisting from the Budapest Stock Exchange.

Public companies listed on the Budapest Stock Exchange may be delisted and transformed into closed companies. It cannot be ruled out that one or more shareholders representing at least 75% of all votes at the general meeting of the Company's shareholders will decide on and make steps towards the delisting of the Company from the Budapest Stock Exchange. Any shareholder other than those who have voted for the delisting will in such case be entitled to submit a sale offer to the Company, within 60 days of the resolution of the Company's general meeting of shareholders on the delisting. Based on the sale offer, the Company would be obliged to purchase the Shares offered for sale at market price. If the Shares were to be delisted, the Company's level of liquidity would be extremely low, which would in turn limit the ability of the investors not making a sale offer to sell their respective Shares.

A suspension of trading in the Shares could adversely affect the Share price.

Any suspension of trading in the Shares on the Budapest Stock Exchange could adversely affect the market price and the liquidity of the Shares and, consequently, could have a negative effect on investors' ability to sell the Shares at a satisfactory price should the suspension be lifted.

The Company faces additional administrative requirements, incurs higher ongoing costs and is required to adjust its internal control system as a result of the Shares being admitted to listing on the Budapest Stock Exchange.

The Company is subject to the legal requirements for stock corporations with shares listed on a regulated market in Hungary as a result of the Shares being admitted to listing on the Budapest Stock Exchange. These requirements include, among other things, periodic financial reporting and other public disclosures of information (including those required by the Budapest Stock Exchange), regular calls with securities and industry analysts, and other required disclosures. There is no guarantee that the accounting, controlling, legal or other corporate administrative functions will be capable of responding to these additional requirements without difficulties and inefficiencies that would result in significant additional expenditures and/or expose the Company to legal, regulatory or civil costs or penalties. Further, the preparation, convening and conduct of general meetings and regular communications with the Company's shareholders and potential investors entail substantial expenses.

Management has no experience in managing and operating a public company and needs to devote time to these requirements that it could otherwise devote to other aspects of managing the Group's operations, and these requirements could also entail substantial time commitments and costs for the accounting, controlling and legal departments and other administrative functions. Further, any system of controls, no matter how well designed and operated, is based in part on certain assumptions and can provide only reasonable, not absolute, assurances that the objectives of the controls are met. Any failure or circumvention of the Group's controls and procedures or failure to comply with regulations related to such controls and procedures or any inability of administrative functions could result in the imposition of fines on the Company by the competent supervisory authority and in turn have a material adverse effect on the Group's business, financial condition and results of operations.

The Company may issue shares in the future and these may significantly reduce the market value of the Shares.

The Company and/or its current shareholders may decide to offer shares in the future. Any offering of the Shares, or a public perception that such an offering may occur, could adversely affect the market price of the Shares and could lead to a dilution effect for the Company's shareholders excluded or not being able to participate.

Substantial future sales of Shares, including sales by the Company or the Selling Shareholder following the expiry of the terms of the relevant lock-up arrangements, could adversely affect the market price of the Shares.

Following the completion of the Offering (assuming the maximum number of Offer Shares is sold and the Greenshoe Option (as defined in "Plan of Distribution—Over-Allotment and Stabilisation") is fully exercised), the Selling Shareholder, who is ultimately owned and controlled by Mid Europa, will hold approximately 31.53% of the Shares and is likely to remain a significant shareholder of the Company following the Offering. The Company cannot predict what effect, if any, future sales of Shares, or the availability of Shares for future sale, will have on the market price of Shares. Sales of substantial numbers of Shares in the public market following the Offering, or the perception or any announcement that such sales could occur, following the expiry of any lock-up arrangements, could adversely affect the market price of the Shares and may make it more difficult for investors to sell their Shares at a time and price which they deem appropriate. Such sales may also make it more difficult for the Group to issue equity securities in the future at a time and at a price that it deems appropriate.

Mid Europa, as a private equity firm, has an investment horizon of five to seven years. Given that Mid Europa initially invested, through the Selling Shareholder, in the Company in 2011 (see "Information about the Company and the Group—History and development of the Company"), Mid Europa is currently aiming to dispose of its stake in the Company. In line with recent market precedents, the Selling Shareholder is aiming to sell approximately 60% of its shareholding in the Company via the Offering. After the Offering, the Selling Shareholder is likely to seek disposal of its remaining stake in the Company within the next 24 months. The Company and the Selling Shareholder have agreed to certain lock-up arrangements for a period from the date of the Placement

Agreement to the date 12 and six months, respectively, from the first day of trading of the Shares on the Budapest Stock Exchange. During the periods immediately prior to and following the end of the periods of sales restriction provided for by these lock-up arrangements, the market price of the Shares may fall in anticipation of a sale of Shares. Following the expiry of these lock-up arrangements, there will be no contractual restriction on the sale of the Shares owned by the shareholders who were previously subject to them. The Company cannot predict whether a substantial number of Shares in addition to those which will be available in the Offering will be sold in the open market following the expiry or waiver of these restrictions. In particular, there can be no assurance that after the restrictions expire, or prior to such time if any such restrictions are waived, such shareholders will not reduce their holdings of the Shares.

Further, depending on how the Selling Shareholder disposes after the Offering of any further stake in the Company, if at all, this may affect the composition of the Company's shareholders. Accordingly, the general meeting of the Company's shareholders may after such potential future disposal contain a strong shareholder able to exercise substantial influence over certain matters requiring the approval of the Company's shareholders and whose interests may not always be aligned with those of the Company's other shareholders, or, on the other hand, might include a large number of minority shareholders, all of which may, among other, influence the decision-making of the general meeting of the Company's shareholders and have, in turn, an effect on the market price of the Shares.

Publication of analyst reports about the Group or a change of the positive recommendations to negative recommendations may adversely impact the market price of the Shares and their liquidity.

Reports on the Group published by securities analysts may have an impact on the market price and liquidity of the Shares. Additionally, if any analysts cease to cover the Group and publish research reports about the Group, the demand for the Shares could be severely limited and the market price and liquidity of the Shares could be adversely affected. Also, if one or more analysts covering the Group adversely change their recommendations, the market price of the Shares could decline significantly.

Legislation changes may have a bearing on the Shares as well the ownership rights in connection with the Shares.

The Shares and the ownership rights in connection with the Shares are governed by the laws of Hungary. It cannot be ruled out that Hungarian law will change in a manner having a bearing on the Shares as well the ownership rights in connection with the Shares.

Rules of investment in the Shares may change.

The investment activity of certain investors is regulated by laws and regulations, as well as their activities are supervised by the competent authorities. Investors are urged to consult with their own legal advisors on such matters before making a decision on investing into the Shares.

The interpretation of Hungarian tax laws related to the taxation of investors may be inconsistent, and such laws may change.

The Hungarian legal system, and specifically the tax regulations incorporated therein, is characterised by frequent changes, ambiguity and inconsistent tax law practice on the part of the tax authorities and judicial decisions relating to the application of Hungarian tax law regulations are inconsistent. For those reasons, the risk arising from the incorrect application of tax laws in Hungary may be greater than that in other legal systems associated with more developed markets. This also applies to issues relating to the taxation of income generated by investors in relation to their acquisition, holding and disposal of securities. No assurance may be given that amendments to tax laws that are unfavourable to investors will not be (even with retroactive effect) made or that the tax authorities will not establish a different interpretation of tax provisions that is unfavourable to investors, which could adversely affect effective tax burdens and the actual profit of investors from their investment in the Shares, including dividend distributions, capital gains and other income, if any.

Certain provisions of Hungarian law may have an anti-takeover effect.

The Hungarian Capital Markets Act requires third parties to solicit tenders from all of shareholders of the Company when making a public tender offer for influence in excess of 33% (or 25%, if except for the bidder, all other shareholders' influence in the Company does not exceed 10%), which could deter third parties from making takeover bids, including those that are beneficial to the Company's

shareholders. These provisions and applicable notice and regulatory requirements could deter, delay or prevent a third party from acquiring Shares or taking us over in a public tender offer or similar transactions, even if such transactions would benefit the Company's shareholders.

Pursuant to Hungarian law, shareholders who own 90% or more of the shares or voting rights may be able to force the remaining minority shareholders to sell their shares.

Hungarian law allows shareholders who own shares or voting rights in a public company equal to or greater than 90% following a public tender offer to force the sale of shares of any remaining minority shareholders without the approval of such minority shareholders at or above the tender offer price. This requirement would therefore force shareholders to sell their shares following a public tender offer, even if such shareholders were against such transaction.

Exercise of priority rights to subscribe for new Shares by shareholders in jurisdictions outside Hungary may not be available

Holders of the Shares in jurisdictions outside of Hungary may be unable to exercise priority rights to subscribe for new Shares, unless any offer of Shares have been registered with the relevant authorities in such jurisdiction. The Company is under no obligation, and does not intend, to file a prospectus or registration statement or similar document in any jurisdiction outside of Hungary in respect of any offer of the Shares, and makes no representation as to the availability of any exemption under the laws of any jurisdiction outside of Hungary in respect of any such rights in the future. In the case and at the time of any future share issues subject to priority subscription rights, the Company intends to evaluate (i) the cost and potential liabilities associated with any such prospectus or registration statement and (ii) the indirect benefits of enabling the exercise by non-Hungarian shareholders of the Company of their priority subscription rights to the Shares or participation in a rights offer, as the case may be, and any other factors considered appropriate at the time, and then to make a decision as to whether to file such a prospectus or registration statement. The Company cannot assure you that any prospectus or registration statement would be filed so as to enable the exercise of such holders' priority subscription rights.

There is no guarantee that all Offer Shares subscribed for by an investor will be allocated and sold in the Offering in the case of oversubscription.

There is no guarantee that all Offer Shares subscribed for by an investor will be allocated and sold in the Offering in the case of oversubscription. Further, the Offer Period may be closed following three business days. In this case the investors who fail to participate in the Offering prior to the early closing of the Offer Period will not be able to submit purchase orders.

Risks of disputes arising out of the investors' shareholder rights and of the enforcement of the respective judgments.

As a company incorporated under the laws of Hungary, with its registered seat located in Budapest, Hungary, any lawsuits in connection with the investors' shareholder rights may only be initiated against the Company before the competent Hungarian ordinary courts and in accordance with the laws of Hungary. Judgments rendered by the Hungarian ordinary courts may be enforced against the Company's assets located in Hungary in accordance with the applicable Hungarian laws, whereas the enforcement against the Company's assets located in other Member States of the EU is subject to the respective rules of Brussels I Recast. In comparison to the domestic enforcement of judgments, enforcement in another Member State of the EU may require additional time from and cause extra costs to the applicant, such as under Brussels I Recast, the competent enforcement authority may require the applicant to provide a translation of the judgment and any interested party may request the refusal of the recognition of the judgment at issue. Pursuant to the respective rules of Brussels I Recast, however, the recognition of a judgment may only be refused in certain exceptional cases such as if the judgment is manifestly contrary to the public policy of the affected Member State). In addition, under no circumstances may a judgment rendered by a Hungarian ordinary court be reviewed as to its substance in any Member State of the EU where the enforcement is requested.

IMPORTANT INFORMATION ABOUT THIS PROSPECTUS

This document comprises a Prospectus for the purposes of the Directive 2003/71/EC (and amendments thereto to the extent implemented in the relevant European Union (“EU”) member state) (the “**Prospectus Directive**”); and for the purposes of the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements (the “**Prospectus Regulation**”).

Erste Group Bank AG fulfils the role of distributor for the purposes of Section 23(1) of the Hungarian Capital Markets Act and its mandated agent Erste Befektetési Zrt is acting as sub-distributor.

The Company accepts responsibility for the information contained in this Prospectus. To the best of the knowledge of the Company (having taken all reasonable care to ensure that such is the case), the information contained in this Prospectus is in accordance with the facts and does not omit anything likely to affect the import of such information.

The Company, having made all reasonable inquiries, confirms that this Prospectus contains all material information with respect to the Company and all its consolidated subsidiaries (together with the Company, the “**Group**”) and the Shares (including all information which, according to the particular nature of the Company and of the Shares, is necessary to enable investors to make an informed assessment of the assets and liabilities, financial position, profits and losses and prospects of the Company and of the rights attaching to the Shares), that the information contained or incorporated in this Prospectus is true and accurate in all material respects and is not misleading, that the opinions and intentions expressed in this Prospectus are honestly held and that there are no other facts the omission of which would make this Prospectus or any such information of the expression of any such opinions or intentions misleading.

None of Citigroup Global Markets Limited (“**Citi**”), Joh. Berenberg, Gossler & Co. KG (“**Berenberg**”) and together with Citi, the “**Joint Global Coordinators**” and the “**Joint Bookrunners**”), Erste Group Bank AG and its affiliates (“**Erste Group**” or the “**Joint Bookrunner and Lead Manager of the Hungarian Public Offering**”) and Renaissance Securities (Cyprus) Limited and its affiliates (the “**Joint Bookrunner**”) and, together with the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering, the “**Managers**”) has independently verified the information contained herein. Accordingly, no representation, warranty or undertaking, express or implied, is made and no responsibility or liability is accepted by any of the Managers as to the accuracy or completeness of the information contained or incorporated in this Prospectus or any other information provided by the Company in connection with the Offering. None of the Managers accepts any liability in relation to the information contained or incorporated by reference in this Prospectus or any other information provided by the Company in connection with the Offering or the distribution of the Offer Shares.

No person is or has been authorised by the Company or any of the Managers to give any information or to make any representation not contained in or not consistent with this Prospectus or any other information supplied in connection with the Offering and, if given or made, such information or representation must not be relied upon as having been authorised by the Company, the Selling Shareholder, their respective directors, partners, officers and employees or any of the Managers.

The contents of the website of the Company or any member of the Group do not form any part of this Prospectus.

Neither this Prospectus nor any other information supplied in connection with the Offering (a) is intended to provide the basis of any evaluation or (b) should be considered as a recommendation by the Company, the Selling Shareholder or the Managers that any recipient of this Prospectus or any other information supplied in connection with the Offering should purchase the Offer Shares. Each investor contemplating purchasing any Offer Shares should make its own independent investigation of the financial condition and affairs, and its own appraisal of the Company.

Neither the delivery of this Prospectus nor the offering, sale or delivery of the Offer Shares shall in any circumstances imply that the information contained herein concerning the Company is correct at any time subsequent to the date hereof or that any other information supplied in connection with the offering of the Offer Shares is correct as at any time subsequent to the date indicated in the

document containing the same. The Managers expressly do not undertake to review the financial condition or affairs of the Company during the life of the Shares or to advise any investor in the Shares of any information coming to their attention.

This Prospectus does not constitute an offer to sell or the solicitation of an offer to buy Offer Shares in any jurisdiction to any person to whom it is unlawful to make the offer or solicitation in such jurisdiction. The distribution of this Prospectus and the offer or sale of Offer Shares may be restricted by law in certain jurisdictions. The Company, the Selling Shareholder and the Managers do not represent that this Prospectus may be lawfully distributed, or that the Offer Shares may be lawfully offered, in compliance with any applicable registration or other requirements in any such jurisdiction, or pursuant to an exemption available thereunder, or assume any responsibility for facilitating any such distribution or offering. No action has been taken by the Company, the Selling Shareholder or the Managers which is intended to permit a public offering of the Offer Shares or the distribution of this Prospectus in any jurisdiction where action for that purpose is required. Accordingly, no Offer Shares may be offered or sold, directly or indirectly, and neither this Prospectus nor any advertisement or other offering material may be distributed or published in any jurisdiction, except under circumstances that will result in compliance with any applicable laws and regulations.

Persons into whose possession this Prospectus or any Offer Shares may come must inform themselves about, and observe, any such restrictions on the distribution of this Prospectus and the offering and sale of Offer Shares. In particular, there are restrictions on the distribution of this Prospectus and the offer or sale of Offer Shares in the United States and the United Kingdom.

IN CONNECTION WITH THE OFFERING OF THE SHARES, ERSTE GROUP BANK AG AS STABILISATION MANAGER (THE “STABILISATION MANAGER”) (OR PERSONS ACTING ON ITS BEHALF) MAY OVER ALLOT SHARES OR EFFECT TRANSACTIONS WITH A VIEW TO SUPPORTING THE MARKET PRICE OF THE SHARES DURING THE STABILISATION PERIOD (AS DEFINED BELOW) AT A LEVEL HIGHER THAN THAT WHICH MIGHT OTHERWISE PREVAIL. HOWEVER, STABILISATION ACTION MAY NOT NECESSARILY OCCUR. ANY STABILISATION ACTION MAY BEGIN ON OR AFTER THE DATE OF COMMENCEMENT OF TRADING OF THE SHARES ON THE BUDAPEST STOCK EXCHANGE AND, IF BEGUN, MAY BE ENDED AT ANY TIME, BUT IT MUST END NO LATER THAN 30 DAYS AFTER THAT DATE (THE “STABILISATION PERIOD”). ANY STABILISATION ACTION OR OVER ALLOTMENT MUST BE CONDUCTED BY THE RELEVANT STABILISATION MANAGER (OR PERSONS ACTING ON ITS BEHALF) IN ACCORDANCE WITH ALL APPLICABLE LAWS AND RULES AND WILL BE UNDERTAKEN AT THE OFFICES OF THE STABILISATION MANAGER (OR PERSONS ACTING ON THEIR BEHALF) AND ON THE BUDAPEST STOCK EXCHANGE.

This Prospectus may not be copied or reproduced in whole or in part nor may it be distributed or any of its contents disclosed to anyone other than the prospective investors to whom it is originally submitted where such disclosure would be unlawful.

NOTICE TO UNITED STATES INVESTORS

THE OFFER SHARES HAVE NOT BEEN REGISTERED WITH, OR APPROVED OR DISAPPROVED BY, THE UNITED STATES SECURITIES AND EXCHANGE COMMISSION (“SEC”) OR ANY STATE SECURITIES COMMISSION IN THE UNITED STATES OR ANY OTHER U.S. REGULATORY AUTHORITY. FURTHERMORE, THE FOREGOING AUTHORITIES HAVE NOT PASSED ON OR ENDORSED THE MERITS OF THE OFFERING OR THE ADEQUACY OR ACCURACY OF THIS PROSPECTUS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENSE IN THE UNITED STATES.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, registration under the U.S. Securities Act and in compliance with any state securities laws. The Offer Shares are being offered in the United States of America to certain QIBs as defined in Rule 144A pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and outside the United States of America in offshore transactions as defined in, and in reliance on, Regulation S. Investors are hereby notified that sellers of the Offer Shares may be relying

on the exemption from the provisions of Section 5 of the U.S. Securities Act. For a discussion of certain restrictions on transfers of the Offer Shares in other jurisdictions, see “*Transfer Restrictions*”.

Recipients of this Prospectus in the United States are hereby notified that this Prospectus has been furnished to them on a confidential basis and is not to be reproduced, retransmitted or otherwise redistributed, in whole or in part, under any circumstances. Furthermore, recipients are authorised to use it solely for the purpose of considering a purchase of the Offer Shares in the Offering and may not disclose any of the contents of this Prospectus for any other purpose. This Prospectus is personal to each offeree and does not constitute an offer to any other person or the public generally to subscribe for or otherwise acquire the Offer Shares.

NOTICE TO UNITED KINGDOM AND OTHER EUROPEAN ECONOMIC AREA INVESTORS

This Prospectus has been prepared on the basis that all offers of the Offer Shares outside of Hungary will be made pursuant to an exemption under the Prospectus Directive, as implemented in the member states of the EEA, from the requirement to produce a Prospectus for offers of the Offer Shares. Accordingly, any person making or intending to make any offer within the EEA for the Offer Shares, other than in Hungary, should only do so in circumstances in which no obligation arises for the Company, the Selling Shareholder or any of the Managers to produce a Prospectus for such offer. None of the Managers, the Selling Shareholder or the Company has authorised or authorises the making of any offer of the Offer Shares through any financial intermediary, other than offers made by the Managers which constitute the final placement of the Offer Shares contemplated in this Prospectus.

Each person (other than eligible employees) in a member state of the EEA other than Hungary that has implemented the Prospectus Directive (a “**Relevant Member State**”) who receives any communication in respect of, or who acquires any Offer Shares under, the offers contemplated in this Prospectus will be deemed to have represented, warranted and agreed to and with each Manager and the Company that:

- (a) it is a qualified investor within the meaning of the law in that Relevant Member State implementing Article 2(1)(e) of the Prospectus Directive; and
- (b) in the case of any Offer Shares acquired by it as a financial intermediary, as that term is used in Article 3(2) of the Prospectus Directive:
 - (i) the Offer Shares acquired by it in the Offering have not been acquired on behalf of, or with a view to the offer or resale to, persons in any Relevant Member State other than qualified investors, as that term is defined in the Prospectus Directive, or in circumstances in which the prior consent of the Managers has been given to the offer or resale; or
 - (ii) where the Offer Shares have been acquired by it on behalf of persons in any Relevant Member State other than qualified investors, the offer of those Securities is not treated under the Prospectus Directive as having been made to such persons.

The expression an “offer to the public” in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the Offering and any Securities to be offered so as to enable an investor to decide to purchase for the Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State and the Prospectus Directive includes any relevant implementing measure in each Relevant Member State.

Except for the offer to the public in Hungary (which is subject to the limitations set out in this Prospectus) this Prospectus and the Offering are only addressed to and directed at persons in member states of the EEA, who are “qualified investors” within the meaning of Article 2(1)(e) of the Prospectus Directive (including any relevant implementing measure in each Relevant Member State of the EEA) (“**Qualified Investors**”). This Prospectus is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “Financial Promotion Order”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with

the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “Relevant Persons”). This Prospectus is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. The Offering is available only to Relevant Persons and will be engaged in only with Relevant Persons.

INVESTOR REPRESENTATIONS

Each purchaser or holder of interests in the Offer Shares will be deemed, by its acceptance or purchase of any such Offer Shares, to have made certain representations and agreements as set out in the section “*Transfer Restrictions*” (beginning on page 306 of this Prospectus).

AVAILABLE INFORMATION

For so long as any of the Offer Shares are “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act, the Company will, during any period in which the Company is neither subject to Section 13 or Section 15(d) of the United States Securities Exchange Act of 1934, as amended, nor exempt from reporting pursuant to Rule 12g3-2(b) thereunder, provide to any holder or beneficial owner of the Offer Shares or to any purchaser of such restricted securities designated by such holder or beneficial owner upon the request of such holder, beneficial owner or purchaser, the information required to be delivered to such persons pursuant to Rule 144A(d)(4) under the U.S. Securities Act (or any successor provision thereto).

SERVICE OF PROCESS AND ENFORCEMENT OF CIVIL LIABILITIES

The Company is organised and operating under the laws of Hungary with substantial operations held and conducted in Hungary. As a result, it may be difficult for investors outside of Hungary to enforce judgments against the Company outside of Hungary in connection with the Offering.

In addition, nearly all the members of the board of directors of the Company (the “**Board of Directors**”) and the supervisory board of the Company (the “**Supervisory Board**”) are residents of Hungary. All or a substantial portion of the assets of such persons and a significant proportion of the Company’s assets are located in Hungary. As a result, it may not be possible for investors to effect service of process in certain jurisdictions outside of Hungary upon the Company or its Directors and executive officers, or to enforce court judgments obtained outside of Hungary against the Company or its respective Directors and executive officers in Hungary, including actions under the civil liability provisions of securities laws. In addition, it may be difficult for investors to enforce, in original actions brought in courts in certain jurisdictions, liabilities predicated upon the securities laws of such jurisdictions.

As a result, it may not be possible for investors to:

- (a) effect service of process within the United States or other countries upon any of the Company’s Directors and executive officers named in this Prospectus; or
- (b) enforce, in the United States or other countries, court judgments obtained in courts of the United States or such other countries against the Company or any of its directors and executive officers named in this Prospectus in any action.

In addition, it may be difficult for investors to enforce, in original actions brought in courts in jurisdictions located outside the United States, claims predicated upon U.S. securities laws.

Recognition and Enforcement of U.S. and other Non-EU Judgements

Any judgment obtained in U.S. courts or any other jurisdiction (other than Hungary and other member states of the EU (“**Member States**”)) will be enforceable in the courts of Hungary without re-trial or re-examination of the merits of the case if:

- (a) the jurisdiction of the court or authority is found to be legitimate under Hungarian legal rules concerning jurisdiction or the jurisdiction of such foreign court was stipulated by the parties in the manner prescribed by Hungarian conflicts law, as set out in the relevant documents;

- (b) such judgment is final and non-appealable and complies with the requirements relating to the form and content of foreign judgments; and
- (c) none of the reasons set out below are applicable to it:
 - the recognition of the decision would violate Hungarian public policy;
 - the foreign court would not have had competence under its own laws to proceed against its own citizen (including legal entities) in a similar matter;
 - the party against whom the decision was made did not attend the proceedings in person or by way of a representative because the summons, statement of claim or other document on the basis of which the proceedings were initiated was not properly served at his domicile or residence or in a timely fashion in order to allow adequate time to prepare his defence;
 - the decision was based on the findings of proceedings which seriously violated the basic principles of Hungarian procedural rules;
 - a final judgment with respect to the same legal matter and factual background between the same parties has been rendered by a Hungarian court or other authority or proceedings have commenced with respect to the same legal matter and factual background between the same parties before a Hungarian court or other authority prior to the commencement of the foreign proceedings; or
 - the Hungarian court or other authority has exclusive jurisdiction (for example, proceedings related to real estate located in Hungary).

Recognition and Enforcement of Judgements Obtained in English and other EU Courts

In compliance with Council Regulation (EC) No 1215/2012 on Jurisdiction and the Recognition and Enforcement of Judgements in Civil and Commercial Matters (“**Brussels I Recast**”), if the parties have stipulated the jurisdiction of any of the courts of England or the courts of other Member States and a final and non-appealable judgment was obtained in the courts of such country with respect to civil and commercial matters, the courts of Hungary will recognise it without re-trial or re-examination of the merits of the case except for cases when:

- (a) such recognition is manifestly contrary to public policy in Hungary;
- (b) it was given in default of appearance, if the defendant was not served with the document which instituted the proceedings or with an equivalent document in sufficient time and such a way as to enable him to arrange for his defence, unless the defendant failed to commence proceedings to challenge the judgment when it was possible for him so to do;
- (c) it is irreconcilable with an earlier judgment given in a dispute between the same parties in Hungary;
- (d) it is irreconcilable with an earlier judgment given in another Member State of the EU or in a third state involving the same cause of action and between the same parties, provided that the earlier judgment fulfils the conditions necessary for its recognition in Hungary; or
- (e) the judgement conflicts with the provisions of the Brussels I Recast dealing with jurisdiction in matters relating to insurance, jurisdiction over consumer contracts, jurisdiction over individual contracts of employment and exclusive jurisdiction.

Any final and non-appealable judgment, obtained in the courts of England or the courts of other Member States with respect to civil and commercial claims in respect of any document containing an express consent to the jurisdiction of such courts, so recognised by the courts of Hungary will be enforceable in the courts of Hungary when, on the application of any interested party, it has been declared enforceable in Hungary.

Moreover, if a judgement of an English court or of any court of any other Member States complies with the requirements of Council Regulation (EC) No 805/2004 of the European Parliament and of the Council of 21 April 2004 creating a European enforcement order for uncontested claims, then it has to be recognised and enforced in Hungary, without the need of the declaration of enforceability and without the possibility of opposing its recognition.

THIRD PARTY INFORMATION AND MARKET AND INDUSTRY DATA

This Prospectus includes estimates of market share and industry data and forecasts that the Company has obtained from industry publications, surveys and forecasts, as well as from internal company sources. Industry publications, surveys and forecasts generally state that the information contained therein has been obtained from sources believed to be reliable. In particular, certain information has been derived from a report dated 25 April 2017 (the “**TI Report**”) prepared by Transport Intelligence Ltd., with its registered seat at Kingston House, Pierrepont Street, Bath, BA1 1LA, United Kingdom, company registered in England and Wales No.4554810 (“**TI**”) commissioned by the Company in connection with the Offering in accordance with the Prospectus Regulation. The Company paid a fee to TI for the preparation of the TI Report. The TI Report includes historical market and industry data for the period commencing in 2002 and estimates and outlooks for the period until 2022; the majority of the historical data, however, relates to the period from 2010 until 2015.

Certain information set forth in this Prospectus, especially in the sections entitled “*Industry and Competition*” and “*Business*”, has been extracted from the TI Report. Such extracts of the TI Report are included in this Prospectus, in the form and context in which they are included, with the consent of TI. Management believes that the sources of the information extracted from the TI Report and other information based on third party sources for inclusion in the Prospectus are appropriate sources for such information, and the Company has taken reasonable care in extracting and reproducing such information. Management has no reason to believe that such information is false or misleading or that any fact has been omitted that would render such information false or misleading and, accordingly, management has approved the TI Report for the purposes of deriving information for the Prospectus. The extracts from the TI Report and other information based on third-party sources has not been independently verified by the Company, the Managers or any other party involved in the Offering or any third parties and no representation is given as to its accuracy or completeness of such information.

Information in this Prospectus which is based on third-party sources (including the TI Report) has been accurately reproduced and, as far as the Company is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, neither the Company, the Managers nor any other party involved in the Offering can give assurance as to the accuracy and completeness of, and take no responsibility for, such data beyond the responsibility assumed in the responsibility statement included in this Prospectus. The source of such third-party information is cited whenever such information is used in this Prospectus.

In addition, this Prospectus includes market share and industry data that the Company has prepared primarily based on its knowledge of the industry in which it operates. Statements as to the Company market position relative to its competitors are based on fleet size, revenues and income for the years ended 31 December 2016, 2015 and 2014, and unless otherwise noted, internal analysis and estimates may not have been verified by independent sources. The Company estimates, in particular as they relate to market share and its general expectations, involve risks and uncertainties and are subject to change based on various factors, including those discussed in the sections entitled “*Important Information and Cautionary Statement Regarding Forward-Looking Statements*” and “*Risk Factors.*”

Finally, behaviour, preferences and trends in the marketplace tend to change. As a result, investors should be aware that the data in this Prospectus and estimates based on that data may not be reliable indicators of future results. Neither the Company, the Managers nor any other party involved in the Offering intend, nor assume any obligation, to update these market and industry data, except as explicitly required by the Hungarian Capital Markets Act.

EXCHANGE RATE INFORMATION

All references in this Prospectus to “U.S. dollars” are to the legal currency of the United States, all references to “euro” or “EUR” are to the currency introduced at the start of the third stage of the European economic and monetary union and as defined in Article 2 of Council Regulation (EC) No. 974/98 of 3 May 1998 on the introduction of the euro, as amended, all references to the “forint” or “HUF” are to Hungarian forint, the official currency of Hungary and all references to “RON” are to Romanian Leu, the official currency of Romania. Most of the Group’s revenues and expenses are denominated in euro.

The following table sets out, for the periods set forth below, the average, high, low and period end exchange rate information expressed in HUF per EUR 1.00 calculated using the daily mean exchange rates published by the MNB. The rates may differ from the actual rates used in the preparation of the Financial Statements and other financial information appearing in this Prospectus. The Company does not make any representation that any amount of currencies specified in the following table has been, or could be, converted into the applicable currency at the rates indicated or any other rate.

Year ended 31 December	High	Low	Average⁽¹⁾⁽²⁾	Year End⁽³⁾
2012.....	321.93	276.07	289.42	291.29
2013.....	307.85	288.15	296.92	296.91
2014.....	316.61	297.79	308.66	314.89
2015.....	321.34	296.10	309.32	313.12
2016.....	317.97	304.28	311.84	311.02

Month ended	High	Low	Average⁽¹⁾⁽²⁾	Period End⁽³⁾
31 January 2017.....	311.80	307.16	309.04	311.00
28 February 2017.....	310.54	307.25	308.51	307.71
31 March 2017.....	312.36	307.71	309.72	308.70
30 April 2017.....	313.64	309.06	311.48	311.55
31 May 2017.....	312.25	307.33	309.90	307.78
June 2017 (through 13 June 2017).....	308.54	307.09	307.85	307.09

(1) The average rate for a year means the average of the rates as published by the MNB on the last day of each month during a year.

(2) The average rate for each month presented is based on the average rates as published by the MNB for each business day of such month.

(3) Represents the exchange rate on the last business day of the applicable period.

The rate as published by the MNB of the forint on 13 June 2017 was EUR 1.00 = HUF 307.09.

TRADEMARKS

The Company has proprietary rights to trademarks used in this Prospectus which are important to its business, many of which are registered under applicable intellectual property laws. Solely for convenience, trademarks and trade names referred to in this Prospectus appear without the “®” or “™” symbols, but such references are not intended to indicate, in any way, that the Company will not assert, to the fullest extent possible under applicable law, its rights or the rights of the applicable licensor to these trademarks and trade names. The Company does not intend the use or display of other companies’ trade names, trademarks or service marks to imply a relationship with, or endorsement or sponsorship of the Company by, any other companies. Each trademark, trade name or service mark of any other company appearing in this Prospectus is the property of its respective holder.

CERTAIN DEFINITIONS

Unless otherwise indicated, for purposes of this Prospectus, “**Company**” refers to WABERER’S INTERNATIONAL Zártkörűen Működő Részvénytársaság and “**Group**” refers to the Company including all its consolidated subsidiaries. Further, certain technical terms, abbreviations and all definitions are used in this Prospectus. They are listed and defined in the section “*Glossary*” starting on page 318.

PRESENTATION OF FINANCIAL AND OTHER INFORMATION

This Prospectus contains a discussion and analysis of the results of operations and financial condition of the Group based on the unaudited consolidated condensed financial statements of the Company as of and for the three months ended 31 March 2017, which include financial information as of and for the three months ended 31 March 2016 as a comparison, including the notes thereto, set forth on pages F-2 through F-20 of this Prospectus (the “**Interim Financial Statements**”) and the special-purpose audited consolidated financial statements of the Company as of and for the years ended 31 December 2016, 2015 and 2014, including the notes thereto, set forth on pages F-21 through F-87 of this Prospectus (the “**Annual Financial Statements**” and, together with the Interim Financial Statements, the “**Financial Statements**”); and (ii) the Company’s internal accounting system. The Financial Statements have been prepared in accordance with the International Financial Reporting Standards as issued by the International Accounting Standard Board and adopted by the EU (“**IFRS**”). The Annual Financial Statements have been prepared for the purpose of the Offering and audited by Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság.

The audited consolidated statutory financial statements of the Company which the Company prepared and filed individually with the depository site of the court of registration for the years ended 31 December 2016, 2015 and 2014 did not meet the disclosure requirements for public entities such as segmental reporting or information regarding earning per share information. The Company therefore decided to prepare and include in this Prospectus the Annual Financial Statements, which cover the years ended latest 31 December 2016, 2015 and 2014 and which are presented and prepared in a form consistent with that which will be adopted in the Company’s next published annual financial statements having regard to accounting standards and policies and legislation applicable to such financial statements. The Annual Financial Statements contain the same information as the audited consolidated statutory financial statements of the Company which the Company prepared and filed individually for the years ended 31 December 2016, 2015 and 2014, save for the following: (i) the information for the year ended 31 December 2015 includes a restatement on deferred taxes related to the year ended 31 December 2014 in the amount of EUR 2,056,985 (which had a positive effect on profit for the year ended 31 December 2014 in the amount of EUR 1,613,834); (ii) the information for the year ended 31 December 2016 includes a correction due to the fact that management identified an error relating to the classification of innovation contribution in the amount of EUR 997,574 for the years ended 31 December 2015 (same as for the years ended 31 December 2014 in the amount of EUR 921,061), which have been corrected similarly in the previous years’ figures; and (iii) the information for the year ended 31 December 2016 reflects the fact that management restructured its consolidated statement of comprehensive income data so that both the revenue and cost side are presented in a clear transparent way and according to the principles of presentation in International Accounting Standard (“**IAS**”) 1, the entity presented its comparative period information in the same format. See Note 37 to the Annual Financial Statements for more information.

The Interim Financial Statements and the Annual Financial Statements have been prepared on the basis of a calendar quarter and a calendar year, respectively, and are both presented in euro. Percentages and amounts reflecting changes over time periods relating to financial and other information set forth in “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*” are calculated using the numerical data in the Financial Statements or the tabular presentation of other information (subject to rounding) contained in this Prospectus, as applicable, and not using the numerical data in the narrative description thereof.

The audited consolidated financial statements of the Insurance Company as of and for the year ended 31 December 2016 (the “**Insurance Company Financial Statements**”), which can be viewed online at the website of the Insurance Company at https://www.waberbiztosito.hu/fogyasztoi_oldal.aspx, shall be incorporated by reference in, and form part of, this Prospectus. A copy of the Insurance Company Financial Statements can be obtained from the registered office of the Insurance Company at 1211 Budapest, Szállító u. 4, Hungary, or on the website specified above. The Insurance Company Financial Statements were prepared in accordance with Act C of 2000 on Accounting (the “**Hungarian Accounting Act**”) and have been audited by KPMG Hungária Kft.

Pro Forma Financial Information

In this Prospectus, any reference to “pro forma” financial information shall be construed as a reference to information which has been extracted without material adjustment from the unaudited pro forma financial information contained in the section “*Unaudited Pro Forma Financial Information*” of this Prospectus. The unaudited pro forma income statement of the Group has been

prepared to illustrate the effect of the acquisition of the Insurance Company which was acquired on 8 April 2016 and of the currently ongoing acquisition of LINK on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016 and on the Group's balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016 (the "**Pro Forma Financial Statements**"). The Pro Forma Financial Statements are based on the financial information derived from the Annual Financial Statements, the Insurance Company Financial Statements, the financial statements of LINK as of and for the year ended 31 December 2016, are compiled on the basis set out in the notes thereto and in accordance with the accounting policies adopted by the Group for the year ended 31 December 2016. The independent auditors' report on the Pro Forma Financial Statements, included in the section "*Unaudited Pro Forma Financial Information*", has been prepared by Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság. With respect to the acquisition of the Insurance Company, the Company prepared the pro forma information on a voluntary basis, whereas with respect to the currently ongoing acquisition of LINK, the pro forma information was included as the 'gross significant change' test as defined in the Prospectus Regulation and by the European Securities and Market Authority was met.

Link Services sp. z o.o., which was acquired by the Company together with LINK (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK*" for more information). Link Services sp. z o.o. operates as an agency which recruits temporary workers (mainly drivers) for LINK. Link Services sp. z o.o. is not included in the pro forma financial information presented elsewhere in this prospectus (see "*Presentation of Financial and Other Information—Pro Forma Financial Information*" and "*Unaudited Pro Forma Financial Information*"). The information included in this Prospectus relates to LINK only and the Prospectus contains no further information on Link Services sp. z o.o. due to its immateriality.

The Pro Forma Financial Statements have been prepared for illustrative purposes only and, because of their nature, address a hypothetical situation and do not, therefore, represent the Group's actual financial position or results. Accordingly, the Pro Forma Financial Statements may not, because of their nature, give a true picture of the Group's financial position or results. The Group's future results of operations and financial position may differ materially from the pro forma financial information reflected in the Pro Forma Financial Statements.

The Pro Forma Financial Statements have been prepared on the basis set out in the notes thereto and in accordance with Annex II to the Prospectus Regulation. The Pro Forma Financial Statements have not been prepared, and shall not be construed as having been prepared, in accordance with Regulation S-X under the U.S. Securities Act. The Pro Forma Financial Statements do not constitute financial statements within the meaning of section 434 of the Companies Act 2006 of the United Kingdom. The Pro Forma Financial Statements are based on assumptions that the Company's believes are reasonable and should be read in conjunction with the Financial Statements.

Alternative Performance Measures

In this Prospectus, the Company presents certain financial information and measures, which are not defined or recognised under IFRS and which are considered to be "alternative performance measures" as defined by the "*ESMA Guidelines on Alternative Performance Measures*" issued by the European Securities and Markets Authority on 5 October 2015 ("**APMs**"). The Company has included the following APMs in the Prospectus: EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT, Adjusted EBITDA Margin, ROCE, Free Cash Flow, Net Financial Indebtedness, Gross Financial Indebtedness, Net Leverage Ratio, Adjusted Pro Forma Net Leverage Ratio and Asset Intensity (together, the "**Financial APMs**"). In addition, the Company has included mainly in the sections "*Selected Historical Financial and Operating Information—Other Financial and Operating Data*" and "*Business—Business Plan Outlook*" certain revenue drivers and operating cost drivers that the Group may also be considered APMs as defined by the "*ESMA Guidelines on Alternative Performance Measures*", specifically: revenue per loaded kilometre, revenue per used square metre of warehousing capacity, repair and maintenance costs, insurance fees per truck, driver costs, transit costs, gross capital expenditures, revenue from fleet sales, claim expenses and working capital (together, the "**Operating APMs**"). The Financial APMs relate to past performance of the Group, the Operating APMs included in the section "*Selected Historical Financial and Operating Information—Other Financial and Operating Data*" relate to past performance and the Operating APMs included in the section "*Business—Business Plan Outlook*" are outlooks extracted from the mid-term business plan of the Group, as approved by its management.

The Company has included the Financial APMs in the Prospectus because they represent key measures used by management to evaluate the Group's operating performance. Further, management believes that the presentation of the Financial APMs is helpful to prospective investors because these and other similar measures and related ratios are widely used by certain investors, securities analysts and other interested parties as supplemental measures of performance and liquidity. Management also believes that the Financial APMs facilitates operating performance comparisons on a period-to-period basis to exclude the impact of items, which management does not consider to be indicative of the Group's core operating performance.

Further, the Company has included the Operating APMs in the Prospectus because management believes that presentation of key aspects of the Group's mid-term business plan together with historical comparisons of the same measures is useful to investors as it indicates what the Group, as of the date of this Prospectus, aims to achieve in the mid-term with regards to key drivers of its revenues and costs and shows the Group's past performance with regards to these drivers. However, as some the Operating APMs are forward-looking statements, they are not guarantees of future performance and actual results could differ materially from current expectations. Numerous factors could cause or contribute to such differences. Please see "*Risk factors*" and "*Important Information and Cautionary Statement Regarding Forward-Looking Statements*" for more information.

APMs are not defined or recognised under IFRS, and other companies may calculate these measures differently or may use such measures for different purposes than the Company does, limiting the usefulness of such measures as comparative measures. In addition, the APMs presented in this Prospectus may not be comparable to similarly-titled measures and financial information used by other companies.

Prospective investors should not consider the APMs in isolation, as alternatives to revenue, profit before tax or cash flows from operations calculated in accordance with IFRS, as indications of operating performance or as measures of the Group's profitability or liquidity. Such APMs must be considered only in addition to, and not as a substitute for or superior to, financial information and measures prepared in accordance with IFRS. EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT and Adjusted EBITDA Margin have limitations as analytical tools, such as:

- they do not reflect the Group's cash expenditures or future requirements for capital expenditures or contractual commitments;
- they do not reflect changes in, or cash requirements for, the Group's working capital needs;
- they do not reflect the significant interest expense, or the cash requirements necessary, to service interest or principal payments on the Group's debt;
- although depreciation and amortisation are non-monetary charges, the assets being depreciated and amortised will often need to be replaced in the future and EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT and Adjusted EBITDA Margin do not reflect any cash requirements that would be required for such replacements;
- some of the exceptional items the Company eliminates in calculating EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT and Adjusted EBITDA Margin reflect cash payments that were made, or will be made in the future; and
- the fact that other companies in the Group's industry may calculate EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT and Adjusted EBITDA Margin differently than the Company does, which limits their usefulness as comparative measures.

Included below are the definitions and reconciliations of EBIT, EBITDA, Adjusted EBITDA, Adjusted EBIT and Adjusted EBITDA Margin to the Group's gross profit for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014.

Definitions of EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT, Adjusted EBITDA Margin and ROCE

EBITDA, as used and presented in this Prospectus, is unaudited and represents profit (loss) before interest, income taxes, depreciation and amortisation. EBITDA presented by the Group has been calculated by management based on information derived from the Financial Statements. For a reconciliation of EBITDA to gross profit, please see the following table.

EBIT, as used in this Prospectus, is unaudited and represents profit (loss) before income taxes and interest. EBIT presented by the Group has been calculated by management based on information derived from the Financial Statements. For a reconciliation of EBIT to gross profit, please see the following table.

The following table provides a reconciliation of the Group's EBIT and EBITDA to gross profit for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	For the three months ended 31 March (unaudited)		Pro forma total for the year ended 31 December	For the year ended 31 December (audited, unless otherwise indicated)		
	2017	2016	2016 (unaudited)	2016	2015	2014
	<i>(in EUR thousands)</i>					
Gross profit	27,766	23,438	137,609	119,784	106,918	104,801
Indirect wages and benefits	(7,478)	(5,778)	(31,702)	(27,681)	(23,055)	(19,200)
Other services	(4,473)	(3,284)	(20,912)	(18,321)	(15,372)	(12,405)
Other operating income	1,933	2,870	8,560	6,208	6,996	9,358
Other operating expense ...	(469)	(788)	(12,059)	(10,808)	(5,184)	(14,418)
EBITDA (unaudited)	17,280	16,458	81,535	69,182	70,303	68,136
Depreciation and amortization.....	(12,160)	(13,014)	(57,359)	(52,012)	(49,556)	(41,892)
EBIT (unaudited)	5,120	3,444	24,177	17,170	20,747	26,244

Adjusted EBITDA, as used in this Prospectus, is unaudited and represents profit (loss) before income taxes, interest, depreciation and amortisation and nonrecurring operating expenses and income. Adjusted EBITDA presented by the Group has been calculated by management based on information derived from the Financial Statements. The following table provides a reconciliation of the Group's Adjusted EBITDA to gross profit for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	For the three months ended 31 March (unaudited)		Pro forma total for the year ended 31 December	For the year ended 31 December (audited, unless otherwise indicated)		
	2017	2016	2016 (unaudited)	2016	2015	2014
	<i>(in EUR thousands)</i>					
Gross profit	27,766	23,438	137,609	119,784	106,918	104,801
Indirect wages and benefits	(7,478)	(5,778)	(31,702)	(27,681)	(23,055)	(19,200)
Other services	(4,473)	(3,284)	(20,912)	(18,321)	(15,372)	(12,405)
Other operating income	1,933	2,870	8,560	6,208	6,996	9,358
Other operating expense ...	(469)	(788)	(12,059)	(10,808)	(5,184)	(14,418)
EBITDA (unaudited)	17,280	16,458	81,535	69,182	70,303	68,136
Professional fees related to IPO/ESOP (unaudited) ⁽¹⁾ ..	813.6	38.0	3,139	3,139	1,208	—
Indirect labour cost related to IPO ⁽²⁾	95.5	—	797	797	—	—
ESOP provision ⁽³⁾	—	—	477	477	—	—
Adjusted EBITDA (unaudited)	18,189	16,496	86,861	73,595	71,511	68,136
Adjusted EBITDA of the International Transportation Segment (unaudited)	12,309	13,718	68,922	56,391	60,046	60,097
Adjusted EBITDA of the Regional Contract Logistics Segment (unaudited)	3,863	2,779	13,005	13,044	11,465	8,039
Adjusted EBITDA of the Other Segment (unaudited)	2,017	—	4,934	4,159	—	—

Notes:

- (1) Adjustment relates to the one-off costs incurred by the Group in connection with the discontinued initial public offering of the Company, undertaken in 2015 and 2016, and the one-off professional fees incurred in connection with the related employees share offering program (ESOP). Adjusted EBITDA for 2016 and 2015 was increased by the amount of the professional fees related to IPO/ESOP incurred in the relevant year.
- (2) Adjustment relates to the one-off costs incurred by the Group due to the change of control which occurred during 2016 and include the severance payments made by the Group to the former members of the Company's management. Adjusted EBITDA for 2016 was increased by the amount of extraordinary indirect labour cost related to change of control.
- (3) Adjustment relates to the one-off cost incurred due to the revision of the aim of the Company's employee share offering program (ESOP) and the creation of a provision for covering future benefits paid out to the employee share offering program (ESOP). Adjusted EBITDA for 2016 was increased by the amount ESOP provision.

Adjusted EBIT, as used in this Prospectus, is unaudited for the three months ended 31 March 2017 and 2016 and audited for the years ended 31 December 2016, 2015 and 2014 and represents profit (loss) before income taxes, interest and nonrecurring operating expenses and income. Adjusted EBIT presented by the Group has been calculated by management based on information derived from the Financial Statements. The following table provides a reconciliation of the Group's Adjusted EBIT to gross profit for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	For the three months ended 31 March (unaudited)		Pro forma total for the year ended 31 December	For the year ended 31 December (audited, unless otherwise indicated)		
	2017	2016	2016 (unaudited)	2016	2015	2014
	<i>(in EUR thousands)</i>					
Gross profit	27,766	23,438	137,609	119,784	106,918	104,801
Indirect wages and benefits	(7,478)	(5,778)	(31,702)	(27,681)	(23,055)	(19,200)
Other services	(4,473)	(3,284)	(20,912)	(18,321)	(15,372)	(12,405)
Other operating income	1,933	2,870	8,560	6,208	6,996	9,358
Other operating expense ...	(469)	(788)	(12,059)	(10,808)	(5,184)	(14,418)
EBITDA (unaudited)	17,280	16,458	81,535	69,182	70,303	68,136
Depreciation and amortization.....	(12,160)	(13,014)	(57,359)	(52,012)	(49,556)	(41,892)
EBIT (unaudited)	5,120	3,444	24,177	17,170	20,747	26,244
Professional fees related to IPO/ESOP ⁽¹⁾	813.6	38.0	3,139	3,139	1,208	—
Indirect labour cost related to IPO ⁽²⁾	95.5	—	797	797	—	—
ESOP provision ⁽³⁾	—	—	477	477	—	—
Adjusted EBIT (unaudited)	6,029	3,482	29,502	21,583	21,955	26,244
Adjusted EBIT of the International Transportation Segment (unaudited).....	2,028	2,201	18,247	11,002	16,202	22,803
Adjusted EBIT of the Regional Contract Logistics Segment (unaudited).....	2,015	1,282	6,385	6,474	5,753	3,441
Adjusted EBIT of the Other Segment (unaudited).....	1,986	—	4,870	4,107	—	—

Notes:

- (1) Adjustment relates to the one-off costs incurred by the Group in connection with the discontinued initial public offering of the Company, undertaken in 2015 and 2016, and the one-off professional fees incurred in connection with the related employees share offering program (ESOP). Adjusted EBITDA for 2016 and 2015 was increased by the amount of the professional fees related to IPO/ESOP incurred in the relevant year.
- (2) Adjustment relates to the one-off costs incurred by the Group due to the change of control which occurred during 2016 and include the severance payments made by the Group to the former members of the Company's management. Adjusted EBITDA for 2016 was increased by the amount of extraordinary indirect labour cost related to change of control.
- (3) Adjustment relates to the one-off cost incurred due to the revision of the aim of the Company's employee share offering program (ESOP) and the creation of a provision for covering future benefits paid out to the employee share offering program (ESOP). Adjusted EBITDA for 2016 was increased by the amount ESOP provision.

Adjusted EBITDA Margin, as used in this Prospectus, is unaudited and represents profit (loss) before income taxes, interest, depreciation and amortisation and nonrecurring operating expenses and income (Adjusted EBITDA) divided by revenue. Adjusted EBITDA Margin presented by the Group has been calculated by management based on information derived from the Financial Statements.

ROCE, as used in this Prospectus, is unaudited and represents return on capital employed, which is calculated as EBIT divided by (total assets minus current liabilities). ROCE presented by the Group has been calculated by management based on information derived from the Financial Statements.

Free Cash Flow, as used in this Prospectus, is unaudited and represents EBITDA plus/minus non-cash item in EBITDA plus/minus change in working capital minus taxation minus cash capital expenditure. Free Cash Flow presented by the Group has been calculated by management based on information derived from the Financial Statements.

Net Financial Indebtedness, as used in this Prospectus, is unaudited and represents total long and short term loans, financial leases and overdraft minus cash. Net Financial Indebtedness presented by the Group has been calculated by management based on information derived from the Financial Statements.

Gross Financial Indebtedness, as used in this Prospectus, is unaudited and represents total long and short term loans, financial leases and overdraft. Gross Financial Indebtedness presented by the Group has been calculated by management based on information derived from the Financial Statements.

Net Leverage Ratio, as used in this Prospectus, is unaudited and represents net financial indebtedness divided by EBITDA, where net financial indebtedness represents total financial indebtedness minus cash and total financial indebtedness represents total short and long-term loans and leases divided by EBITDA. Net Leverage Ratio presented by the Group has been calculated by management based on information derived from the Financial Statements. For information on transit costs for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014, please see “*Selected Historical Financial and Operating Information—Other Financial and Operating Data*”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Adjusted Pro Forma Net Leverage Ratio, as used in this Prospectus, is unaudited and represents net financial indebtedness divided by Adjusted EBITDA on a pro forma basis where net financial indebtedness represents total financial indebtedness minus cash and total financial indebtedness represents total short and long-term loans and leases divided by Adjusted EBITDA on a pro forma basis. Adjusted Pro Forma Net Leverage Ratio presented by the Group has been calculated by management based on information derived from the Financial Statements.

Asset Intensity, as used in this Prospectus, is unaudited and represents total assets minus intangible assets and goodwill divided by revenues. Asset Intensity presented by the Group has been calculated by management based on information derived from the Financial Statements, unless another source is expressly identified.

Assumptions and Definitions of Operating APMs

Revenue per loaded kilometre, as used in the Prospectus, represents total revenue generated by the Group’s own fleet divided by total loaded kilometres driven by own fleet. For information on revenue for loaded kilometre in the years ended 31 December 2016, 2015 and 2014, please see “*Selected Historical Financial and Operating Information—Other Financial and Operating Data*”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Revenue per used square metre of warehousing capacity, as used in the section “*Business—Business Plan Outlook*”, represents total revenue generated by the Logistics Warehousing business line of the Regional Contract Logistics Segment divided by the total used square metres of warehouses used by the Logistics Warehousing business line of the Regional Contract Logistics Segment. For information on revenue per used square metre of warehousing capacity in the years ended 31 December 2016, 2015 and 2014, please see “*Selected Historical Financial and Operating Information—Other Financial and Operating Data*”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Repair and maintenance costs, as used in the Prospectus, represent total costs of repairs and maintenance of the Group’s own fleet, including tyre costs. For information on repair and maintenance costs in the years ended 31 December 2016, 2015 and 2014, please see “*Selected*

Historical Financial and Operating Information—Other Financial and Operating Data”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Insurance fees per truck, as used in the Prospectus, represents total insurance costs related to the Group’s own fleet including third party liabilities and CASCO divided by the total average number of trucks in the Group’s own fleet. For information on insurance fees per truck in the years ended 31 December 2016, 2015 and 2014, please see “*Selected Historical Financial and Operating Information—Other Financial and Operating Data*”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Driver costs, as used in the Prospectus, represents total labour costs of the Group’s drivers including wages, contributions, fuel savings and daily allowances. For information on driver costs in the years ended 31 December 2016, 2015 and 2014, please see “*Selected Historical Financial and Operating Information—Other Financial and Operating Data*”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Transit costs, as used in the Prospectus, represents total costs of transit generated by the Group’s own fleet including all highway fees, toll fees, ferry, Eurotunnel, parking and other fees and expenses. For information on transit costs in the years ended 31 December 2016, 2015 and 2014, please see “*Selected Historical Financial and Operating Information—Other Financial and Operating Data*”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Gross capital expenditures, as used in the Prospectus, represent total capital expenditure including purchasing fleet and any other fixed assets or immaterial goods. For information on gross capital expenditures in the years ended 31 December 2016, 2015 and 2014, please see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital—Resources Capital expenditures (investments)*”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Revenue from fleet sales, as used in the Prospectus, represents total revenue from sales of the Group’s own fleet. For information on the mid-term outlook of the Group’s revenue from fleet sales, please see “*Business—Business Plan Outlook*”.

Claim expenses, as used in the Prospectus, represent total costs of paid damages. For information on the mid-term outlook of the Group’s claim expenses, please see “*Business—Business Plan Outlook*”.

Working capital, as used in the Prospectus, represents the sum of inventories, trade receivables and other receivables minus trade payables and other liabilities. For information on working capital in the years ended 31 December 2016, 2015 and 2014, please see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Liquidity and Capital—Cash Flows and Working Capital*”, and for a mid-term outlook of the Group’s revenue for loaded kilometre, please see “*Business—Business Plan Outlook*”.

Rounding Adjustments

The numerical information set forth in this Prospectus has been rounded for ease of presentation. Accordingly, in certain cases, the sum of the numbers or the percentages in a column in a table may not conform to the total figure given for that column. In addition, certain figures in this document have been rounded to the nearest whole number or to one decimal place.

IMPORTANT INFORMATION AND CAUTIONARY STATEMENT REGARDING FORWARD-LOOKING STATEMENTS

This Prospectus contains “forward-looking statements” with respect to the Group’s business, results of operations and financial condition, and the Company’s expectations or beliefs concerning future events and conditions. Forward-looking statements may be identified because they contain words such as, but not limited to, “believes,” “expects,” “may,” “should,” “approximately,” “anticipates,” “estimates,” “intends,” “plans,” “predicts,” “projects,” “targets,” “likely,” “will,” “would,” “could” and similar expressions (or the negative of these terminologies or expressions). All forward-looking statements involve risks and uncertainties. Many risks and uncertainties are inherent in the Group’s industry and markets. Others are more specific to its business and operations. The occurrence of the events described and the achievement of the expected results depend on many events, some or all of which are not predictable or within the Group’s control. Actual results may differ materially from the results, level of activity, performance or achievements expressed or implied by the forward-looking statements contained in this Prospectus.

Important factors that could cause actual results to differ materially from those expressed or implied by the forward-looking statements are disclosed under the heading “*Risk Factors*” and elsewhere in this Prospectus, including, without limitation, in conjunction with the forward-looking statements included in this Prospectus. All forward-looking statements in this Prospectus and subsequent written and oral forward-looking statements attributable to us, or persons acting on its behalf, are expressly qualified in their entirety by the cautionary statements. Some of the risk factors that the Company believes could materially affect its results include:

- risk related to the Group’s business, in particular the Group’s ability to compete and retain customers successfully in a highly competitive market the Group’s ability to successfully recruit and retain truck drivers and third party carriers;
- risk related to the regulatory environment, in particular the Group’s ability to comply with additional or unexpected laws and regulations applying to its business, including regulation of minimum wages and other employment laws, environmental laws, competition laws and tax laws;
- risks related to the Group’s operations in Hungary and Central and Eastern Europe, including heightened political, legal and economic risks;
- risks related to macroeconomic factors and the transportation and logistics industry, in particular the impact of new technology or other competitive changes;
- risks related to taxation;
- risks related to the related party transactions in which the Group engages;
- risks related to the Insurance Company, in particular related to reinsurance, compliance with regulations governing the insurance business in Hungary, market risk and the Insurance company’s dependence on its brokers; and
- other factors presented in the section entitled “*Risk Factors*” and the Group’s success at managing the risks associated with the aforementioned factors.

The Company cautions prospective investors that the foregoing list of important factors may not contain all of the material factors that are important to prospective investors. In addition, in light of these risks and uncertainties, the matters referred to in the forward-looking statements contained in this Prospectus may not in fact occur.

Prospective investors should not rely on any forward-looking statements as predictions of future events. Although the Company’s management believes that the expectations reflected in the forward-looking statements are reasonable, the Company cannot guarantee that future results, levels of activity, performance and events and circumstances reflected in the forward-looking statements will be achieved or will occur. All forward-looking statements in this Prospectus are based on information available to the Company as of the date of this Prospectus and the Company undertakes no obligation to publicly update or revise any forward-looking statement as a result of new information, future events or otherwise, except as required by law.

USE OF PROCEEDS

The Offering is being conducted in order to facilitate the sale by the Selling Shareholder of certain of its Existing Shares and in order to facilitate the sale of the New Shares and raising capital by the Company, while raising the Company's profile with the international investment community and establishing a market for the Shares.

The Selling Shareholder will receive the net proceeds from the sale of the Existing Shares and any Option Shares and the Company will receive the net proceeds from the sale of the New Shares. Assuming all of the Offer Shares are placed for an offer price at the mid-point of the Offer Price Range and a full exercise of the Greenshoe Option (as defined below), the net proceeds from the Offering are expected to amount to approximately EUR 197.2 million, of which the Selling Shareholder will receive approximately EUR 152.2 million and the Company will receive approximately EUR 45.0 million.

The total commissions, fees and expenses in connection with the Offering are expected to be between approximately EUR 10.0 million to EUR 12.0 million. Bank commissions and fees in connection with the Offering shall be divided between the Company and the Selling Shareholder in the proportion of the placed New Shares to the placed Existing Offer Shares. Of the non-bank commissions, costs and fees, which are expected to represent approximately 20% to 25% of the total costs, 80% shall be payable by the Company and 20% shall be payable by the Selling Shareholder. The Company shall bear the procedural fees in connection with the admission of the Shares to trading on the Budapest Stock Exchange, which are expected to amount to approximately EUR 6,500.

Change of the legal form of the Company from the existing private company limited by shares to a public company limited by shares provides the Company with access to equity capital markets and, as the Shares will be listed on the Budapest Stock Exchange, resulting in increased liquidity of the Shares, is expected to benefit the shareholders as well.

No expenses or taxes will be charged to the investors as a part of the Offering, except for customary banking and/or brokerage fees. Investors participating in the Public Offering and Employee Offering will receive all information according to the agreement with their service provider.

The Company intends to use approximately:

- EUR 32 million from the sale of the New Shares for the currently ongoing acquisition of LINK (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK*" for more information); and
- the remaining part of the net proceeds from the sale of the New Shares for general corporate purposes and working capital.

If the currently ongoing acquisition of LINK would not close, which the management believes is unlikely, the Company intends to use the net proceeds from the sale of the New Shares to pursue other opportunities for mergers and acquisitions in European countries including Poland consistent with the Group's objective to expand operations through selective acquisitions (see "*Business—Objectives and Strategy—Expand operations through selective acquisitions and growth initiatives*"), or, alternatively, for financing the organic growth of its business in Poland, and for general corporate purposes and working capital.

Although the Company intends to use the proceeds as described above, the actual use of those proceeds may differ depending on market developments, unexpected significant events or other factors. In any case, the Company will review the possible uses of proceeds on a regular basis and, where appropriate, adjust such uses to the occurrence of any particular developments or events.

DIVIDEND POLICY

During 2017 and 2018, the Company intends to re-invest all available funds and any future earnings to finance the growth and development of its business in line with the stated strategy (including mergers and acquisitions) and to decrease the current leverage ratio (net debt/EBITDA) to approximately 2x. Therefore, the Company does not plan to pay dividends for the financial years 2017 and 2018. From 2019 onwards, the Board of Directors intends to examine the possibility of adopting a dividend policy for the Company with a targeted payout ratio of 30% to 50% which shall seek to maximise shareholder value and reflect the Company's strong earnings potential and cash flow characteristics. At the same time, such policy should allow the Company to retain sufficient capital to invest in its long-term growth, considering potential opportunities for further inorganic growth, and to fund on-going operating requirements.

The Company did not pay any dividends for any of the financial years ending 31 December 2016, 2015 and 2014.

Accounting Law Requirements

The Hungarian Accounting Act sets out the general conditions for dividend payments from an accounting law perspective. Generally, these conditions include the availability of sufficient profit reserves and maintaining the shareholders equity (excluding the 'earmarked' reserves (in Hungarian, *lekötött tartalék*) and the valuation reserves (in Hungarian, *értékelési tartalék*) at a level not lower than the registered capital and sets out specifically how profit after tax and profit reserves are to be adjusted for the purposes of dividend payment.

Corporate Law Requirements

The Act V of 2013 (the "**Hungarian Civil Code**") sets out the general requirements of dividend payments from a corporate law perspective for public companies ('Nyrt.'). Under the Hungarian Civil Code, the decision on the payment of any dividend falls within the exclusive competence of the General Meeting. The General Meeting may authorise the Board of Directors to decide on the payment of any interim dividends. The decision of the General Meeting to declare dividends or to authorise the Board of Directors to declare dividends requires a simple majority decision at the General Meeting.

Under the Hungarian Civil Code and the Company's Articles of Association, the shareholders are entitled to receive a share from the Company's profit that is available in accordance with the Hungarian Accounting Act and has been ordered for distribution by the General Meeting in the percentage consistent with the nominal value of their shares. Dividends are paid to the shareholders that are listed in the register of shareholders at the date of the shareholder identification. The date of the shareholder identification cannot be earlier than five trading days following the General Meeting. Dividends may be paid by means other than cash. Shareholders are entitled to receive dividends based on the capital contributions that have already been paid up. The Company pays dividend to the shareholders by way of bank transfer as of the date specified by the relevant resolution of the General Meeting. The dividend payment period commences on the date determined in the resolution of the General Meeting on the approval of the annual financial statement prepared in accordance with the Hungarian Accounting Act and the utilization of after tax profit. At least ten business days must expire between the date of the first appearance of the notice of the resolution of the General Meeting on the amount of dividend to be paid and the date of commencement of dividend payment and the date of commencement of the distribution of dividend.

The General Meeting, and pursuant to Section 3:263 (3) of the Hungarian Civil Code, the Board of Directors based on the authorisation received from the General Meeting, is entitled to adopt a decision on the payment of interim dividends between the approval of two consecutive financial statements if

- according to the interim balance sheet, the Company has funds sufficient to cover such interim dividends;
- the amount distributed does not exceed the amount of profits earned after the closing of the books of the financial year to which the last financial report pertains, and/or the amount supplemented with the available profit reserves; and
- the payment of such interim dividends may not result in the Company's adjusted equity capital to drop below its share capital.

If according to the annual financial statements prepared after the distribution of interim dividends there was no justification for the payment of dividends, such distribution must be returned by the shareholder if so requested by the Company.

Prior to the decision on the payment of any dividend or interim dividend, the Supervisory Board's opinion must be obtained.

Shareholders may claim the dividend as from the date of commencement of dividend payment until the expiry of the limitation period specified by law (five years). Thereafter any claim for dividend shall lapse. The Company is not obliged to pay interest on any dividend payment obligations.

Dividends payable in respect of treasury shares are considered as distributions due to the shareholders entitled to receive dividends in proportion to the nominal value of their shares.

CAPITALISATION AND INDEBTEDNESS

The following tables set forth the Group's total capitalisation and indebtedness as of 31 March 2017 which was derived from the Financial Statements (i) on an actual basis; and (ii) as adjusted to reflect the assumed gross proceeds of the sale of the New Shares at an assumed offer price at the mid-point of the Offer Price Range less the commissions, costs and expenses related to the Offering payable by the Company estimated at EUR 45.0 million.

This table should be read in conjunction with "Selected Historical Financial Information," "Management's Discussion and Analysis of Financial Condition and Results of Operations," and the Financial Statements and the related notes thereto, which appear elsewhere in this Prospectus.

Since 31 March 2017, there have been no material changes in the total capitalisation and indebtedness of the Group.

Capitalisation

	As of 31 March 2017	
	Actual	As adjusted
	<i>(in EUR thousands)</i>	
Total current debt	87,481	87,481
<i>of which</i>		
Guaranteed.....	<i>n/a</i>	<i>n/a</i>
Secured.....	<i>n/a</i>	<i>n/a</i>
Unguaranteed / unsecured.....	87,481	87,481
Total non-current debt (excluding current portion of long-term debt)	151,898	151,898
<i>of which</i>		
Guaranteed ⁽¹⁾	<i>n/a</i>	<i>n/a</i>
Secured ⁽²⁾	<i>n/a</i>	<i>n/a</i>
Unguaranteed / unsecured.....	151,898	151,898
Shareholder's equity		
Share capital.....	5,038	5,979
Legal reserve.....	<i>n/a</i>	44,038
Other reserve.....	112,560	112,560
Total equity	117,598	162,578
Total capitalisation	356,976	401,957

Net Indebtedness

	As of 31 March 2017	
	Actual	As adjusted
	<i>(in EUR thousands)</i>	
A. Cash	23,990	68,970
B. Cash equivalent	<i>n/a</i>	<i>n/a</i>
C. Trading securities	<i>n/a</i>	<i>n/a</i>
D. Liquidity (A) + (B) + (C).....	23,990	68,970
E. Current Financial Receivable	0	0
F. Current Bank debt	<i>n/a</i>	<i>n/a</i>
G. Current portion of non-current debt.....	87,481	87,481
H. Other current financial debt	<i>n/a</i>	<i>n/a</i>
I. Current Financial Debt (F)+(G)+(H)	87,481	87,481
J. Net Current Financial Indebtedness (I)-(E)-(D).....	63,491	18,511
K. Non current Bank loans	<i>n/a</i>	<i>n/a</i>
L. Bonds Issued	<i>n/a</i>	<i>n/a</i>
M. Other non current loans	151,898	151,898
N. Non current Financial Indebtedness (K)+(L)+(M)	151,898	151,898
O. Net Financial Indebtedness (J)+(N).....	215,389	170,409

SELECTED HISTORICAL FINANCIAL AND OPERATING INFORMATION

The following tables set forth selected consolidated financial information of the Group as of and for the three months ended 31 March 2017 and 2016 and as of and for the years ended 31 December 2016, 2015 and 2014. The following selected historical financial information has been derived from the Financial Statements included elsewhere in this Prospectus.

In this Prospectus, any reference to “pro forma” financial information is to information which has been prepared to illustrate the effect of the acquisition of the Insurance Company, which was acquired on 8 April 2016, and the currently ongoing acquisition of LINK (see “*Management’s Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK*” for more information) on the Group’s income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016 and on the Group’s balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016. See also the section “*Unaudited Pro Forma Financial Information*”, which includes the Pro Forma Financial Statements.

The selected historical financial information should be read in conjunction with the Financial Statements and the section entitled “*Management’s Discussion and Analysis of Financial Condition and Results of Operations*”. The Group’s results of operations in any period may not necessarily be indicative of the results that may be expected for any future period, see the section entitled “*Risk Factors*”.

Consolidated Statement of Income Data

	For the three months ended 31 March (unaudited)		Pro forma total for the year ended 31 December 2016 (unaudited)	For the year ended 31 December (audited)		
	2017	2016	(unaudited)	2016	2015	2014
<i>(in EUR thousands, except amounts per share and %)</i>						
Continuing activities						
Revenue	155,158	127,230	676,116	572,352	522,480	496,200
Direct wages, benefits and allowances	(23,104)	(19,448)	(97,850)	(86,590)	(70,004)	(64,176)
Fuel cost	(30,001)	(24,850)	(115,488)	(104,654)	(107,820)	(123,097)
Toll fees and transit costs	(25,221)	(24,363)	(106,683)	(94,229)	(93,590)	(86,288)
Cost of subcontractors and reinsurance fee	(29,919)	(22,099)	(154,824)	(110,549)	(92,208)	(81,498)
Cost of goods sold	(3,067)	(1,966)	(13,988)	(13,650)	(16,765)	(11,834)
Other cost ⁽¹⁾	(16,053)	(11,803)	(52,670)	(46,934)	(41,309)	(32,765)
Net gain on fleet sales	(26)	737	2,996	4,038	6,134	8,259
Gross profit	27,766	23,438	137,609	119,784	106,918	104,801
Indirect wages and benefits	(7,478)	(5,778)	(31,702)	(27,681)	(23,055)	(19,200)
Other services ⁽²⁾	(4,473)	(3,284)	(20,912)	(18,321)	(15,372)	(12,405)
Other operating income ⁽³⁾	1,933	2,870	8,560	6,208	6,996	9,358
Other operating expense ⁽⁴⁾	(469)	(788)	(12,059)	(10,808)	(5,184)	(14,418)
Profit before interest tax, depreciation and amortisation (EBITDA)(unaudited)	17,280	16,458	81,535	69,182	70,303	68,136
Depreciation and amortisation	(12,160)	(13,014)	(57,359)	(52,012)	(49,556)	(41,892)
Profit before interest and tax (EBIT)(unaudited)	5,120	3,444	24,177	17,170	20,747	26,244
Interest	(1,006)	(867)	(3,629)	(3,126)	(2,875)	(9,016)
Profit (loss) before income tax	4,114	2,578	20,548	14,044	17,872	17,228
Income taxes	(631)	(1,560)	(6,357)	(4,870)	(5,452)	(6,147)
Profit (loss) for the year	3,483	1,017	14,191	9,174	12,420	11,081
Attributable to:						
Equity holders of the parent	4,200	1,038	11,252	6,236	11,268	9,930
Non-controlling interest	(718)	(21)	2,939	2,938	1,152	1,151
Other comprehensive income						
Items to be reclassified subsequently to profit or loss						
Fair value of cash-flow hedge transaction (fuel and FX)—less deferred tax	723	423	1,796	1,796	(1,383)	(675)
Translation difference from foreign entities	285	2	(599)	(599)	132	5
Other comprehensive income	1,008	425	1,196	1,196	(1,252)	(671)
Total comprehensive income	4,491	1,442	15,387	10,370	11,168	10,410
Attributable to:						
Equity holders of the parent	5,209	1,461	12,448	7,540	10,016	9,259
Non-controlling interest	(718)	(19)	2,939	2,830	1,152	1,151
Earnings per share:						
Number of shares	14,393	14,469	14,469	14,469	14,494	14,496
Basic and diluted earnings per share	0.29	0.07	0.78	0.43	0.78	0.68
Adjusted EBITDA (unaudited)⁽⁵⁾	18,189	16,496	86,861	73,595	71,511	68,136⁽⁶⁾
Adjusted EBIT (unaudited)⁽⁵⁾	6,029	3,482	29,502	21,583	21,955	26,244⁽⁶⁾
Adjusted EBITDA Margin (unaudited)⁽⁵⁾	11.7%	13.0%	12.8%	12.9%	13.7%	13.7%⁽⁶⁾

Notes:

- (1) Other cost consists primarily of direct repair and maintenance costs, direct insurance costs, direct rental fees, vehicle tax and other contracts
- (2) Other services consist primarily of other indirect costs related to: property, IT and telecommunication, marketing, professional services and other services
- (3) Other operating income consists primarily of reversal of provision, damages received, fines, penalties, default interest, employee refunds, support received, reversal of receivable amortization, interest received on the insurance term deposits for covering loss reserves, other income
- (4) Other operating expense consists primarily of damages paid, provisions, impairment of receivables, penalties, fines, impairment of inventories, credit loss, impairment loss on fixed assets, provisions of insurance damages and various other expenses.
- (5) Please see “Presentation of Financial Information—Alternative Performance Measures” for reconciliation and further information on these measures.
- (6) No adjustments for 2014.

Consolidated Balance Sheet

	As of	As of 31 December (audited)		
	31 March 2017 (unaudited)	2016	2015	2014
		<i>(in EUR thousands)</i>		
Assets				
Total non-current assets	346,303	345,095	285,192	271,177
Total current assets.....	172,880	168,752	155,528	146,417
Total assets	519,183	513,847	440,720	417,594
Liabilities				
Total long-term liabilities	207,215	212,786	167,803	186,274
Total current liabilities.....	194,370	187,586	167,671	136,526
Total liabilities	401,586	400,372	335,474	322,800
Equity				
Share capital	5,038	5,038	5,129	5,129
Reserves and retained earnings.....	105,898	101,318	95,525	85,590
Translation difference	(451)	(737)	(137)	(229)
Non-controlling interest.....	7,113	7,856	4,729	4,303
Total shareholders' equity	117,597	113,475	105,246	94,794
Total equity and liabilities.....	519,183	513,847	440,720	417,594

Consolidated Statement of Cash Flows

	For the three months ended 31 March (unaudited)		For the year ended 31 December (audited)		
	2017	2016	2016	2015	2014
			<i>(in EUR thousands)</i>		
Net cash flows from (used in) operating activities.....	4,368	15,423	71,165	53,922	57,856
Net cash flows from (used in) investing activities.....	(1,211)	11,472	27,830	(16,480)	(621)
Net cash flows from (used in) financing activities	(10,833)	(17,387)	(77,769)	(47,942)	(52,191)
Cash and cash equivalents at end of the period	23,990	19,948	31,665	10,440	20,939
Free Cash Flow	2,929	15,559	68,467	33,703	59,681

Other Financial and Operating Data

	For the three months ended 31 March		For the years ended 31 December		
	2017	2016	2016	2015	2014
International Transportation Segment					
Average number of truck drivers	4,188	3,874	4,074	3,729	3,518
Average number of trucks	3,021	2,946	2,970	2,916	2,739
Total kilometres (millions) ⁽¹⁾	100.4	94.9	398.1	381.0	365.2
Average loaded ratio ⁽²⁾	92.0%	91.6%	91.6%	91.3%	90.9%
Revenue per loaded kilometre (EUR)	0.98	0.99	0.98	1.00	1.01
Kilometres per truck per month ⁽³⁾	11,074	10,742	11,171	10,886	11,110
Fuel consumption (litres per 100 kilometres)	31.2	31.1	30.0	30.1	30.1
Fuel price (EUR per litre)	0.86	0.75	0.78	0.87	1.01
Drivers per truck	1.39	1.31	1.37	1.28	1.28
Repair and maintenance costs (EUR cents per kilometre)	4.5	4.1	4.4	4.1	3.9
Insurance fees (EUR per truck per year)	6,944	7,803	8,111	6,305	3,964
Driver costs (EUR cents per kilometre)	18.8	17.9	18.3	15.2	14.4
Transit costs (EUR cents per kilometre)	21.3	21.1	20.5	22.0	21.2
Truck fleet renewal (number of trucks)	—	198	627	506	951
Truck fleet expansion (number of trucks)	60	—	—	171	166
Regional Contract Logistics Segment					
Average number of truck drivers	859	634	719	610	598
Average number of trucks	647	536	580	517	529
Total kilometres (millions) ⁽¹⁾	13.8	10.4	49.0	41.3	42.6
Average loaded ratio ⁽²⁾	— ⁽⁴⁾	— ⁽⁴⁾	86.0%	84.5%	83.9%
Revenue per loaded kilometre	0.92	0.97	1.13	1.17	1.15
Kilometres per truck per month ⁽³⁾	7,130	6,503	7,046	6,659	6,710
Warehousing capacity (square metres)	182,399	168,982	162,779	153,961	146,637
Revenue per used square meter of warehousing capacity (EUR per year)	136	110	130	118	107
Fuel consumption (litres per 100 kilometres)	28.7	29.3	28.3	29.3	30.0
Fuel price (EUR per litre)	0.87	0.68	0.76	0.81	0.94
Drivers per truck	1.33	1.18	1.24	1.18	1.13
Repair and maintenance costs (EUR cents per kilometre)	5.2	6.5	5.9	6.1	6.7
Insurance fees (EUR per truck per year)	2,196	1,690	1,852	2,038	2,245
Driver costs (EUR cents per kilometre)	22.3	18.9	21.7	20.3	15.7
Transit costs (EUR cents per kilometre)	20.5	20.0	20.3	19.4	16.8
Truck fleet renewal (number of trucks)	—	48	41	149	100
Truck fleet expansion (number of trucks)	7	—	195	32	—
Indebtedness Overview⁽⁵⁾					
Net Financial Indebtedness (in EUR thousands)	215,389	226,788	211,432	232,412	209,844
Net Leverage Ratio	3.1x	3.5x	3.1x	3.3x	3.1x
Adjusted Pro Forma Net Leverage Ratio	2.9x	3.4x	2.8x	3.3x	3.1x
Gross Financial Indebtedness (in EUR thousands)	239,379	246,736	243,098	242,851	230,783
Net Working Capital					
Main Working Capital Items					
Inventory	3.0	3.3	3.3	2.9	3.3
Trade receivables	100.0	90.5	88.1	87.6	82.6
Other current assets	45.9	48.9	45.6	54.6	39.6
Other current liabilities	15.2	17.8	15.8	16.3	10.0
Other current payables	87.2	67.3	84.0	70.3	75.3
Cash Conversion Cycle					
Days-in-inventory	1.6	2.1	1.9	1.9	4.6
Days-in-receivables	58.5	59.7	54.0	56.8	64.5
Days-in-other assets	24.1	31.9	26.4	31.3	27.7
Days-in-other liabilities	10.2	9.2	11.4	7.4	8.4
Days-in-payables	56.0	59.1	56.3	58.7	52.7
Other Measures⁽⁵⁾					
ROCE (%)	7.38	9.49	6.91	7.22	9.17

Notes:

(1) These figures are as of the end of the relevant period.

(2) Calculated as total number of kilometres driven carrying loads divided by total number of kilometres driven during the relevant period.

(3) Calculated as total running kilometres divided by the average number of trucks for a given month.

(4) Data not available.

(5) Please see “Presentation of Financial and Other Information—Alternative Performance Measures” for definitions of the measures below.

UNAUDITED PRO FORMA FINANCIAL INFORMATION

On 8 April 2016, the Group acquired the Insurance Company and the Group's business was expanded to include the provision of non-life insurance products in Hungary. Further, on 26 May 2017, the Company as purchaser entered into a preliminary share sale agreement for the shares of LINK; however, the closing of the transaction is subject to fulfilment of certain conditions (see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK" for more information). The unaudited pro forma financial information of the Group presented in this section and other places of this Prospectus has been prepared to illustrate the effect of the acquisition of the Insurance Company and of LINK on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016 and on the Group's balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016. Together with LINK, the Company also acquired a company called Link Services sp. z o.o.; however, Link Services sp. z o.o. operates as an agency which recruits temporary workers (mainly drivers) for LINK. Link Services sp. z o.o. is not included in the pro forma financial information presented elsewhere in this prospectus (see "Presentation of Financial and Other Information—Pro Forma Financial Information" and "Unaudited Pro Forma Financial Information"). The information included in this Prospectus relates to LINK only and the Prospectus contains no further information on Link Services sp. z o.o. due to its immateriality. With respect to the acquisition of the Insurance Company, the Company prepared the pro forma information on a voluntary basis.

The unaudited pro forma income statement and balance sheet have been prepared for illustrative purposes only and, because of their nature, address a hypothetical situation and do not, therefore, represent the Group's actual financial position or results.

Prospective investors should read the whole Prospectus and not rely solely on the unaudited financial information in this section. Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság's report on the Pro Forma Financial Statements is set out in this section. For more information on the Pro Forma Financial Statement and the pro forma financial information included in this Prospectus, see section "Presentation of Financial and Other Information—Pro Forma Financial Information".

The responsibility statement in the above paragraph entitled "Management's responsibility for the Pro Forma Financial Information" and "Auditors' responsibility" in Section A below is not, and is not required to be, part of the responsibility statement in the section "Responsibility Statement".

Section A: Independent Auditors' Assurance Report on the Compilation of the Pro Forma Consolidated Financial Information

INDEPENDENT AUDITORS' ASSURANCE REPORT ON THE COMPILATION OF PRO FORMA CONSOLIDATED FINANCIAL INFORMATION

To the Board of Directors of Waberer's International Zrt.

We have completed our assurance engagement to report on the compilation by management of pro forma consolidated financial information of Waberer's International Zrt. ("the Company") and its subsidiaries ("the Group"). The pro forma consolidated financial information consists of the pro forma consolidated statement of financial position as at 31 December 2016, the pro forma consolidated statement of comprehensive income for the year 2016 and selected explanatory notes. The applicable criteria on the basis of which management has compiled the pro forma consolidated financial information are specified in Commission Regulation (EC) No. 809/2004 and the basis of compilation is described in Note 2 and Note 3 to the pro forma consolidated financial information.

The pro forma consolidated financial information has been compiled by management of Waberer's International Zrt. to illustrate the impact of the acquisition of Wáberer Hungária Biztosító Zrt. ("WHB") and the planned acquisition of Link sp. z o.o. ("LINK").

The acquisition of WHB was approved by the shareholders of Waberer's International Zrt. on 8 April 2016. The acquisition of LINK is in progress. On 26 May 2017, the Company as purchaser and Aleksandra Ellert as seller entered into a share sale agreement for the shares of LINK and Link Services sp. z o.o. Closing of the transaction is conditional upon (i) obtaining an unconditional approval of the completion of the transaction from the relevant Polish and German competition authorities and (ii) commencement of trading in the Company's shares on the Budapest Stock Exchange. The pro forma consolidated financial information has been compiled by management, set out in Note 1, on the Group's financial performance for the period from 1 January 2016 to 31 December 2016 as if these acquisitions had taken place on 1 January 2016.

As part of this process, information about the Group's financial performance has been extracted by management from the Group's consolidated financial statements for the year ended 31 December 2016 prepared in accordance with International Financial Reporting Standards ("IFRS") as adopted by the European Union, on which we issued an audit report on 31 May 2017 and from the special purpose unaudited financial information prepared for consolidation purposes of WHB and its subsidiary, Közdülő Invest Kft. and the unaudited financial information of LINK prepared in accordance with IFRS as adopted by the European Union.

Management's responsibility for the Pro Forma Financial Information

Management is responsible for compiling the pro forma consolidated financial information on the basis of the requirements of the Commission Regulation (EC) No. 809/2004 and criteria described in Note 3 to the pro forma consolidated financial information.

Auditors' responsibility

Our responsibility is to express an opinion, as required by item 7 of Annex II of the Commission Regulation (EC) No. 809/2004, about whether the pro forma consolidated financial information has been compiled, in all material respects, by management on the basis of compilation described in Note 3 to the pro forma consolidated financial information.

We conducted our engagement in accordance with International Standard on Assurance Engagements (ISAE) 3420, *Assurance Engagements to Report on the Compilation of Pro Forma Financial Information Included in a Prospectus*, issued by the International Auditing and Assurance Standards Board. This standard requires that the auditors comply with ethical requirements and plan and perform procedures to obtain reasonable assurance about whether management has compiled, in all material respects, the pro forma financial information on the basis of compilation described in Note 3 to the pro forma consolidated financial information.

For purposes of this engagement, we are not responsible for updating or reissuing any reports or opinions on any historical financial information used in compiling the pro forma consolidated financial information, nor have we, in the course of this engagement, performed an audit or review of the financial information used in compiling the pro forma financial information.

The purpose of pro forma consolidated financial information is solely to illustrate the impact of a significant event or transaction on unadjusted financial information of the entity as if the event had occurred or the transaction had been undertaken at an earlier date selected for purposes of the illustration. Accordingly, we do not provide any assurance that the actual outcome of the acquisition at 1 January 2016 would have been as presented.

A reasonable assurance engagement to report on whether the pro forma financial information has been compiled, in all material respects, on the basis of the applicable criteria involves performing procedures to assess whether the applicable criteria used by management in the compilation of the pro forma financial information provide a reasonable basis for presenting the significant effects directly attributable to the event or transaction, and to obtain sufficient appropriate evidence about whether:

- The related pro forma adjustments give appropriate effect to those criteria; and
- The pro forma financial information reflects the proper application of those adjustments to the unadjusted financial information.

The procedures selected depend on the auditors' judgment, having regard to the auditors' understanding of the nature of the Company, the event or transaction in respect of which the pro forma financial information has been compiled, and other relevant engagement circumstances. The engagement also involves evaluating the overall presentation of the pro forma financial information.

We believe that the evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Opinion

In our opinion, (a) the pro forma consolidated financial information has been properly compiled on the basis stated; and (b) that basis is consistent with the accounting policies of Waberer's International Zrt.

31 May 2017

On behalf of

Ernst & Young Könyvvizsgáló Kft.

Zsuzsanna Bartha

Partner

Section B: Unaudited Pro Forma Financial Information

Unaudited Pro Forma consolidated statement of financial position as at 31 December 2016

	As at 31 December 2016			
	Waberer's International Zrt. audited historical consolidated financial statements	LINK unaudited financial statements in accordance with IFRS	LINK transaction related acquisition accounting	Pro forma balance (adjusted for acquisition of LINK)
	<i>(in EUR)</i>			
Non-current assets				
Property	21,174,973			21,174,973
Fixed assets not yet capitalized.....	3,117,234	5,322		3,122,558
Vehicles	233,302,656	32,300,286		265,602,942
Other equipment	6,619,085	33,824		6,952,909
Total property, plant and equipment.....	264,213,950	32,639,432		296,853,382
Intangible assets	2,005,707	28,802		2,034,509
Goodwill	18,502,088	—	32,000,000	50,502,088
Other Financial investments – Debt instruments – Long term	26,306,728	—		26,306,728
Other Financial investments – Equity instruments – Long term	17,994,385	—		17,994,385
Other non-current financial assets	931,022	47,460		978,482
Reinsurance amount of technical reserves.....	14,584,004	—		14,584,004
Deferred tax asset	557,304	—		557,304
Total non-current assets	345,095,188	32,715,694	32,000,000	409,810,882
Current assets				
Inventories.....	3,314,497	—		3,314,497
Current income taxes	2,537,435	—		2,537,435
Trade receivables.....	88,126,518	23,772,295		111,898,813
Other current assets and derivatives	41,039,802	1,725,519		42,765,321
Cash and cash equivalents	31,665,305	1,760,234		33,425,539
Assets classified as held for sale.....	2,068,319	—		2,068,319
Total current assets	168,751,876	27,258,048	—	196,009,924
Total assets	513,847,064	59,973,742	32,000,000	605,820,806
Shareholders' Equity				
Share capital	5,037,513	610,196	175,769	5,823,478
Reserves and retained earnings.....	101,317,836	1,700,052	29,789,069	132,806,957
Translation difference	(736,505)	25,209		(711,296)
Total equity attributable to the equity holders of the parent company	105,618,844	2,335,457	29,964,838	137,919,139
Non-controlling interest	7,855,965	—	—	7,855,968
Total Shareholders' Equity	113,474,809	2,335,457	29,964,838	145,775,104
Long-Term Liabilities				
Long-term portion of long-term loans	—	—		—
Long-term portion of leasing liabilities	162,244,189	26,995,023		189,239,212
Deferred tax liability.....	3,443,489	—		3,443,489
Provisions.....	16,868,591	—		16,868,591
Other long-term liabilities	—	—		—
Other insurance technical provision – long term...	30,229,923	—		30,229,923
Total Long-term Liabilities	212,786,192	26,995,023	—	239,781,215

As at 31 December 2016

	Waberer's International Zrt. audited historical consolidated financial statements	LINK unaudited financial statements in accordance with IFRS	LINK transaction related acquisition accounting	Pro forma balance (adjusted for acquisition of LINK)
	<i>(in EUR)</i>			
Current Liabilities				
Short-term loans and borrowings	14,981,432	9,797,483		24,778,915
Short-term portion of leasing liabilities	65,872,100	5,222,823		71,094,923
Short-term liabilities to previous shareholder	—	—	2,035,162	2,035,162
Trade payables	83,999,380	14,342,225		98,341,605
Current income taxes (corporation and special tax, business tax)	195,461	—		195,461
Provisions	2,771,753	81,585		2,853,338
Other current liabilities and derivatives	12,802,827	1,199,146		14,001,973
Other insurance technical provision – short term .	6,963,110	—		6,963,110
Total Current Liabilities	187,586,063	30,643,262	2,035,162	220,264,487
Total Liabilities	400,372,255	57,638,285	2,035,162	460,045,702
Total Equity and Liabilities	513,847,064	59,973,742	32,000,000	605,820,806

Unaudited Pro Forma consolidated statement of comprehensive income for the year ended 31 December 2016

	For the year ended 31 December 2016				
	Waberer's International Zrt. audited historical consolidated financial statements	WHB and KI unaudited special purpose financial statements	Pro forma results (adjusted for acquisition of WHB and KI)	LINK unaudited financial statements in accordance with IFRS	Pro form a results (adjusted for acquisition of WHB, KI and LINK)
	<i>(in EUR unless otherwise indicated)</i>				
Continuing activities					
Revenue	572,351,812	9,454,713	581,806,525	94,309,323	676,115,848
Direct wages, benefits and allowances	(86,589,999)	—	(86,589,999)	(11,260,276)	(97,850,275)
Fuel	(104,653,741)	—	(104,653,741)	(10,833,892)	(115,487,633)
Toll fees and transit costs	(94,229,000)	—	(94,229,000)	(12,453,518)	(106,682,518)
Cost of subcontractors and reinsurance fee.....	(110,549,029)	(4,968,941)	(115,517,970)	(39,305,585)	(154,823,555)
Cost of goods sold	(13,649,638)	—	(13,649,638)	(338,639)	(13,988,277)
Other cost.....	(46,934,161)	(2,165,857)	(49,100,018)	(3,750,024)	(52,670,042)
Net gain on fleet sales	4,037,809	—	4,037,809	(1,041,870)	(2,995,939)
Gross profit	119,784,053	2,319,915	122,103,968	15,505,519	137,609,487
Indirect wages and benefits.....	(27,680,811)	(557,796)	(28,238,607)	(3,463,709)	(31,702,316)
Other services	(18,320,987)	(145,332)	(18,466,319)	(2,445,845)	(20,912,164)
Other operating income	6,208,245	1,376,410	7,584,655	1,015,176	8,599,831
Other operating expense	(10,808,446)	(210,197)	(11,018,643)	(1,040,719)	(12,059,362)
Profit before interest tax, depreciation and amortisation (EBITDA)	69,182,054	2,783,000	71,965,054	9,570,422	81,535,476
Depreciation and Amortization.....	(52,012,130)	(75,903)	(52,088,033)	(5,270,709)	(57,359,742)
Profit before interest and tax (EBIT)	17,169,924	2,707,097	19,877,021	4,299,713	24,176,734
Interest	(3,126,371)	34,529	(3,091,842)	(537,323)	(3,429,165)
Profit (loss) before income tax	14,043,553	2,741,626	16,785,179	3,762,390	20,547,569
Income taxes	(4,869,626)	(502,584)	(5,372,210)	(984,340)	(6,356,550)
Profit (loss) for the year	9,173,927	2,239,042	11,412,969	2,778,050	14,191,019

Notes to the unaudited consolidated *pro forma* financial information

1. Introduction

Waberer's International Zrt. (hereafter: "Company") is an enterprise based in Hungary. Registered office: 1239 Budapest Nagykörösi út 351. The unaudited consolidated *pro forma* financial information as at and for the year ended 31 December 2016 comprise the Company and its subsidiaries (hereinafter collectively referred to as: the "Group") as well as the Group's interests in associates and jointly controlled entities. The Group's core activity is ground transportation, forwarding and logistics services.

On 28 December 2015, the Company entered into a share sale and purchase agreement with VKH Vagyonkezelő Kft. and W-NEW Holding Kft., entities both controlled by Mr. György Wáberer, to purchase 100% of the shares of Wáberer Hungária Biztosító Zrt. ("WHB"), an insurance company controlled by Mr. György Wáberer for a final purchase price of HUF 4 billion. Wáberer Hungária Biztosító Zrt. has a subsidiary of Közdülő Invest Kft. ("KI"). The Hungarian National Bank, as supervisory authority, as well as the Hungarian and Slovak competition authorities granting their respective consent to the underlying transaction subject to the approval of shareholders, which was approved as at 8 April 2016. Afterwards Waberer's Group management made every necessary decision to take over control of WHB.

On 26 May 2017, the Company as purchaser and Aleksandra Ellert as seller entered into a preliminary share sale agreement for the shares of LINK. Closing of the transaction is conditional upon (i) obtaining an unconditional approval of the completion of the transaction from the relevant Polish and German competition authorities and (ii) commencement of trading in the Company's shares on the Budapest Stock Exchange.

2. Purpose of the unaudited consolidated *pro forma* financial information

The Group acquired WHB as at 8 April 2016 and consolidated WHB from 1 April 2016. The acquisition of LINK is still in progress. This unaudited *pro forma* consolidated financial information was prepared to illustrate the effects on the operational performance of the Group for the twelve months period ended 31 December 2016 of the acquisitions of WHB and LINK, as if they had been completed on 1 January 2016.

The *pro forma* consolidated income statement describes a hypothetical situation and has been prepared solely for illustrative purposes and does not purport to represent what the actual consolidated results of operations of the Group would have been had the acquisitions occurred on the date assumed, nor are they necessarily indicative of future consolidated results of operations.

In addition, it is based on available information and various assumptions that management believes to be reasonable. The actual results may differ from those reflected in the unaudited *pro forma* consolidated financial information for a number of reasons, including, but not limited to, differences between the assumptions used to prepare the unaudited *pro forma* consolidated financial information and actual amounts.

The unaudited *pro forma* consolidated financial information consists of the *pro forma* consolidated statement of comprehensive income for the year 2016 and selected notes.

3. Basis of preparation of the unaudited consolidated *pro forma* financial information

In the process of preparation of the unaudited consolidated *pro forma* financial information, the Group's audited statement of financial position as at 31 December 2016 and statement of comprehensive income for the year ended 31 December 2016 prepared in accordance with IFRS and adopted by the EU were adjusted as follows:

- firstly WHB's and KI's unaudited special purpose statements of comprehensive income for the period between 1 January 2016 and 31 March 2016 were prepared in EUR and in accordance with IFRS as adopted by EU and the significant IFRS accounting policies of the Group with eliminating all effects of inter-company transactions between the Group, WHB and KI;
- then WHB's and KI's unaudited special purpose statements of comprehensive income for the period between 1 January 2016 and 31 March 2016 were combined with the audited statement of comprehensive income prepared in accordance with IFRS as adopted by EU of the Group for the year ended 31 December 2016, so as to present the effects of this acquisition as if this transaction had already occurred on 1 January 2016.

- the Group's audited statement of financial position as at 31 December 2016 was not modified by any effects of the acquisition of WHB and KI as they were consolidated by the Group since 1 April 2016, consequently included in the Group's audited statement of financial position as at 31 December 2016.
- then LINK's audited statements of financial position as at 31 December 2016 and statements of comprehensive income for the year ended 31 December 2016 prepared in PLN in accordance with Polish GAAP, respectively, were translated from PLN to EUR;
- then LINK's audited statements of financial position as at 31 December 2016 and statements of comprehensive income for the year ended 31 December 2016 translated in EUR were adjusted for identified significant IFRS restatement adjustments, so as to align them with the presentation of the statement of financial position and the statement of comprehensive income prepared in accordance with IFRS as adopted by EU and the significant IFRS accounting policies of the Group;
- subsequently, LINK's audited statements of financial position as at 31 December 2016 and statements of comprehensive income for the year ended 31 December 2016 translated in EUR and adjusted for identified significant IFRS restatement adjustments were combined with the audited statement of financial position and the statement of comprehensive income prepared in accordance with IFRS as adopted by EU of the Group for the year ended 31 December 2016, so as to present the effects of this acquisition as if this transaction had already occurred on 1 January 2016 with estimated adjustments for purchase price allocation and goodwill determination reflected on the pro forma statement of financial position.
- there were no inter-company transactions between the Group and LINK, which should have been eliminated in either the pro forma statement of financial position or statement of comprehensive income.

No synergies or integration costs of the above mentioned acquisition have been taken into consideration in the preparation of the unaudited pro forma consolidated financial information.

4. Details of adjustments in the *pro forma* consolidated statement of comprehensive income for the year 2016

	Waberer's International Zrt. audited historical consolidated financial statements	WHB and KI unaudited special purpose financial statements	Pro forma results (adjusted for acquisition of WHB and KI)
	<i>(in EUR)</i>		
<u>Continuing activities</u>			
Revenue	572,351,812	9,454,713	581,806,525
Direct wages, benefits and allowances	(86,589,999)	—	(86,589,999)
Fuel	(104,653,741)	—	(104,653,741)
Toll fees and Transit Costs	(94,229,000)	—	(94,229,000)
Cost of Subcontractors and reinsurance fee	(110,549,029)	(4,968,941)	(115,517,970)
Cost of goods sold	(13,649,638)	—	(13,649,638)
Other cost	(46,934,161)	(2,165,857)	(49,100,018)
Net gain on fleet sales	4,037,809	—	4,037,809
Gross profit	119,784,053	2,319,915	122,103,968
Indirect wages and benefits	(27,680,811)	(557,796)	(28,238,607)
Other services	(18,320,987)	(145,332)	(18,466,319)
Other operating income	6,208,245	1,376,410	7,584,655
Other operating expense	(10,808,446)	(210,197)	(11,018,643)
Profit before interest tax, depreciation and amortization (EBITDA)	69,182,054	2,783,000	71,965,054
Depreciation and Amortization	(52,012,130)	(75,903)	(52,088,033)
Profit before interest and tax (EBIT)	17,169,924	2,707,097	19,877,021
Interest	(3,126,371)	34,529	(3,091,842)
Profit (loss) before income tax	14,043,553	2,741,626	16,785,179
Income taxes	(4,869,626)	(502,584)	(5,372,210)
Profit (loss) for the year	9,173,927	2,239,042	11,412,969

WHB's and KI's unaudited special purpose statements of comprehensive income for the period between 1 January 2016 and 31 March 2016 can be found above.

The Group prepared a pro forma consolidated pro forma consolidated statement of comprehensive income for the year 2016 by these adjustments on consolidating WHB and KI in whole year of 2016 (from 1 January 2016 to 31 December 2016) instead of for the period of 1 April 2016 to 31 December 2016 as in the statutory financial statements. Accordingly these adjustments have a continuing effect on the Group.

The Group's audited statement of financial position as at 31 December 2016 was not modified by any effects of the acquisition of WHB and KI as they were consolidated by the Group since 1 April 2016, consequently included in the Group's audited statement of financial position as at 31 December 2016.

Pro forma results (adjusted for acquisition of WHB and KI only)

	International Transportation	Regional Contract Logistics	Other	Inter-segment transfers	Total
<u>Continuing activities</u>					
Revenue	451,401,436	97,970,177	41,365,984	(8,931,072)	581,806,525
inter-segment revenue.....	(7,979,410)	(951,662)			
Revenue	443,422,026	97,018,515	41,365,984	(8,931,072)	581,806,525
Direct wages, benefits and allowances	(75,534,341)	(11,055,658)			(86,589,999)
Fuel	(95,890,574)	(8,774,123)		10,956	(104,653,741)
Toll fees and transit costs	(80,584,905)	(13,884,460)		240,365	(94,229,000)
Cost of subcontractors and reinsurance fee.....	(70,539,711)	(25,214,637)	(21,018,693)	1,255,071	(115,517,970)
Cost of goods sold	(13,697,252)	(5,124,668)		5,172,282	(13,649,638)
Other cost.....	(25,609,219)	(9,736,306)	(14,105,972)	351,479	(49,100,018)
Net gain on fleet sales	3,915,190	100,551	22,068		4,037,809
Gross profit	93,460,624	24,280,876	6,263,387	(1,900,919)	122,103,968
Indirect wages and benefits.....	(21,629,070)	(5,429,512)	(1,180,025)		(28,238,607)
Other services	(13,722,558)	(5,923,259)	(654,994)	1,834,492	(18,466,319)
Other operating income	5,954,255	1,057,794	539,420	33,186	7,584,655
Other operating expense	(9,871,613)	(980,965)	(199,306)	33,241	(11,018,643)
Profit before interest tax, depreciation and amortisation (EBITDA)	54,191,638	13,004,934	4,768,482		71,965,054
Depreciation and amortisation	(45,404,498)	(6,619,862)	(63,673)		(52,088,033)
Profit before interest and tax (EBIT)	8,787,140	6,385,072	4,704,809		19,877,021
Interest	(2,333,093)	(728,314)	(30,435)		(3,091,842)
Profit (loss) before income tax	6,454,047	5,656,758	4,674,374		16,785,179
Income taxes	(2,517,425)	(1,378,862)	(1,475,923)		(5,372,210)
Profit (loss) for the year	3,936,622	4,277,896	3,198,451		11,412,969
<u>Discontinued operation</u>					
Profit/loss from discontinued operation (decreased with deferred tax)					
Current year profit/loss					11,412,969
Attributable to:					
Equity holders of the parent.....					8,473,839
Non-controlling interest.....					2,939,130
					11,412,969
<u>Other comprehensive income</u>					
Items to be reclassified subsequently to profit or loss					
Fair value of cash-flow hedge transaction (fuel and FX) – less deferred tax					1,795,726
Translation difference from foreign entities.....					(599,364)
Other comprehensive income					1,196,362
Total comprehensive income					12,609,331

Pro forma results (adjusted for acquisition of WHB and KI only)

	International Transportation	Regional Contract Logistics	Other	Inter-segment transfers	Total
Attributable to:					
Equity holders of the parent.....					9,670,201
Non-controlling interest.....					2,939,130
					12,609,331
Earnings per share:					
Number of shares.....					14,469,149
Basic and diluted EPS (EUR/share)					0.59
Reported EBITDA	54,191,638	13,004,934	4,768,482		71,965,054
Non-recurring items.....	4,247,642		165,000		4,412,642
Recurring EBITDA	58,439,280	13,004,934	4,933,482		76,377,696
Reported EBIT	8,787,140	6,385,072	4,704,809		19,877,021
Non-recurring items.....	4,247,642		165,000		4,412,642
Recurring EBIT	13,034,782	6,385,072	4,869,809		24,289,663
Reported Net Profit.....	3,936,622	4,277,896	3,198,451		11,412,969
Non-recurring items.....	4,247,642		165,000		4,412,642
Recurring Net Profit.....	8,184,264	4,277,896	3,363,451		15,825,611

The above schedule shows the results adjusted for the acquisition of WHB and KI only per segment. Non-recurring items are disclosed in Note 6.

5. Details of adjustments in the pro forma consolidated statement of financial position as at 31 December 2016

As at 31 December 2016

	Waberer's International Zrt. audited historical consolidated financial statements	LINK unaudited financial statements in accordance with IFRS	LINK transaction related acquisition accounting	Notes	Pro forma balance (adjusted for acquisition of LINK)
			(in EUR)		
Non-current Assets					
Property.....	21,174,973	—			21,174,973
Fixed assets not yet capitalized....	3,117,236	5,322			3,122,558
Vehicles	233,302,656	32,300,286			265,602,942
Other equipment	6,619,085	333,824			6,952,909
Total property, plant and equipment.	264,213,950	32,639,432			296,853,382
Intangible assets	2,005,707	28,802			2,034,509
Goodwill.....	18,502,088	—	32,000,000	Note 1	50,502,088
Other Financial investments—					
Debt instruments – Long term	26,306,728	—			26,306,728
Other Financial investments –					
Equity instruments – Long term..	17,994,385	—			17,994,385
Other non-current financial assets	931,022	47,460			978,482
Reinsurance amount of technical reserves	14,584,004	—			14,584,004
Deferred tax asset	557,304	—			557,304
Total Non-current Assets.....	345,095,188	32,715,694	32,000,000		409,810,882
Current Assets					
Inventories.....	3,314,497	—			3,314,497
Current income taxes	2,537,435	—			2,537,435
Trade receivables.....	88,126,518	23,772,295			111,898,813
Other current assets and derivatives	41,039,802	1,725,519			42,765,321
Cash and cash equivalents	31,665,305	1,760,234			33,425,539
Assets classified as held for sale...	2,068,319	—			2,068,319
Total current assets.....	168,751,876	27,258,048	—		196,009,924
Total assets	513,847,064	59,973,742	32,000,000		605,820,806

Note 1

Goodwill: A new goodwill relating to the acquisition of LINK has been recorded for an amount of EUR 32,000,000. The goodwill being ultimately determined by difference between the consideration transferred and the fair value of the acquired LINK's identifiable net assets. The offered purchase price for 100% share of LINK is EUR 32 million. Based on the agreement with the previous owner all shareholders' equity as at 31 December 2016 will be distributed as dividend to the previous owner. Accordingly the total net identifiable net assets at net book value is zero. Based on the current consideration of the Group's management the fair values of the identifiable assets and liabilities of LINK as at the date of acquisition are zero as well, accordingly the purchase consideration will be transferred at EUR 32,0000 was recorded as goodwill in the pro forma consolidated statement of financial position as at 31 December 2016. This adjustment has a continuing effect on the Group.

Total identifiable net assets at fair value	—
Non-controlling interest measured at fair value	—
Goodwill arising on acquisition	32,000,000
Purchase consideration will be transferred	32,000,000

As at 31 December 2016

	Waberer's International Zrt. audited historical consolidated financial statements	LINK unaudited financial statements in accordance with IFRS	LINK transaction related acquisition accounting	Notes	Pro forma balance (adjusted for acquisition of LINK)
			(in EUR)		
Shareholders' Equity					
Share capital.....	5,037,513	610,196	175,769	Note 2	5,823,478
Reserves and retained earnings....	101,317,836	1,700,052	29,789,069	Note 3	132,806,957
Translation difference	(736,505)	25,209			(711,296)
Total equity attributable to the equity holders of the parent company	105,618,844	2,335,457	29,964,838		137,919,139
Non-controlling interest	7,855,965	—			7,855,968
Total Shareholders' Equity	113,474,809	2,335,457	29,964,838		145,775,104
Liabilities					
Long-Term Liabilities					
Long-term portion of long-term loans	—	—			—
Long-term portion of leasing liabilities	162,244,189	26,995,023			189,239,212
Deferred tax liability	3,443,489	—			3,443,489
Provisions	16,868,591	—			16,868,591
Other long-term liabilities	—	—			—
Other insurance technical provision – long term.....	30,229,923	—			30,229,923
Total Long-term Liabilities	212,786,192	26,995,023	—		239,781,215
Current Liabilities					
Short-term loans and borrowings	14,981,432	9,797,483			24,778,915
Short-term portion of leasing liabilities	65,872,100	5,222,823			71,094,923
Short-term liabilities to previous shareholder	—	—	2,035,162	Note 4	2,035,162
Trade payables	83,999,380	14,342,225			98,341,605
Current income taxes (corporation and special tax, business tax).....	195,461	—			195,461
Provisions	2,771,753	81,585			2,853,338
Other current liabilities and derivatives	12,802,827	1,199,146			14,001,973
Other insurance technical provision—short term	6,963,110	—			6,963,110
Total Current Liabilities.....	187,586,063	30,643,262	2,035,162		220,264,487
Total Liabilities	400,372,255	57,638,285	2,035,162		460,045,702
Total Equity and Liabilities.....	513,847,064	59,973,742	32,000,000		605,820,806

Note 2

The acquisition of LINK is conditional upon commencement of trading in the Group's shares on the Budapest Stock Exchange. The equity purchase price of LINK in the amount of EUR 32,000,000 is to be fully funded by the Company from its net proceeds from this offering. Accordingly the future instalment of the purchase price was recorded as equity increase in the pro forma consolidated statement of financial position as at 31 December 2016. Considering the latest available fair market

value of the Company's shares, in the pro forma balance sheet share capital was increased by EUR 175,769. This adjustment has a continuing effect on the Group.

Note 3

As discussed in Note 2 the purchase price was recorded as equity increase in the pro forma consolidated statement of financial position as at 31 December 2016. Considering the latest available fair market value of the Company's shares, in the pro forma balance sheet reserves and retained earnings have been increased by EUR 31,824,231. This adjustment has a continuing effect on the Group. However, as discussed in Note 1, based on the agreement with the previous owner all shareholders' equity as at 31 December 2016 will be distributed as dividend to the previous owner. Consequently, reserves and retained earnings have been decreased by EUR 2,035,162. As this dividend is paid only once at the acquisition, this adjustment has no continuing effects on the Group.

Reserves and retained earnings increase for funding the purchase price	31,824,231
Reserves and retained earnings decrease due to dividend to the previous owner	(2,035,162)
Total increase in reserves and retained earnings	29,789,069

Note 4

As discussed in Note 1, based on the agreement with the previous owner all shareholders' equity as at 31 December 2016 will be distributed as dividend to the previous owner. Consequently, EUR 2,035,162 short-term liabilities to previous owner was recorded in the pro forma consolidated statement of financial position as at 31 December 2016. As this dividend is paid only once at the acquisition, this adjustment has no continuing effects on the Group. This adjustment has been considered as a net debt increasing adjustment in the pro forma consolidated statement of financial position as at 31 December 2016 as follows:

Cash	33,425,539
Loans	24,778,915
Short-term liabilities to previous shareholder	2,035,162
Leases	260,334,135
Net Debt	253,722,673

These adjustments have no effect on the pro forma consolidated statement of comprehensive income for the year 2016.

6. Details of adjustments in the unaudited pro forma consolidated statement of comprehensive income for the year 2016

Pro forma results (adjusted for acquisition of WHB, KI and LINK)					
	International Transportation	Regional Contract Logistics	Other	Inter-segment transfers	Total
	<i>(in EUR)</i>				
Continuing activities					
Revenue	545,710,759	97,970,177	41,365,984	(8,931,072)	676,115,848
inter-segment revenue	(7,979,410)	(951,662)	—	—	—
Revenue	537,731,349	97,018,515	41,365,984	(8,931,072)	646,115,848
Direct wages, benefits and allowances	(86,794,617)	(11,055,658)	—	—	(97,850,275)
Fuel	(106,724,466)	(8,774,123)	—	10,956	(115,487,633)
Toll fees and transit costs	(93,038,423)	(13,884,460)	—	240,365	(106,682,518)
Cost of subcontractors and reinsurance fee	(109,845,296)	(25,214,637)	(21,018,693)	1,255,071	(154,823,555)
Cost of goods sold	(14,035,891)	(5,124,668)	—	5,172,282	(13,988,277)
Other cost	(29,179,243)	(9,736,306)	(14,105,972)	351,479	(52,607,042)
Net gain on fleet sales	2,873,320	100,551	22,068	—	4,037,809
Gross profit	108,966,143	24,280,876	6,263,387	(1,900,919)	137,609,487
Indirect wages and benefits	(25,092,779)	(5,429,512)	(1,180,025)	—	(31,702,316)
Other services	(16,168,403)	(5,923,259)	(654,994)	1,834,492	(20,912,164)
Other operating income	6,969,431	1,057,794	539,420	33,186	8,599,831
Other operating expense	(10,912,332)	(980,965)	(199,306)	33,241	(12,059,362)
Profit before interest tax, depreciation and amortisation (EBITDA)	63,762,060	13,004,934	4,768,482	—	81,535,476
Depreciation and amortisation	(50,675,207)	(6,619,862)	(63,673)	—	(55,358,742)
Profit before interest and tax (EBIT)	13,086,853	6,385,072	4,704,809	—	24,176,734
Interest	(2,870,416)	(728,314)	(30,435)	—	(3,429,165)
Profit (loss) before income tax	10,216,437	5,656,758	4,674,374	—	20,547,569
Income taxes	(3,501,765)	(1,378,862)	(1,475,923)	—	(6,356,550)
Profit (loss) for the year	6,714,672	4,277,896	3,198,451	—	14,191,019
Discontinued operation					
Profit/loss from discontinued operation (decreased with deferred tax)					—
Current year profit/loss					14,191,019
Attributable to:					
Equity holders of the parent					11,251,889
Non-controlling interest					2,939,130
Other comprehensive income					
Items to be reclassified subsequently to profit or loss					
Fair value of cash-flow hedge transaction (fuel and FX) – less deferred tax					1,795,726
Translation difference from foreign entities					(599,364)
Other comprehensive income					1,196,362
Total comprehensive income					15,387,381
Attributable to:					
Equity holders of the parent					12,448,251
Non-controlling interest					2,939,130
					15,387,381
Earnings per share:					
Number of shares					14,469,149
Basic and diluted EPS (EUR/share)					0.78
Reported EBITDA	63,762,060	13,004,934	4,768,482		81,535,476
Non-recurring items	5,160,124		165,000		5,325,124
Recurring EBITDA	68,922,184	13,004,934	4,933,482		86,860,600
Reported EBIT	13,086,853	6,385,072	4,704,809		24,176,734
Non-recurring items	5,160,124		165,000		5,325,124
Recurring EBIT	18,246,978	6,385,072	4,869,809		29,501,859
Reported Net Profit	6,714,672	4,277,896	3,198,451		14,191,019
Non-recurring items	5,160,124		165,000		5,325,124
Recurring Net Profit	11,874,797	4,277,896	3,363,451		19,516,144

All transactions of LINK was considered as international transportation in the pro forma consolidated financial information. In the audited historical consolidated financial statements of the Group the management identified EUR 4,412,642 non-recurring expenses (out of them EUR 165,000 in the other segment). In addition to these non-recurring adjustments the Group identified two non-recurring expenses in relation to the acquisition of LINK and these are disclosed below:

Non-recurring expenses	EUR
Non-recurring expenses in the audited historical consolidated financial statements of the Group.....	4,412,642
Transaction costs (tax advice and consulting).....	215,606
Loss on land and buildings sold to the previous owner at price significantly lower than fair market value (considered as a remuneration).....	696,876
Total	5,325,124

These adjustments have no continuing effects on the Group.

MANAGEMENT'S DISCUSSION AND ANALYSIS OF FINANCIAL CONDITION AND RESULTS OF OPERATIONS

The following discussion and analysis of the Group's financial condition and results of operations should be read in conjunction with the Group's financial information presented in the section entitled "Selected Historical Financial and Operating Information", the Financial Statements and other information included elsewhere in this Prospectus. The annual information included in this discussion based on the Company's Annual Financial Statements was audited by Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság, an independent registered public auditing firm. Further, the Insurance Company Financial Statements are incorporated in this Prospectus by reference.

In this Prospectus, any reference to "pro forma" financial information is to information which has been prepared to illustrate the effect of the acquisition of the Insurance Company, which was acquired on 8 April 2016, and the currently ongoing acquisition of LINK (see "(see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK" for more information) on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016 and on the Group's balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016. See also the section "Unaudited Pro Forma Financial Information", which includes the Pro Forma Financial Statements.

This discussion contains forward-looking statements that are subject to known and unknown risks, uncertainties and assumptions. As a result of many factors, such as those set forth under the headings "Risk Factors" and "Important Information and Cautionary Statement Regarding Forward-Looking Statements", actual results of the Group may differ materially from those anticipated in these forward-looking statements.

Overview

The Group is the largest owned vehicle operator within the European international FTL segment of the transportation market as measured by own fleet size and the largest logistics service provider in Hungary as measured by revenue, according to TI. In 2016, the Group generated EUR 572.4 million of revenue, EUR 69.2 million of EBITDA and EUR 73.6 million of Adjusted EBITDA. In the same period, on a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group generated EUR 676.1 million of revenue, EUR 81.5 million of EBITDA and EUR 86.9 million of Adjusted EBITDA.

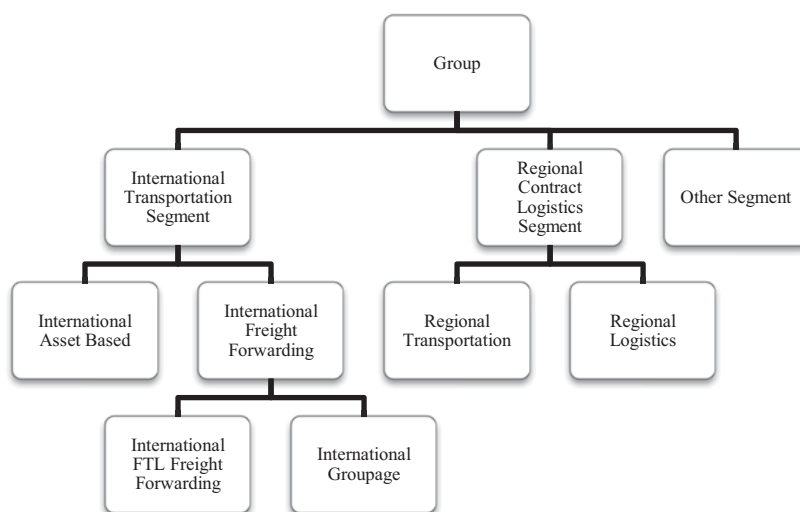
The following table sets out the principal markets of the Group for the three months ended 31 March 2017 and for the year ended 31 December 2016, broken down by percentage of total revenue generated from such markets at a percentage of total revenue:

	For the three months ended 31 March	For the year ended 31 December
	2017	2016
	(%)	
Hungary	35.8	35.0
United Kingdom	12.5	12.2
Germany	12.1	11.7
France	11.3	11.4

On 8 April 2016, the Group acquired the Insurance Company (see section "*Business—Insurance Company*"). Consequently, as of the date of this Prospectus, the Insurance Company operates as a wholly owned subsidiary of the Company. Insurance services provided to third parties are allocated to the Other Segment of the Group. During the period 1 January 2014 through 31 March 2016, the Group has neither owned nor operated the Insurance Company, which was managed as a stand-alone business and derived a significant portion (39% in 2016) of its premium income from services sold to the Group (see section "*Certain Relationships and Related Party Transactions*"). As of 1 April 2016, the results of the Insurance Company are fully consolidated into the audited balance sheet and cash flow statement of the Group.

Operating Segments

The following graph sets out the Group's operating segments and business lines as of the date of this Prospectus:



The Group's business is divided into three segments: (i) the International Transportation Segment comprising international transportation services focused primarily on the EU; (ii) the Regional Contract Logistics Segment comprising regional transportation and logistics services in Hungary, Slovakia as well as distribution in the Adriatic Region of Italy, Croatia and Slovenia; and (iii) the Other Segment which includes mainly insurance services provided by the Insurance Company to third parties outside the Group. The International Transportation Segment is further divided into two business lines: (i) the International Asset Based business line and (ii) the International Freight Forwarding business line. The Regional Contract Logistics Segment is further divided into two business lines: (i) the Regional Transportation business line and (ii) the Regional Logistics business line.

Following the completion of the Group's acquisition of the Insurance Company on 8 April 2016, the Group's business was expanded to include the provision of non-life insurance products in Hungary, with the Group's transportation and logistics business being the Insurance Company's largest client for its insurance products. Even though the Insurance Company continues to operate separately from the International Transportation Segment and the Regional Contract Logistics Segment, its results related to services provided to the Group are consolidated in part into the International Transportation Segment and the Regional Contract Logistics Segment, as these businesses comprise the largest clients of the Insurance Company, while its results related to services provided to third parties outside the Group are included in the Other Segment. The costs of the Insurance Company associated with the premiums sold are allocated between the Group's segments in the following manner: (i) claim costs according to the segment where the claim originated: from the International Transportation Segment, the Regional Contracts Logistics Segment or, if from third parties outside the Group to the Other segment; (ii) third party cost related to the acquisition of new third party customers outside the Group, to the Group's Other Segment, and (iii) other costs, allocated on a revenue basis. In 2016, the Insurance Company generated revenue (earned premiums) of approximately EUR 67.8 million, net profit of approximately EUR 10.6 million and EBITDA of approximately EUR 11.9 million. Approximately 39.1% of the Insurance Company's revenue (earned premiums) and 63.5% of the Insurance Company's EBITDA for 2016 were from premiums paid to the Insurance Company by the Group. In 2016, the Insurance Company generated revenue attributable to entities outside the Group of approximately EUR 31.9 million (5.6% of the Group's total revenue for 2016) and, for the same period, on a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group generated EUR 41.4 million of revenues attributable to entities outside the Group. As such, revenues of the Other Segment attributable to entities outside the Group represent only limited contribution to the results of operations of the Group.

The following table provides the revenue of the Group's segments and their contribution to the total revenue of the Group for the three months ended 31 March 2017 and the year ended 31 December 2016:

	For the three months ended 31 March 2017 (unaudited)		For the year ended 31 December 2016 (audited)	
	(in EUR millions)	(% of total)	(in EUR millions)	(% of total)
International Transportation Segment	114.7	73.9	443.4	77.5
Regional Contract Logistics Segment	28.4	18.3	97.0	16.9
Other Segment	12.1	7.8	31.9	5.6

Key Factors Affecting Comparability of the Results of Operations of the Group

Historically, acquisitions have been a part of the Group's business and growth strategy and the Group may pursue further acquisitions and consolidation of its market share. For example, on 26 May 2017, the Company as purchaser entered into a preliminary share sale agreement for the shares of LINK; however, the closing of the transaction is subject to fulfilment of certain conditions (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK*" for more information) and on 8 April 2016, the Group acquired the Insurance Company (see section "*Unaudited Pro Forma Financial Information*" for pro forma financial information prepared to illustrate the effect of the acquisitions of the Insurance Company and LINK on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016 and on the Group's balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016). The Group's acquisitions and divestitures may affect the period-to-period comparability of its financial statements. In particular, the currently ongoing acquisition of LINK and the acquisition of the Insurance Company in April 2016 means that the Group's results of operations necessarily differ before and after these acquisitions and do not reflect a change in organic operating results but rather the impact of an acquisition, thus making a like for like comparison more difficult without adjusting for the effects of the acquisition. On the other hand, management believes that the pro forma financial information may assist in understanding the trends from 2016 in the period ended 31 March 2017 during which the Insurance Company, however not LINK, is fully consolidated (see section "*Unaudited Pro Forma Financial Information*" for more information).

Key Factors Impacting the Group's Results of Operations and Financial Position

Management believes that the following are the key factors that have impacted the Group's results of operations and financial condition in the three months ended 31 March 2017 and in the years ended 31 December 2016, 2015 and 2014 and which may in the future continue to materially affect the Group's results of operations and financial condition.

Many of these factors are beyond the Group's control. Certain of these factors have been historically volatile. For these and other reasons, past performance may not be indicative of future performance (see section "*Important Information and Cautionary Statement Regarding Forward-Looking Statements*"). Certain risks and other factors which may affect the Group's business are described elsewhere in this Prospectus under the heading "*Risk Factors*".

General Market Conditions

According to the TI Report, output of the freight transport industry is directly derived from economic growth. The Group derives a substantial portion of its revenue from manufacturers, retailers and distributors of consumer products in Europe. Accordingly, the Group's financial condition and results of operations are, to a certain extent, dependent on the condition of the European economy generally and in particular on the consumer-products segment of the European economy. European economy has experienced weak economic growth in the past several years and which management expects to continue to experience low economic growth rates for the near term. Several of the Group's competitors have experienced liquidity issues and others have downsized their fleets during the period between 2009 and 2016. The Group, however, has demonstrated the ability to grow throughout the cycle. While the compound annual growth rate of the EU GDP was 1.5% in the

period between 2012 and 2016, according to data from the Economics Intelligence Unit, the Group's revenue in the same period grew at a compound annual growth rate of 11.4%, of which approximately 7.4% is attributable to organic growth.

The Group benefits from a low customer concentration: for the year 2016, the Group's top 10 customers based on revenue accounted for approximately 21.4% of the Group's total revenue and its top 50 customers accounted for 42.2% of the Group's total revenue. Further, the Group benefits from geographic diversification, with Hungary, the United Kingdom, Germany, France and Italy as the Group's five most important markets, accounting for 35%, 12%, 12%, 11% and 6%, respectively, of its total revenue for the year 2016, as well as industry diversification, with FMCG, automotive and electronics-white goods accounting for 23%, 16% and 12%, respectively, of the Group's total revenue for the year 2016. There have been no material developments regarding customer concentration, geographic diversification or industry diversification in the years 2016, 2015 and 2014.

Cost-Cutting by Manufacturers

Management believes that since approximately 2014 there has been a general trend towards increased demand for transportation services including the services of the Group's Regional Contract Logistics Segment from, among others, manufacturers of consumer goods and in the automotive market. Increased competition and pricing pressure resulting from increased globalisation of manufacturing and retail operations and the generally difficult economic environment in recent years has forced manufacturers of consumer goods to seek cost savings by, among other things, relying on external transportation and logistics companies such as the Group to transport intermediate and finished products from location to location instead of transporting the products themselves. This allows the manufacturers to focus their resources on their core competencies. The Group expects this trend by manufacturers toward reliance on external transportation and logistics providers as a cost-containment measure to continue, thereby increasing demand for transportation and logistics services in general.

Globalisation of Industrial Production

Since approximately 2004, there has been an increasing shift in the manufacturing industry to move manufacturing facilities outside highly industrialised regions and countries, as manufacturers have searched for cheaper sources of labour in other regions, including Hungary. This has required an increase in transportation services for raw materials, intermediate products and finished products, which has led to an increase in demand for the Group's services and for logistics services generally. The Group expects this trend to continue in the future.

Further, there has been a trend among manufacturers to move production from Western Europe into CEE countries, which has benefited the Group's operations undertaken in the CEE region. The compound annual real GDP growth rate of CEE countries for the period between 2015 and 2020 is estimated at 3.0% as compared to 1.6% for Western Europe, according to the Economist Intelligence Unit.

Pricing, sales volumes and operating costs

The Group's results of operations depend on, among others, its revenues. The revenue of the Group's International Transportation Segment and Regional Contract Logistics Segment depends on the number of trucks, the total kilometres driven by each truck, the loaded ratio and revenue per loaded kilometre. In addition, the total revenue of the International Transportation Segment is affected by freight forwarding volumes and LTL revenues. The total revenue of the Regional Contract Logistics Segment is affected by warehousing capacity, warehousing utilisation and revenue per square meter. The revenue of the Other Segment depends on third party premiums paid to the Insurance Company by parties outside the Group.

The Group's IT system has contributed to the high loaded ratio achieved by the Group, with 91.6% in 2016 as compared to an EU average of 87.5% for 2015, according to the management's estimate based on Eurostat data. The Group achieves optimisation of truck deployment and utilisation mainly through innovative IT solutions (such as the WIPE and WIRE IT system), whereas revenue per loaded kilometre mainly depends on the Group's strategy to pass costs onto the Group's customers while maintaining competitive pricing and securing an adequate margin. The Group's revenue per kilometre has historically been stable, but may need to increase in the future to overcome the rise in fuel costs. Freight market prices have been under pressure in recent months due to significant excess capacity available on the European markets, which prevented the Group from passing increasing costs (including fuel, insurance or maintenance) onto its customers. However, increasing oil costs increased

the freight rates paid to the Group by customers with whom the Group had contracts including a fuel surcharge mechanism. The Group is currently taking additional measures in order to maintain the number of kilometres driven through new tenders and to continue profit growth, mainly through optimisation of its cost base.

Material costs

A key driver of the Group's results of operations is the Group's ability to control its cost base. The total operating costs of the Group's International Transportation Segment and Regional Contract Logistics Segment depend on fuel price, fuel consumption, total number of trucks and kilometres driven, repair and maintenance costs per kilometre, transit costs per kilometre, driver costs per kilometre, freight forwarding cost of goods sold, insurance fee per truck and other indirect costs including other labour costs and other administrative allocations. In addition, the operating costs of the Regional Contract Logistics Segment are affected by warehousing cost of goods sold. Further, the operating costs of the Other Segment depends on claim expenses and technical expenses.

As such, material costs the Group incurs include mainly fuel, toll fees and transit costs, labour costs, costs of subcontractors, insurance fees and costs associated with the leases of trucks and trailers. In the past, the Company has been able to capitalise on its economies of scale and the resulting purchase power to manage the major drivers of these costs. The impact of such economies of scale varies by cost, but management estimates a high single digit discount is achieved on fleet costs versus mid-sized competitors. The only exception is labour costs, where the Company had to adjust in order to secure the driver base necessary for its operations as well as to comply with the various minimum wage regulations in its countries of operation.

Fuel accounts for a significant part of the Group's operating costs, accounting for 19.3% of its revenue for the three months ended 31 March 2017 and for 18.3%, 20.6% and 24.8% of the Group's revenue for the years ended 31 December 2016, 2015 and 2014, respectively. Further, the Group's strategy is to pass on the increases in fuel costs to its clients and its current contracts with most of its customers allowing the Group to pass such increases in costs onto customers with a delay of one to six months (two to three months on average), while contracts the Group concludes on the spot market, which accounted for 40.7% of the Group's revenue in 2016 (49% in the International Transportation Segment and 4% in the Regional Logistics Segment), enable the Group to immediately pass any increases in costs of fuel onto customers, as the prices on the spot market reflect the current conditions including fuel prices. The Group currently engages in no hedging activities with respect to oil prices.

The following table provides an overview of oil prices per barrel as measured by OPEC basket prices for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	For the three months ended 31 March		For the years ended 31 December		
	2017	2016	2016	2015	2014
			<i>(in USD)</i>		
Average fuel price.....	51.95	30.16	40.76	49.49	96.29
Fuel price as of the end of period...	50.43	34.33	53.30	31.27	52.00

Source: opec.org.

Oil prices steadily increased to a peak at the end of March 2012 at USD 122 per barrel. Prices were then relatively constant until the second half of 2014 when they began to decline significantly. In June 2014, the price was around USD 110 per barrel. By January 2015, the price had more than halved to almost USD 40 per barrel. Oil then started increasing again in the first half of 2015 to around USD 60, only to decrease again considerably in the second half of the year to almost USD 20 per barrel. Since then, the oil price has steadily recovered and in March 2017 stayed around USD 50 per barrel.

Transit costs, while generally increasing over time, accounted for 16.3% of the Group's revenue for the three months ended 31 March 2017 and for 16.5%, 17.9% and 17.4% of the Group's revenue for the years ended 31 December 2016, 2015 and 2014, respectively. This development is the result of the volume discount the Company was able to secure, the routes driven, as well as applying intelligent routing software, WIRE and WIPE, to minimise expenses.

Direct labour costs accounted for 14.9% of the Group's revenue for the three months ended 31 March 2017 and for 15.1%, 13.4% and 12.9% of the Group's revenue for the years ended 31 December 2016, 2015 and 2014, respectively. This past increase is mainly attributable to the regulation of minimum wages and of daily allowances in some countries where the Group operates and an increase in the variable portion of the drivers' compensation scheme.

In addition, the Group has benefited from its in-house insurance model. In 2014 and 2015, the Group's results of operations were negatively impacted by a significant increase of insurance premiums in the Hungarian motor insurance market, as the country-wide premiums for motor third party liability increased to EUR 421 million in 2016 as compared to EUR 342 million in 2015 and EUR 288 million in 2014, according to Mabisz. In 2016, the Group's insurance fees per truck in its International Transportation Segment and Regional Contract Logistics Segment were EUR 8,111 and EUR 1,852, respectively, as compared to EUR 6,305 and EUR 2,038, respectively, in 2015 and EUR 3,964 and EUR 2,245, respectively, in 2014. Therefore, in April 2016, the Group acquired the Insurance Company and management believes that this acquisition has positively impacted the profitability of the Group through, among other factors, internalising the required insurance services for the transportation and logistics business, thereby reducing the Group's exposure to further premium increases. The insurance costs now more accurately reflect the Group's risks as opposed to being based off or set relative to market prices.

Management estimates that in the long term, 95% of the Group's cost elements are variable. On a monthly basis, management estimates that the Group's main categories of costs are fully variable in case of fuel, transit insurance and sub-contractors costs, 80% variable in case of repair and maintenance costs, 65% variable in case of driver cost, 95% variable in case of groupage costs and 60% variable in case of warehousing costs.

The Group has recently taken or initiated further measures to optimise its cost base in various areas, such as human resources by adjusting the variable and fixed component of the drivers' salaries and decreasing the headcount at its headquarters, procurement by renegotiating the Group's tire maintenance contract and securing a new two-supplier based fuelling system in Western Europe or operations by accelerating the Group's intermodal project and securing long-term agreements for its warehousing services.

Driver Base

The truckload transportation industry is dependent on the availability of qualified drivers. Periodically there are shortages of qualified drivers, particularly during periods of economic expansion. In the second half of 2015, the Group experienced a shortage of drivers which had a negative impact on its results in 2015. However, in 2016, the Group's new employee compensation scheme, together with other non-monetary benefits, resulted in a churn ratio significantly below industry average. The Group's Driver Churn, which is measured as the number of drivers leaving a company during a given period divided by the average number of drivers for such period, was 44.6% 53.5% and 58.3% in the years 2016, 2015 and 2014, respectively. The Group's churn rate is believed to be well below the industry's average, according to the TI Report.

The Group's compensation scheme for its drivers aims to reduce its Driver Churn through improved compensation, better work-life balance and additional benefits. The Group's compensation scheme grew materially in wages and allowances during the years 2016, 2015 and 2014 and as of the date of this Prospectus also includes additional benefits such as increases of and flexibility in rest times and a comprehensive retention program including the possibility to use the Group's holiday resort or an accommodation subsidy. Further, in 2016, drivers in the Group's International Transportation Segment received a one-off 15% salary increase to ensure driver retention and recruitment. The Group has also attracted drivers through better trucks and extensive training, flexible and longer rest time and also additional benefits such as access to holiday resorts, a family day and an accommodation subsidy.

Effectiveness of the Group's IT system

The Group's key software, especially WIPE and WIRE, are used in various aspects of its business, such as load planning and receiving, dispatch of drivers and third-party capacity providers, customer billing, financial and other reports, and other general functions and purposes. The Group's proprietary WIRE IT system calculates the optimal route between pickup and delivery points, taking into consideration fuel costs, transit costs, order lead times, EU regulations regarding maximum driving time and minimum rest time requirements for drivers, taking into account usage of third-party

sub-contractors, which enables increased deployable capacity and maximisation of own-asset utilisation. Further, WIRE accurately predicts costs of received orders based on years of comprehensive data gathered by the Group and by taking into account factors such as fuel consumption for each type of truck, toll costs for all roads, location of empty trucks and the possibility of truckload brokerage. This supports the ability of the Group to bid for contracts at prices which increase the chances of winning bids, whilst achieving profitable terms.

In addition, the Group's proprietary WIPE IT system helps to optimally match free truck capacity with the orders received from customers to maximise loaded ratio. The Group successfully implemented WIPE in 2013 and WIRE in January 2016. The efficiency and quality of this software and of WIRE and WIPE in particular affect the Group's operational optimisation, helping the Group to minimise material costs including fuel or toll fees and achieve industry leading standards of asset utilisation and deployment, thus improving the overall efficiency and profitability of the Group's operations. The Group's IT system has contributed to the high loaded ratio achieved by the Group, with 91.6% in 2016 as compared to an EU average of 87.5% for 2015, according to management's estimate based on Eurostat data.

The International Transportation Segment is supported by Astrata, a system that combines GPS positioning, wireless communications with drivers and geographical information technology, and enables the Group to monitor, track, trace and control the movement and status of its trucks.

The Group's Regional fleet has been supported by WebEye's telematics systems since 2010. All Group telematics and monitoring services provided by WebEye are integrated into the existing enterprise management system. Data obtained may be used to organise driving technique training programmes to promote more efficient use of vehicles. Big data predictive analytics help spot trends and deviations to help make immediate decisions on a management level.

The Group is currently in the process of replacing its IRS transportation and forwarding system with SAP's Transportation Management system. The SAP system uses latest technology and a clear functional architecture. The system is out-of-the-box, with standard functions available in the early phase of implementation, and integrates with the SAP ERP system. The new system is able to process more data and with fewer manual inputs than the previous system, offers advanced analytical tools, allows for integration of newly acquired businesses more easily and efficiently and also requires fewer edge applications. Management expects the new system to enable human resources to be utilised in a more efficient manner, to speed up fuel approval and posting, insurance management of the Group's fleet and to simplify the running of multivariate payroll accounting while also making completion and transportation administration easier.

Specialisation in the Logistics Industry

The logistics industry has become increasingly specialised in recent years, with entire companies or company divisions focusing on a particular product type and the specialised transportation and logistics needs of that product. Examples of such specialisation include the transportation of clothing in ways designed to avoid wrinkling, and transportation of food products and perishables that requires controlled temperature and humidity environments, among others. These specialised industry solutions experienced higher margins than traditional transportation and logistics operations generally, especially when accompanied by value-added services. The Group has also followed this trend and its Regional Contracts Logistic Segment is offering specialised services such as refrigerated distribution, gas-cylinder transportation services, specialised cargo types (including hazardous materials) and transportation of oversize cargo.

On the other hand, the Group's International Transportation Segment specialises in providing services in the FTL general goods transportation segment, which allows for a very high degree of standardisation and interchangeability. This ultimately results in a cost advantage to the Group's International Transportation Segment.

Fleet Management and Equipment Resales

The Group benefits from its modern homogenised and standardised fleet in its International Transportation Segment and the FTL business line of its Regional Contract Logistics Segment. The fleet of the Regional Contract Logistics LTL business line is heterogeneous in order to serve a wide variety of client needs. As of the date of this Prospectus, the average age of the International Transportation Segment's trucks and trailers is 2.17 years and the use of up-to-date vehicles is a significant factor in the reliability of equipment used in its operations. The Group's average

replacement cycle for its International Transportation Segment is four to five years and the Group thus regularly upgrades the equipment in its fleet. The Group has renewed approximately one fifth of its fleet annually, which allows flexibility and downside protection. For example, in 2016, the Group replaced 668 of its trucks and acquired 117 new trucks, which together represents 22.9% of the average size of the Group's fleet in 2015 of 3,433 trucks. The Group expects to continue managing its fleet to regularly upgrade its equipment, which keeps equipment maintenance costs in check and allows for rescaling and reconfiguration of the fleet.

In the last several years, the Group was typically able to sell its trucks on the secondary market, mainly to the original equipment manufacturers, at a higher price than was contracted for in the buy-back agreement between the relevant lease company and the original equipment manufacturers. According to management, such higher prices achieved on the secondary market were partially due to the excellent maintenance of the fleet and efficient driving techniques employed by its drivers, as well as due to a healthy market for used trucks and trailers generally. Prices achievable on the market for second-hand trucks and trailers, however, decreased recently due to various market forces, including (i) reduced demand from the Middle East and Russia due to the economic and financial sanctions (the Russian market has historically exhibited a high demand for used trucks and trailers) and (ii) lower demand for EURO 5 trucks in the market generally as purchasers of used trucks are increasingly interested in acquiring EURO 6 trucks (which are not coming to age of replacement). Although so far the Group has generally been able to achieve higher prices than it would achieve through the exercise of the buy-back option agreed with the original equipment manufacturers, the Group cannot guarantee that it will be able to achieve such higher prices in the future.

Operating a fleet of modern vehicles also enhances the resale value of the Group's equipment. The Group's gains on fleet sales as a percentage of its EBITDA amounted to (0.2)% for the three months ended 31 March 2017 and 5.8%, 8.7% and 12.2% for the years ended 31 December 2016, 2015 and 2014, respectively. The Group also invests in its fleet through its comprehensive vehicle maintenance programs and the Group's workshop, which also adds to the resale value of equipment. As the Group continues to invest in a modern fleet, it expects the trend of gains from fleet sales to continue. Although the Group expects to enjoy gains on fleet sales for 2017, it is uncertain as to whether gains on fleet sales will be realised by the Group in the future. Lower gains on fleet sales would have a material negative effect on the Group's results of operations. The Group's net gain of fleet sales was EUR 0 for the three months ended 31 March 2017 and EUR 4.0 million, EUR 6.1 million and EUR 8.3 million for the years ended 31 December 2016, 2015 and 2014, respectively.

Seasonal Trends

To a limited extent, the Group's results of operations have historically fluctuated on a seasonal basis, with the Group's fourth-quarter results generally being slightly stronger than those of its other quarters. This reflects in part seasonality in the European transportation and logistics industry generally, as increased activity by manufacturers and retailers in anticipation of the Christmas holiday season results in an increase in activity in the fourth quarter. As the Group's customers reduce shipments after the winter holiday season, and winter weather conditions are generally the worst in January and February, the first quarter historically has been a low revenue quarter with respect to customer orders. Additionally, the Group's operating expenses tend to be higher in the first quarter primarily due to colder weather, which causes higher fuel consumption. This is compounded by the seasonal peak in international segment volumes in advance of the holiday season.

Severity and frequency of claims with the Insurance Company

The Insurance Company's results of operations are influenced by the frequency of insurance claims and their amount. Changes in the severity of vehicle physical damage claims are driven primarily by inflation in vehicle repair costs, vehicle parts prices and used vehicle prices. Changes in the severity of homeowners' claims are driven by inflation in the construction industry, in building materials and in home furnishings, and by other economic and environmental factors, including increased demand for services and supplies in areas affected by catastrophes. However, changes in the level of the severity of claims are not limited to the effects of inflation and demand surge in these various sectors of the economy. Increases the severity of claims can arise from unexpected events that are inherently difficult to predict, such as a change in the law, inability to enforce exclusions and limitations contained in the Insurance Company's policies and weather related events such as hurricanes, windstorms, floods, earthquakes or acts of sabotage.

Impact of Foreign Currency Exchange Rates

As the Group has operations in countries with different currencies, foreign currency fluctuations have an impact on the Group's results of operations. The Group's reporting currency is the euro, while a portion of its revenues and costs are in HUF.

In the three months ended 31 March 2017 and in 2016, the majority of the Group's revenue was generated in euros, while approximately 25-30% of its costs were generated in HUF, with the remainder being denominated in euros. As such, the Group is subject to foreign exchange risk. The Group's ability to mitigate the impact that foreign exchange rate fluctuation has on its results of operations depends on the Group's ability to match its percentages of revenue with expenses that the Group denominated in the same local currencies, or make up the difference using currency hedging. In the three months ended 31 March 2017 and 2016, the Group engaged in hedging activities in the range of notional amounts of EUR 36 million and EUR 267 million, respectively, in order to mitigate its foreign exchange exposure. The Group expects to continue hedging activities in the future.

The Group incurs losses and generates profits as a result of the changing value of non-functional currency monetary assets and liabilities. This is due to exchange rate variations arising from transactions in foreign currency which are recorded through income. As exchange rates fluctuate and continue to be volatile, the Group expects foreign currency differences to continue to impact its results of operations.

Key Performance Indicators

The following table sets out the Group's performance with respect to selected performance indicators the Group uses for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	For the three months ended 31 March		For the years ended 31 December		
	2017	2016	2016	2015	2014
International Transportation Segment					
Average number of truck drivers	4,188	3,874	4,074	3,729	3,518
Average number of trucks.....	3,021	2,946	2,970	2,916	2,739
Total kilometres (millions) ⁽¹⁾	100.4	94.9	398.1	381.0	365.2
Average loaded ratio ⁽²⁾	92.0%	91.6%	91.6%	91.3%	90.9%
Kilometres per truck per month ⁽³⁾	11,074	10,742	11,171	10,886	11,110
Fuel consumption (litres per 100 kilometres)....	31.2	31.1	30.0	30.1	30.1
Drivers per truck	1.39	1.31	1.37	1.28	1.28
Regional Contract Logistics Segment					
Average number of truck drivers	859	634	719	610	598
Average number of trucks.....	647	536	580	517	529
Total kilometres (millions) ⁽¹⁾	13.8	10.4	49.0	41.3	42.6
Kilometres per truck per month ⁽³⁾	7,130	6,503	7,046	6,659	6,710
Warehousing capacity (square metres).....	182,399	168,982	162,779	153,961	146,637
Fuel consumption (litres per 100 kilometres)....	28.7	29.3	28.3	29.3	30.0
Drivers per truck	1.33	1.18	1.24	1.18	1.13
Other Segment					
Solvency II Ratio (%) ⁽⁴⁾	161	155	161	125	<i>n/a</i>
Capital Structure					
SCR Capital Requirement ⁽⁵⁾	18.4	14.3	17.2	14.3	<i>n/a</i>
Tier 1 Capital ⁽⁶⁾	29.7	22.2	27.6	17.9	<i>n/a</i>
Tier 2 Capital ⁽⁷⁾	0.0	0.0	0.0	0.0	<i>n/a</i>
Operational Key Performance Indicators					
Loss Ratio (%) ⁽⁸⁾	66	62	65	77	89
Expense Ratio (%) ⁽⁹⁾	12	13	13	13	18
Combined Ratio (%) ⁽¹⁰⁾	78	75	78	90	107
Other Key Financial Data					
Investment Return ⁽¹¹⁾	0.2	0.2	0.7	1.1	0.9
Investments ⁽¹²⁾	50.5	46.9	58.7	41.5	24.8
Book Value of Equity	24.8	14.2	22.4	11.8	9.2
Gross Reserves ⁽¹³⁾	54.0	38.9	47.6	32.9	20.9
Net Reserves ⁽¹⁴⁾	36.7	28.0	32.0	25.5	16.2
Asset Mix ⁽¹⁵⁾	16.1	4.5	7.4	4.3	5.2
Intangibles	0.1	0.1	0.2	0.1	0.1
Gross Written Premiums ⁽¹⁶⁾	20.4	17.9	67.7	45.2	29.4

Notes:

- (1) These figures are as of the end of the relevant period.
- (2) Calculated as total number of kilometres driven carrying loads divided by total number of kilometres driven during the relevant period.
- (3) Calculated as total running kilometres divided by the average number of trucks for a given month.
- (4) Calculated as set out in Commission Delegated Regulation EU 2015/35 of 10 October 2014 Supplementing Directive 2009/138/EC of the European Parliament and of the Council.
- (5) Calculated based on a Value-at-Risk measure of the basic own funds of an insurance undertaking, calibrated to a 99.5% confidence level over a one-year period.
- (6) Tier 1 Capital consists of own-fund items which are of a high quality and which fully absorb losses to enable an insurance or reinsurance undertaking to continue as a going concern.
- (7) Tier 2 Capital consists of own-fund items with features that incentivise redemption should be limited to allow for restrictions on repayment or redemption in the event of a breach of the Solvency Capital Requirement.
- (8) Calculated as claim expenses divided by earned premia.
- (9) Calculated as acquisition and administration costs divided by earned premia.
- (10) Calculated as loss ratio plus expense ratio.
- (11) Defined as net result on investment asset.
- (12) Defined as investment assets.
- (13) Defined as technical provision without risk mitigating.
- (14) Defined as technical provision with risk mitigating.
- (15) Consists of receivables, accruals, cash and tangible assets.
- (16) Defined as premiums without risk mitigating.

Consolidated Statement of Income Data

The following tables set forth the Group's results of operations for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014, including the Group's pro forma results of operations for the year ended 31 December 2016 (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016):

	For the three months ended 31 March (unaudited)		Pro forma total for the year ended 31 December 2016 (unaudited)	For the year ended 31 December (audited)		
	2017	2016	(unaudited)	2016	2015	2014
<i>(in EUR thousands, except amounts per share and %)</i>						
Continuing activities						
Revenue	155,158	127,230	676,116	572,352	522,480	496,200
Direct wages, benefits and allowances	(23,104)	(19,448)	(97,850)	(86,590)	(70,004)	(64,176)
Fuel cost	(30,001)	(24,850)	(115,488)	(104,654)	(107,820)	(123,097)
Toll fees and transit costs	(25,221)	(24,363)	(106,683)	(94,229)	(93,590)	(86,288)
Cost of subcontractors and reinsurance fee	(29,919)	(22,099)	(154,824)	(110,549)	(92,208)	(81,498)
Cost of goods sold	(3,067)	(1,966)	(13,988)	(13,650)	(16,765)	(11,834)
Other cost ⁽¹⁾	(16,053)	(11,803)	(52,670)	(46,934)	(41,309)	(32,765)
Net gain on fleet sales	(26)	737	2,996	4,038	6,134	8,259
Gross profit	27,766	23,438	137,609	119,784	106,918	104,801
Indirect wages and benefits	(7,478)	(5,778)	(31,702)	(27,681)	(23,055)	(19,200)
Other services ⁽²⁾	(4,473)	(3,284)	(20,912)	(18,321)	(15,372)	(12,405)
Other operating income ⁽³⁾	1,933	2,870	8,560	6,208	6,996	9,358
Other operating expense ⁽⁴⁾	(469)	(788)	(12,059)	(10,808)	(5,184)	(14,418)
Profit before interest tax, depreciation and amortisation (EBITDA)(unaudited)	17,280	16,458	81,535	69,182	70,303	68,136
Depreciation and amortisation	(12,160)	(13,014)	(57,359)	(52,012)	(49,556)	(41,892)
Profit before interest and tax (EBIT)(unaudited)	5,120	3,444	24,177	17,170	20,747	26,244
Interest	(1,006)	(867)	(3,629)	(3,126)	(2,875)	(9,016)
Profit (loss) before income tax	4,114	2,578	20,548	14,044	17,872	17,228
Income taxes	(631)	(1,560)	(6,357)	(4,870)	(5,452)	(6,147)
Profit (loss) for the year	3,483	1,017	14,191	9,174	12,420	11,081
Attributable to:						
Equity holders of the parent	4,200	1,038	11,252	6,236	11,268	9,930
Non-controlling interest	(718)	(21)	2,939	2,938	1,152	1,151
Other comprehensive income						
Items to be reclassified subsequently to profit or loss						
Fair value of cash-flow hedge transaction (fuel and FX) – less deferred tax	723	423	1,796	1,796	(1,383)	(675)
Translation difference from foreign entities	285	2	(599)	(599)	132	5
Other comprehensive income	1,008	425	1,196	1,196	(1,252)	(671)
Total comprehensive income	4,491	1,442	15,387	10,370	11,168	10,410
Attributable to:						
Equity holders of the parent	5,209	1,461	12,448	7,540	10,016	9,259
Non-controlling interest	(718)	(19)	2,939	2,830	1,152	1,151
Earnings per share:						
Number of shares	14,393	14,496	14,469	14,469	14,494	14,496
Basic and diluted earnings per share	0.29	0.07	0.78	0.43	0.78	0.68
Adjusted EBITDA (unaudited)⁽⁵⁾	18,189	16,496	86,861	73,595	71,511	68,136⁽⁶⁾
Adjusted EBIT (unaudited)⁽⁵⁾	6,029	3,482	29,502	21,583	21,955	26,244⁽⁶⁾
Adjusted EBITDA Margin (unaudited)⁽⁵⁾	11.7%	13.0%	12.8%	12.9%	13.7%	13.7%⁽⁶⁾

Notes:

- (1) Other cost consists primarily of direct repair and maintenance costs, direct insurance costs, direct rental fees, vehicle tax and other contracts
- (2) Other services consist primarily of other indirect costs related to: property, IT and telecommunication, marketing, professional services and other services
- (3) Other operating income consists primarily of reversal of provisions, damages received, fines, penalties, default interest, employee refunds, support received, reversal of receivable amortization, interest received on the insurance term deposits for covering loss reserves, other income
- (4) Other operating expense consists primarily of damages paid, provisions, impairment of receivables, penalties, fines, impairment of inventories, credit loss, impairment loss on fixed assets, provisions of insurance damages and various other expenses.
- (5) Please see "Presentation of Financial Information—Alternative Performance Measures" for reconciliation and further information on these measures.
- (6) No adjustments for 2014.

Recent Developments

Acquisition of LINK

On 26 May 2017, the Company as purchaser and Aleksandra Ellert as seller entered into a preliminary share sale agreement for the shares of LINK (as defined above) and also Link Services sp. z o.o. Closing of the transaction is conditional upon (i) obtaining an unconditional approval of the completion of the transaction from the relevant Polish and German competition authorities and (ii) commencement of trading in the Shares on the Budapest Stock Exchange. The purchase price in the amount of approximately EUR 32 million, excluding interest, corresponding to the equity value of LINK is to be fully funded by the Company from its net proceeds from the Offering (see “*Use of Proceeds*”). Link Services sp. z o.o. operates as an agency which recruits temporary workers (mainly drivers) for LINK. Link Services sp. z o.o. is not included in the pro forma financial information presented elsewhere in this prospectus (see “*Presentation of Financial and Other Information—Pro Forma Financial Information*” and “*Unaudited Pro Forma Financial Information*”). The information included in this Prospectus relates to LINK only and the Prospectus contains no further information on Link Services sp. z o.o. due to its immateriality.

LINK is a road transportation and freight forwarding company based in Poland. In 2016, LINK generated PLN 406.5 million (EUR 94.3 million) of revenue as compared to PLN 288.7 million of revenue in 2015, which represents an increase of 40.8%: this increase was primarily due to a combination of increased orders from existing clients and acquisition of new clients, mostly driven by freight forwarding. Further, in 2016, LINK generated PLN 36.3 million of EBITDA and EUR 10.5 million of adjusted EBITDA as compared to PLN 27.3 million of EBITDA in 2015, which represents an increase of 33.0%: this increase was mainly due to the revenue increase in 2016 as compared to 2015, which was partially offset by an increase in per diem costs of drivers due to changes in the labour market and one-off items. The 2016 adjusted EBITDA figure is adjusted in the following manner: increased for EUR 1.5 million of rental expenses relating to fleet leases, which were added back due to the capitalisation of operating leases, an EUR 0.7 million one-off loss on sale of fixed assets, EUR 0.2 million of one-off transaction advisory fees and EUR 0.1 million of other normalisation adjustments and decreased by EUR 0.3 million accounting adjustments. No adjustments to the financials have been made to account for the relatively more asset light model of LINK as compared to the Group. In addition, the Polish corporate rate tax applicable to LINK is, as of the date of this Prospectus, 19%.

In 2016, LINK achieved 52.3 million kilometres driven and had an average loaded ratio of 86.8%. As of March 2017, LINK had 427 trucks and 675 trailers. It is led by an experienced management team with over 15 years of experience. As of March 2017, LINK had 956 employees, 75% of which were truck drivers, and four bases in Poland and one in Belgium.

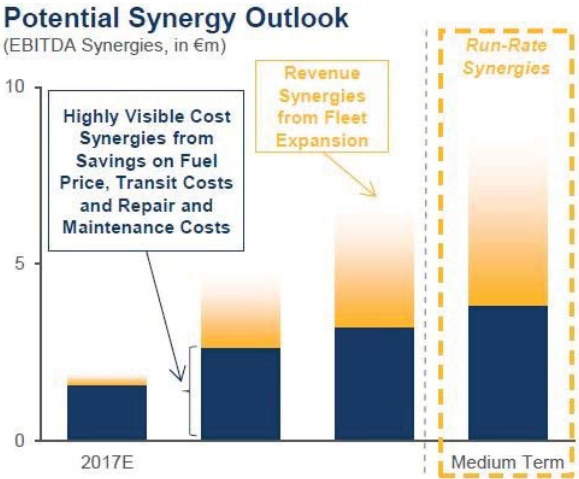
LINK was founded in 1989 and its headquarters are located in Wiązowna, Poland. LINK’s operations focus on two segments: international FTL transportation and freight forwarding, which generated 52% and 48% of LINK’s revenue in 2016, respectively. It provides transportation services focusing on nine EU countries and its core markets, in addition to Poland, are the United Kingdom, Germany, Belgium, France and the Netherlands. In 2016, 46% of its revenues from export activities (taking into account the top 30 lanes) were attributable to Poland, 20% to the United Kingdom, 11% to Germany, 8% to Belgium, 5% to France, 4% to the Netherlands and 5% to other countries. Further, in 2016, 52% of its revenues from import activities (taking into account the top 30 lanes) were attributable to the United Kingdom, 28% to Poland, 9% to Germany, 4% to Belgium, 4% to France, 1% to the Netherlands and 1% to other countries.

LINK serves a broad range of clients and long-standing client relationships, particularly companies in the automotive (accounting for 31% of LINK’s revenue in 2016), FMCG (accounting for 23% of the LINK’s revenue in 2016), household appliances (accounting for 14% of the LINK’s revenue in 2016), e-commerce (accounting for 14% of the LINK’s revenue in 2016) and waste (accounting for 5% of LINK’s revenue in 2016) industry. In 2016, LINK’s top 10 customers accounted for 52.9% of its revenue and its two largest customers accounted for 13.8% and 12.8% of its revenue for 2016, respectively. In the nine months ended 30 September 2016, LINK’s top 10 customers accounted for 50% of its revenue and its two largest customers accounted for 15% and 9% of its revenue, respectively.

As of March 2017, LINK’s standardised fleet included on average 427 leased trucks with an average age of 1.9 years (as of 31 December 2016 (1.5 years as of May 2016)) manufactured by Volvo/ Renault, MAN, SCANIA and IVECO and 675 trailers with an average age of 2.3 years (as of 31

December 2016 (2 years as of May 2016)) manufactured by Schmitz, Kässbohrer and Wielton. LINK has maintained the quality of its fleet by maintaining an average truck replacement cycle of two to three years, servicing trucks at authorised dealers only, procuring truck with a two- to three-year maintenance contracts, equipping trucks with telematics systems promoting an ecological driving style. Further, LINK has a tyre management agreement in place to avoid tyre storage and replacement costs, including EU-wide flat tyre support. LINK’s fuel suppliers include BP, Lotos, Shell and Orlen and its tyre supplier include Michelin and Bridgestone.

The acquisition of LINK is fully consistent with the Group’s objective to expand operations through selective acquisitions in the CEE region (see “*Business—Objectives and Strategy—Expand operations through selective acquisitions and growth initiatives*”). The Group is in the process of acquiring LINK which is designed to further increase its scale, strengthen its geographical footprint and proximity to core EU markets, diversify its revenue streams, consolidate its modern fleet, increase density of coverage and access new labour, customers and end market. Management estimates that through the acquisition of LINK, the Group may realise substantial revenue synergies from fleet expansion and cost synergies from savings on fuel price, transit costs and repair and maintenance costs, which management estimates may lead to high single-digit EBITDA synergies by 2020 over a three-year build-up period. Management believes that key synergy areas may include enhanced asset utilisation, broader client base, joint procurement on different areas such as ferry, toll and spare parts, cross-selling and joint human resources function. The following graph shows the potential synergy outlook in terms of EBITDA, as currently estimated by management:



Management has calculated the potential revenue and cost synergies based on the following assumptions: after the acquisition, (i) LINK’s fuel costs will decrease due to LINK being able to benefit from the Group’s preferential fuel rates, which reflect the Group’s superior fuel procurement and established relationships with suppliers, (ii) LINK’s transit costs will decrease as it will benefit from the Group’s superior cost profile, (iii) LINK’s repair and maintenance costs will decrease due to bulk purchases of spare parts and (iv) due to the fleet expansion and operational improvement, the combined fleet of the Group and LINK will result in the ability to serve a broader customer base and that LINK, as part of the Group, will be able to achieve a higher loaded ratio. In addition, these potential revenue and costs synergies are based on the assumption that the Group’s fuel, transit and repair and maintenance costs will be developing as described in “*Business—Business Plan Outlook*”. However, the outlooks and estimates on any potential revenue and cost synergies are not guarantees of future performance and actual results could, particularly if the described above assumptions do not materialise, differ materially from Management’s current estimates. Numerous factors could cause or contribute to such differences. See “*Risk Factors*” and “*Important Information and Cautionary Statement Regarding Forward—Looking Statements*”.

Market conditions for the second calendar quarter of 2017

Since 1 April 2017, management has observed an improvement of the business of the International Transportation Segment and continued positive performance of the Regional Contract Logistics Segment. In addition, management observed a positive development in pricing environment and an increased volume growth. Management believes this has illustrated that the low price in the first

calendar quarter of 2017 has been successfully addressed by cost optimisation exercises implemented by the Group.

Description of Key Income Statement Line Items

Revenue

Revenue consists primarily of sales from the Group's International Transportation Segment, the Regional Contract Logistics Segment and the Other Segment. International Transportation Segment's revenue consists primarily of sales of own fleet transportation, sales of subcontracting and other sales. Regional Contract Logistics Segment's revenue consists primarily of sales of own fleet transportation, sales of subcontracting, sales of warehousing and other sales. The Other Segment's revenue consists primarily of insurance premiums from third parties outside the Group.

Direct wages, benefits and allowances

Direct wages, benefits and allowances consist primarily of direct wages, benefit and allowances in the Group's International Transportation Segment and the Regional Contract Logistics Segment. Costs include the driver wages, benefits and allowances in both business segments and the wages of the blue-collar labourers of the Regional Contract Logistics Segment's warehousing operations.

Fuel costs

Fuel costs consist primarily of fuel costs in the Group's International Transportation Segment and the Regional Contract Logistics Segment related to own fleet transportation, but includes also other fluids used by the Group's trucks, such as motor oil.

Toll fees and transit costs

Toll fees and transit costs consist of road toll fees, ferries and transit costs in the Group's International Transportation Segment and the Regional Contract Logistics Segment related to own fleet transportation.

Cost of subcontractors and reinsurance fee

Cost of subcontractors and reinsurance fee consist of cost of transportation subcontractors in the Group's International Transportation Segment and the Regional Contract Logistics Segment, and reinsurance fee from the Other Segment.

Cost of goods sold

Cost of goods sold consists of the cost of goods in the Group's International Transportation Segment and the Regional Contract Logistics Segment related to resold fuel and other goods and services.

Other cost

Other cost consists of other cost in the Group's International Transportation Segment and the Regional Contract Logistics Segment related to direct repair and maintenance costs, direct insurance costs and expenses, direct rental fees, vehicle weight tax and other transportation-related taxes and other contracts.

Net gain on fleet sales

Net gain on fleet sales consists of net gain on fleet sales in the Group's International Transportation Segment and the Regional Contract Logistics Segment. The fleet is not revalued on the balance sheet, and net book value at the expected end of the useful life is expected to be equal to the fair market value.

Indirect wages and benefits

Indirect wages and benefits consist of indirect (white-collar) wages and benefits in the Group's International Transportation Segment, the Regional Contract Logistics Segment and the Other Segment, including wages and benefits of all non-drivers and maintenance employees.

Other services

Other services consist of other services in the Group's International Transportation Segment, the Regional Contract Logistics Segment and the Other Segment related to property, IT and telecommunication, marketing, professional services and other services.

Other operating income

Other operating income consists of reversed provisions, gains on non-current assets held for sale, gains on fixed asset disposals, insurance pay-outs relating to damage expenses, employee refunds, subsidies received, reversed receivable amortisation and fines, penalties and default interest.

Other operating expense

Other operating expense consists of provisions, damage expenses, penalties and fines and provisions of insurance damages. Expenses related to damages comprise mainly damage to the vehicles and goods during transport and damage suffered during customs guarantee activities. In addition, other operating expense includes impairment of receivables, impairment of inventories, impairment loss on fixed assets and credit loss.

EBITDA

EBITDA represents profit (loss) before interest, income taxes, depreciation and amortisation. EBITDA is a measure not defined or recognised under IFRS, which is used by management to evaluate the Group's operating performance. See "*Presentation of Financial and Other Information—Alternative Performance Measures*" for more information and reconciliation.

Depreciation and amortisation

Depreciation and amortisation represents of depreciation of Group's property, plant and equipment and amortisation of Group's intangible assets.

EBIT

EBIT represents profit (loss) before income taxes and interest. EBIT is a measure not defined or recognised under IFRS, which is used by management to evaluate the Group's operating performance. See "*Presentation of Financial and Other Information—Alternative Performance Measures*" for more information and reconciliation.

Interest

Interest consists primarily of interest due on the Group's leased assets related to the reporting period, but also realised foreign exchange difference, unrealised foreign exchange difference, realised gain (loss) on derivatives, result of sale of investment and interest received.

Income taxes

Income taxes comprise current and deferred income taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years. Hungarian municipal business tax payable is also presented as income tax.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. In addition, deferred tax may not be recognised for temporary taxable differences related to the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and deferred tax liabilities may be offset on the statement of financial position only if the entity has the legal right to offset current tax assets with current tax liabilities, and they are related to income taxes levied by the same taxing authority on the same taxable entity, or on different entities that intend to realise their current tax assets and settle their current tax liabilities either on a net basis or at the same time.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

Adjusted EBITDA

Adjusted EBITDA represents profit (loss) before income taxes, interest, depreciation and amortisation and nonrecurring operating expenses and income. Adjusted EBITDA is a measure not defined or recognised under IFRS, which is used by management to evaluate the Group's operating performance. See "*Presentation of Financial and Other Information—Alternative Performance Measures*" for more information.

Adjusted EBIT

Adjusted EBIT represents profit (loss) before income taxes, interest and nonrecurring operating expenses and income. Adjusted EBIT is a measure not defined or recognised under IFRS, which is used by management to evaluate the Group's operating performance. See "*Presentation of Financial and Other Information—Alternative Performance Measures*" for more information.

Adjusted EBITDA Margin

Adjusted EBITDA Margin represents profit (loss) before income taxes, interest, depreciation and amortisation and nonrecurring operating expenses and income (Adjusted EBITDA) divided by revenue. Adjusted EBITDA Margin is a measure not defined or recognised under IFRS, which is used by management to evaluate the Group's operating performance. See "*Presentation of Financial and Other Information—Alternative Performance Measures*" for more information.

Results of Operations of the Group

Three Months Ended 31 March 2017 Compared to Three Months Ended 31 March 2016

The following table sets out a summary of the Group's income statement for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
Revenue	155,158	127,230	22.0
Direct wages, benefits and allowances.....	(23,104)	(19,448)	18.8
Fuel costs.....	(30,001)	(24,850)	20.7
Toll fees and transit costs.....	(25,221)	(24,363)	3.5
Cost of subcontractors and reinsurance fee	(29,919)	(22,099)	35.4
Cost of goods sold.....	(3,067)	(1,966)	56.0
Other cost	(16,053)	(11,803)	36.0
Net gain on fleet sales.....	(26)	737	(103.5)
Gross profit	27,766	23,438	18.5
Indirect wages and benefits.....	(7,478)	(5,778)	29.4
Other services.....	(4,473)	(3,284)	36.2
Other operating income.....	1,933	2,870	(32.6)
Other operating expense	(469)	(788)	(40.5)
EBITDA	17,280	16,458	5.0
Depreciation and amortisation.....	(12,160)	(13,014)	(6.6)
EBIT	5,120	3,444	48.7
Interest.....	(1,006)	(867)	16.0
Profit (loss) before income tax	4,114	2,578	59.6
Income taxes.....	(631)	(1,560)	(59.6)
Profit (loss) for the period	3,483	1,017	242.4
Adjusted EBITDA⁽¹⁾	18,189	16,496	10.3
Adjusted EBIT⁽¹⁾	6,029	3,482	73.1
Adjusted EBITDA Margin⁽¹⁾	11.7%	13.0%	—

Notes:

(1) Please see "Presentation of Financial Information—Alternative Performance Measures" for reconciliation and further information on these measures.

Revenue

The following table sets out a breakdown of the Group's revenue by segment for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
International Transportation Segment	114,687	106,443	7.7
Regional Contract Logistics Segment	28,410	20,787	36.7
Other Segment	12,060	<i>n/a</i>	<i>n/a</i>
Total	155,158	127,230	22.0

In the three months ended 31 March 2017, the Group's revenue increased by EUR 27.9 million or 22.0% to EUR 155.2 million as compared to EUR 127.2 million in the three months ended 31 March 2016. This increase was primarily due to the acquisition of the Insurance Company, a 4.9% increase in the number of kilometres driven by the International Transportation Segment, to 100 million kilometres in the three months ended 31 March 2017 as compared to 95 million kilometres in the three months ended 31 March 2016 and a 32.3% increase in the number of kilometres driven by the Regional Contracts Logistics Segment, to 14 million kilometres in the three months ended 31 March 2017 as compared to 10 million kilometres in the three months ended 31 March 2016. Further, this increase was due to a 2.8% and a 4.3% increases of the International Transportation Segment's and the Regional Contracts Logistics Segment's revenue per kilometre, respectively, in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016, due to the fuel price increase.

Direct wages, benefits and allowances

The following table sets out the breakdown of the Group's direct wages, benefits and allowances for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
Fixed salaries	6,705	5,844	14.7
Variable wages	14,572	11,892	22.5
Payroll contributions	1,827	1,712	6.7
Total	23,104	19,448	18.8

In the three months ended 31 March 2017, the Group's direct wages, benefits and allowances increased by EUR 3.7 million or 18.8% to EUR 23.1 million as compared to EUR 19.4 million in the three months ended 31 March 2016. The Group's direct wages, benefits and allowances amounted to 14.9% of its revenue in the three months ended 31 March 2017 as compared to 15.3% of its revenue in the three months ended 31 March 2016. This increase was primarily due to 9.9% higher costs of the International Transportation Segment, which increased its driver per truck ratio from 1.31 to 1.39 to improve the working conditions of the truck drivers, which caused an increase in costs by EUR 1.0 million. The Regional Contract Logistics segment's costs increased by EUR 1.9 million or 104.3% in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016 due to an increase in the number of its truck drivers by 226 full time equivalent employees or 35.6% in the three months ended 31 March 2017 due to acquisition of new clients. Driver costs increased to

EUR 0.19 per kilometre in the three months ended 31 March 2017 as compared to EUR 0.18 per kilometre in the three months ended 31 March 2016 in the International Business Segment and to EUR 0.22 per kilometre in the three months ended 31 March 2017 as compared to EUR 0.19 per kilometre in the three months ended 31 March 2016 in the Regional Contracts Logistics Segment. Overall, driver wages in total increased by 18.8% in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016.

Fuel costs

The following table sets out the breakdown of the Group's fuel costs for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
International Transportation Segment	26,720	23,185	15.2
Regional Contract Logistics Segment	3,285	1,667	97.1
Total	30,001	24,850	20.7

In the three months ended 31 March 2017, the Group's fuel costs increased by EUR 5.2 million or 20.7% to EUR 30.0 million as compared to EUR 24.9 million in the three months ended 31 March 2016. The Group's fuel costs amounted to 19.3% of its revenue in the three months ended 31 March 2017 as compared to 19.5% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase in oil prices (see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs" for more information). This was partially offset by a decrease in the Regional Contract Logistics Segment's average fuel consumption to 28.7 litres per 100 kilometres in the three months ended 31 March 2017 as compared to 29.3 litres per 100 kilometres in the three months ended 31 March 2016.

Toll fees and transit costs

The following table sets out the breakdown of the Group's toll fees and transit costs for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
International Transportation Segment	20,803	21,439	(3.0)
<i>of which:</i> Highway fee.....	14,699	14,603	0.7
Toll facilities.....	5,440	5,396	0.8
Other costs during the service.....	664	1,440	(53.9)
Regional Contract Logistics Segment	4,418	2,924	51.1
<i>of which:</i> Highway fee.....	1,858	1,018	82.5
Transport, loading, packaging.....	2,419	1,779	36.0
Other costs during the service.....	141	127	11.0
Total	25,221	24,363	3.5

In the three months ended 31 March 2017, the Group's toll fees and transit costs increased by EUR 0.9 million or 3.5% to EUR 25.2 million as compared to EUR 24.4 million in the three months

ended 31 March 2016. The Group's other toll fees and transit costs amounted to 16.3% of its revenue in the three months ended 31 March 2017 as compared to 19.1% of its revenue in the three months ended 31 March 2016. This increase was primarily due to a 4.9% increase in the number of kilometres driven by the International Transportation Segment, to 100 million kilometres in the three months ended 31 March 2017 as compared to 95 million kilometres in the three months ended 31 March 2016, and a 32.3% increase in the number of kilometres driven by the Regional Contracts Logistics Segment, to 14 million kilometres in the three months ended 31 March 2017 as compared to 10 million kilometres in the three months ended 31 March 2016.

Cost of subcontractors and reinsurance fee

The following table sets out the breakdown of the Group's cost of subcontractors and reinsurance fee for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
Subcontractor costs	23,536	22,099	6.5
Reinsurance costs	6,383	0	100.0
Total	29,919	22,099	35.4

In the three months ended 31 March 2017, the Group's cost of subcontractors and reinsurance fee increased by EUR 7.8 million or 35.4% to EUR 29.9 million as compared to EUR 22.1 million in the three months ended 31 March 2016. The Group's cost of subcontractors and reinsurance fee was 19.3% of its revenue in the three months ended 31 March 2017 as compared to 17.4% of its revenue in the three months ended 31 March 2016. This increase was primarily due to the reinsurance fee newly incurred as a result of the acquisition of the Insurance Company. In addition, the subcontractor costs of the International Transportation Segment and of the Regional Contract Logistics Segment increased by 6.4% and 17.0% in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016.

Cost of goods sold

In the three months ended 31 March 2017, the Group's cost of goods sold increased by EUR 1.1 million or 56.0% to EUR 3.1 million as compared to EUR 2.0 million in the three months ended 31 March 2016. The Group's cost of goods sold was 2.0% of its revenue in the three months ended 31 March 2017 as compared to 1.5% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase of the cost of International Transportation Segment by 165% in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016 due to an increase in fuel resales to subcontractors.

Other cost

The following table sets out the breakdown of the Group's other cost for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
Repair, installation cost.....	4,637	3,509	32.2
Direct rent cost.....	1,015	1,193	14.9
Vehicle weight tax and other transportation-related taxes.....	562	481	16.8
Insurance cost and expenses.....	9,393	5,997	56.6
Other indirect cost.....	447	623	618.5
Total.....	16,053	11,803	36.0

In the three months ended 31 March 2017, the Group's other cost increased by EUR 4.3 million or 36.0% to EUR 16.1 million as compared to EUR 11.8 million in the three months ended 31 March 2016. The Group's other cost was 10.3% of its revenue in the three months ended 31 March 2017 as compared to 9.3% of its revenue in the three months ended 31 March 2016. This increase was primarily due to reallocation of the Group's insurance cost and expenses and the acquisition of the Insurance Company in April 2016, such as its claims costs. In addition, the repair, insurance and weight tax elements related to the Group's fleet increased as a result of an increase of the Group's fleet size.

Net gain on fleet sales

In the three months ended 31 March 2017, the Group's net gain on fleet sales decreased by EUR 0.8 million or 103.5% to EUR 0 as compared to EUR 0.7 million in the three months ended 31 March 2016. This decrease was primarily due to lower volume and margin of sold vehicle deteriorating general market conditions for used vehicles.

Indirect wages and benefits

In the three months ended 31 March 2017, the Group's indirect wages and benefits increased by EUR 1.7 million or 29.4% to EUR 7.5 million as compared to EUR 5.8 million in the three months ended 31 March 2016. The Group's indirect wages and benefits amounted to 4.8% of its revenue in the three months ended 31 March 2017 as compared to 4.5% of its revenue in the three months ended 31 March 2016. This increase was primarily due to the acquisition of the Insurance Company, which resulted in an increase in the number of the Group's white collar employees.

Other services

In the three months ended 31 March 2017, the Group's other services increased by EUR 1.2 million or 36.2% to EUR 4.5 million as compared to EUR 3.3 million in the three months ended 31 March 2016. This increase was primarily due to increases in other costs in both the Group's International Transportation Segment and Regional Contract Logistics Segment due to an increase in the International Transportation Segment caused by professional fees related to the Offering and the change of control and an increase of EUR 0.2 million in the Regional Contract Logistics Segment due to higher warehousing costs.

Other operating income

In the three months ended 31 March 2017, the Group's other operating income decreased by EUR 0.9 million or 32.6% to EUR 1.9 million as compared to EUR 2.9 million in the three months ended 31 March 2016. This decrease was primarily due an EUR 1 million decrease in other operating income of the International Transportation Segment. Regional Contract Logistics' other operating income decreased by 0.2 million or 88.0% compared to the three months ended 31 March 2016. This

decrease was partially offset by an EUR 0.3 million increase caused by the acquisition of the Insurance Company.

Other operating expense

In the three months ended 31 March 2017, the Group's other operating expense decreased by EUR 0.3 million or 40.5% to EUR 0.5 million as compared to EUR 0.8 million in the three months ended 31 March 2016. The Group's other operating expense amounted to 0.3% of its revenue in the three months ended 31 March 2017 as compared to 0.6% of its revenue in the three months ended 31 March 2016. This decrease was primarily due to a 87.3% decrease in other operating expense of the International Transportation Segment caused by lower amount of accrual. This decrease was partially offset by an increase in the Regional Contract Logistics Segment's other operating expense and by the acquisition of the Insurance Company.

Adjusted EBITDA

In the three months ended 31 March 2017, the Group's Adjusted EBITDA increased by EUR 1.7 million or 10.3% to EUR 18.2 million as compared to EUR 16.5 million in the three months ended 31 March 2016. This increase was primarily due to an increase in the Regional Contract Logistics Segment's other operating expense and the acquisition of the Insurance Company. This increase was partially offset by a 10.3% decrease of the International Transportation Segment's adjusted EBITDA caused by higher indirect costs and negative effect of other operating items. For a description of the adjustment for 2016 in the amount of EUR 0.9 million, please see "*Presentation of Financial and Other Information—Alternative Performance Measures*".

EBITDA

In the three months ended 31 March 2017, the Group's EBITDA increased by EUR 0.8 million or 5.0% to EUR 17.3 million as compared to EUR 16.5 million in the three months ended 31 March 2016. This increase was primarily due to 2.3 million or 16.7% lower earnings of International Transportation Segment (including 0.9 million as a non-recurring item in Management report). Regional Contract Logistics' EBITDA increased by 1.0 million or 39.0% compared to the three months ended 31 March 2016. The acquisition of the Insurance Company increased the Group's EBITDA by 2.0 million in the three months ended 31 March 2017.

Depreciation and amortisation

In the three months ended 31 March 2017, the Group's depreciation and amortisation decreased by EUR 0.9 million or 6.6% to EUR 12.2 million as compared to EUR 13.0 million in the three months ended 31 March 2016. This decrease was primarily due to a 10.7% decrease in the International Transportation Segment's depreciation and amortisation as Group was continuously replacing financing through loan agreements by leasing. Regional Contract Logistics' depreciation increased by 0.4 million or 23.5% in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016. This decrease was partially offset by higher depreciation and amortisation caused by an increase in the Group's fleet size.

Adjusted EBIT

In the three months ended 31 March 2017, the Group's Adjusted EBIT increased by EUR 2.5 million or 73.1% to EUR 6.0 million as compared to EUR 3.5 million in the three months ended 31 March 2016. This increase was primarily due to lower earnings of the International Transportation Segment. For a description of the adjustment for 2016 in the amount of EUR 0.9 million, please see "*Presentation of Financial and Other Information—Alternative Performance Measures*".

EBIT

In the three months ended 31 March 2017, the Group's EBIT increased by EUR 1.7 million or 48.6% to EUR 5.1 million as compared to EUR 3.4 million in the three months ended 31 March 2016. This increase was primarily due to 1.0 million or 48.3% lower EBIT of International Transportation Segment (including 0.9 million as non-recurring item in Management report). Regional Contract Logistics' EBIT increased by 0.7 million or 57.2% compared to the three months ended 31 March 2016. The acquisition of the Insurance Company increased Group's total EBIT by 2.0 million in the three months ended 31 March 2017.

Interest

The following table sets out the breakdown of the Group's interest for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
Interest received.....	13	20	(35.0)
Interest paid.....	(869)	(1,224)	(29.0)
Realised foreign exchange difference.....	(108)	(106)	1.9
Unrealised foreign exchange difference.....	31	(46)	167.4
Realised gain/loss on derivatives.....	(303)	473	(164.1)
Result of sale of investment.....	230	0	100.0
Other.....	0	16	0
Total.....	1,006	867	16.0

In the three months ended 31 March 2017, the Group's interest increased by EUR 0.1 million or 16.0% to EUR 1.0 million as compared to EUR 0.9 million in the three months ended 31 March 2016. This increase was primarily due to an increase or realised gain on derivatives. This increase was partially offset by the lower interest rate of new fleet financing, which decreased to 1.74% *per annum* in the three months ended 31 March 2017 as compared to 2.05% *per annum* in the three months ended 31 March 2016.

Income taxes

The following table sets out the breakdown of the Group's income taxes for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Change
	2017	2016	%
	<i>(in EUR thousands, except percentages)</i>		
Current income tax expense.....	1,801	1,422	26.7
Deferred taxes.....	(1,170)	138	(947.8)
Total.....	631	1,560	(59.5)

In the three months ended 31 March 2017, the Group's income taxes decreased by EUR 0.9 million or 59.5% to EUR 0.6 million as compared to EUR 1.6 million in the three months ended 31 March 2016. This decrease was primarily due to 1.3 million lower deferred tax. The Group's effective tax rate (taxation per profit before taxation) in the three months ended 31 March 2017 was 15.4% as compared to the Group's effective tax rate of 60.5% in the three months ended 31 March 2016 due to lower deferred taxation in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016.

Year Ended 31 December 2016 Compared to Year Ended 31 December 2015

The following table sets out a summary of the Group's income statement for the years ended 31 December 2016 and 2015:

	Pro forma	For the years ended		Change of
	total for the year ended 31 December 2016 (unaudited)	31 December (audited, unless indicated otherwise)		the audited figures
		2016	2015	%
<i>(in EUR thousands, except percentages)</i>				
Revenue	676,116	572,352	522,480	9.5
Direct wages, benefits and allowances.....	(97,850)	(86,590)	(70,004)	23.7
Fuel costs	(115,488)	(104,654)	(107,820)	(2.9)
Toll fees and transit costs.....	(106,683)	(94,229)	(93,590)	0.7
Cost of subcontractors and reinsurance fee .	(154,824)	(110,549)	(92,208)	19.9
Cost of goods sold.....	(13,988)	(13,650)	(16,765)	(18.6)
Other cost	(52,670)	(46,934)	(41,309)	13.6
Net gain on fleet sales.....	2,996	4,038	6,134	(34.2)
Gross profit	137,609	119,784	106,918	12.0
Indirect wages and benefits.....	(31,702)	(27,681)	(23,055)	20.1
Other services.....	(20,912)	(18,321)	(15,372)	19.2
Other operating income	8,560	6,208	6,996	(11.3)
Other operating expense	(12,059)	(10,808)	(5,184)	108.5
EBITDA (unaudited)	81,535	69,182	70,303	(1.6)
Depreciation and amortisation	(57,359)	(52,012)	(49,556)	5.0
EBIT (unaudited)	24,177	17,170	20,747	(17.2)
Interest	(3,629)	(3,126)	(2,875)	8.7
Profit (loss) before income tax	20,548	14,044	17,872	(21.4)
Income taxes	(6,357)	(4,870)	(5,452)	(10.7)
Profit (loss) for the year	14,191	9,174	12,420	(26.1)
Adjusted EBITDA (unaudited) ⁽¹⁾	86,861	73,595	71,511	2.9
Adjusted EBIT (unaudited) ⁽¹⁾	29,502	21,583	21,955	(1.7)
Adjusted EBITDA Margin (unaudited)⁽¹⁾	12.8%	12.9%	13.7%	(5.8)

Notes:

(1) Please see “Presentation of Financial Information—Alternative Performance Measures” for reconciliation and further information on these measures.

Revenue

The following table sets out a breakdown of the Group's revenue by segment for the years ended 31 December 2016 and 2015:

	For the years ended 31 December (audited)		Change
	2016	2015	%
	<i>(in EUR thousands, except percentages)</i>		
International Transportation Segment	443,422	435,016	1.9
Regional Contract Logistics Segment	97,019	87,464	10.9
Other Segment	31,911	—	—
Total	572,352	522,480	9.5

In 2016, the Group's revenue increased by EUR 49.9 million or 9.5% to EUR 572.4 million as compared to EUR 522.5 million in 2015. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group's revenue for 2016 was EUR 676.1 million. This increase was primarily due to a 4.5% increase in the number of kilometres driven by the International Transportation Segment, to 398 million kilometres in 2016 as compared to 381 million kilometres in 2015, and a 18.7% increase in the number of kilometres driven by the Regional Contracts Logistics Segment, to 48 million kilometres in 2016 as compared to 41 million kilometres in 2015. In addition, the loaded ratio of the International Transportation Segment increased to 91.6% in 2016 as compared to 91.3% in 2015 and the average size of the Group's fleet increased to an average of 3,549 in 2016 as compared to an average of 3,433 in 2015. Further, the increase was due to the acquisition of new customers by the Regional Contract Logistics Segment and the acquisition of the Insurance Company. As the acquisition of the Insurance Company occurred on April 2016, the Group's revenue for 2016 includes the revenues of the Insurance Company for nine months of 2016 only.

This increase was partially offset by the lower revenue per kilometre, EUR 0.90 per kilometre in 2016 as compared to EUR 0.91 per kilometre in 2015 in case of the International Transportation Segment and EUR 0.97 per kilometre in 2016 as compared to EUR 0.99 per kilometre in 2015 in case of the Regional Contracts Logistics Segment, caused by a decrease in fuel prices (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs*" for more information), which were passed on to customers by the Group's pricing model.

Direct wages, benefits and allowances

The following table sets out the breakdown of the Group's direct wages, benefits and allowances for the years ended 31 December 2016 and 2015:

	For the years ended 31 December (audited)		Change
	2016	2015	%
	<i>(in EUR thousands, except percentages)</i>		
Fixed salaries	25,523	23,109	10.4
Variable wages	52,979	40,077	32.2
Payroll contributions	8,087	6,818	18.6
Total	86,590	70,004	23.7

In 2016, the Group's direct wages, benefits and allowances increased by EUR 16.6 million or 23.7% to EUR 86.6 million as compared to EUR 70.0 million in 2015. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016),

the Group's direct wages, benefits and allowances for 2016 was EUR 97.9 million. The Group's direct wages, benefits and allowances amounted to 15.1% of total revenue in 2016 as compared to 13.4% of total revenue in 2015. This was primarily due to the International Transportation Segment, which increased the wages of its truck drivers by approximately 15% as of 1 January 2016 as compared to 2015 and also increased its driver per truck ratio from 1.28 in 2015 to 1.37 in 2016 in order to improve the working conditions of the Group's truck drivers. In addition, the number of the Group's truck drivers increased to an average of 4,788 in 2016 as compared to an average of 4,379 in 2015 due to, among other factors, the acquisition of new customers. Driver costs increased to EUR 0.18 per kilometre in 2016 as compared to EUR 0.15 per kilometre in 2015 in the International Business Segment and to EUR 0.22 per kilometre in 2016 as compared to EUR 0.20 per kilometre in 2015 in the Regional Contracts Logistics Segment.

Fuel costs

The following table sets out the breakdown of the Group's fuel costs for the years ended 31 December 2016 and 2015:

	For the years ended 31 December (audited)		Change
	2016	2015	%
	<i>(in EUR thousands, except percentages)</i>		
International Transportation Segment	95,891	100,365	(4.5)
Regional Contract Logistics Segment	8,763	7,455	17.5
Total	104,654	107,820	(2.9)

In 2016, the Group's fuel costs decreased by EUR 3.2 million or 2.9% to EUR 104.7 million as compared to EUR 107.8 million in 2015. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group's fuel costs for 2016 were EUR 115.5 million. The Group's fuel costs amounted to 18.3% of its revenue in 2016 as compared to 20.6% of its revenue in 2015. This decrease was primarily due to a decline in oil prices (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs*" for more information) and a decrease in the Group's average fuel consumption to 29.8 litres per 100 kilometres in 2016 as compared to 30.0 litres per 100 kilometres in 2015. In addition, the Group's International Transportation Segment fuel cost decreased to EUR 0.24 per kilometre in 2016 as compared to EUR 0.26 per kilometre in 2015 and the Group's Regional Contract Logistics Segment fuel cost decreased to EUR 0.21 per kilometre in 2016 as compared to EUR 0.24 per kilometre in 2015. This decrease was partially offset by an increase in fuel costs of the Regional Contract Logistics Segment by EUR 1.3 million in 2016 as compared to 2015 due to the 18.7% increase in the number of kilometres driven by the Regional Contracts Logistics Segment, to 48 million kilometres in 2016 as compared to 41 million kilometres in 2015, which, in turn, was partially offset by the change of refundable excise tax in Hungary.

Toll fees and transit costs

The following table sets out the breakdown of the Group's toll fees and transit costs for the years ended 31 December 2016 and 2015:

	For the years ended 31 December (audited)		Change
	2016	2015	%
	<i>(in EUR thousands, except percentages)</i>		
International Transportation Segment	80,426	82,485	(2.5)
of which: Highway fee.....	53,345	55,160	(3.3)
Toll facilities.....	24,214	22,850	6.0
Other costs during the service.....	2,867	4,474	(35.9)
Regional Contract Logistics Segment	13,803	11,106	24.3
of which: Highway fee.....	5,523	3,715	48.7
Transport, loading, packaging.....	8,122	6,825	19.0
Other costs during the service.....	159	566	(71.9)
Total.....	94,229	93,590	0.7

In 2016, the Group's toll fees and transit costs increased by EUR 0.6 million or 0.7% to EUR 94.2 million as compared to EUR 93.6 million in 2015. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group's toll fees and transit costs for 2016 were EUR 106.7. The Group's other toll fees and transit costs amounted to 16.5% of its revenue in 2016 as compared to 17.9% of its revenue in 2015. This increase was primarily due to an increase in the number of kilometres driven by the Group's trucks in 2016 as compared to 2015 in both the International Transportation Segment (a 4.5% increase to 398 million kilometres in 2016 as compared to 381 million kilometres in 2015) as well as the Regional Contract Logistics Segment (a 18.7% increase to 49 million kilometres in 2016 as compared to 41 million kilometres in 2015). This increase was partially offset by efficiencies achieved through WIRE, the Group's proprietary route planning engine and the lower highway fee of the International Transportation Segment due to the continual renewal of the Group's fleet with EURO 6 trucks.

Cost of subcontractors and reinsurance fee

The following table sets out the breakdown of the Group's cost of subcontractors and reinsurance fee for the years ended 31 December 2016 and 2015:

	For the years ended 31 December (audited)		Change
	2016	2015	%
	<i>(in EUR thousands, except percentages)</i>		
Subcontractor costs	93,132	92,208	1.0
Reinsurance costs	17,417	—	—
Total.....	110,549	92,208	19.9

In 2016, the Group's cost of subcontractors and reinsurance fee increased by EUR 18.3 million or 19.9% to EUR 110.5 million as compared to EUR 92.2 million in 2015. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group's cost of subcontractors and reinsurance fee for 2016 was EUR 154.9 million. The Group's cost of subcontractors and reinsurance fee was 19.3% of its revenue in 2016 as compared to 17.6% of its revenue in 2015. This increase was primarily due to reinsurance fee newly incurred as a result of the acquisition of the Insurance Company. In 2016, the reinsurance coverage was 75% for

international transport insurance (CMR and delivery, as claims within the Group), 50% for CASCO, housing and elements of other property insurance, and 50% for Motor-Third Party Liability Insurance, for the third party clients. In addition, this increase was due to an increase in subcontractors cost which resulted from an increase of the Group's freight forwarding activities.

Cost of goods sold

In 2016, the Group's cost of goods sold decreased by EUR 3.1 million or 18.6% to EUR 13.7 million as compared to EUR 16.8 million in 2015. The Group's cost of goods sold was 2.4% of its revenue in 2016 as compared to 3.2% of its revenue in 2015. This decrease was primarily due to a decrease in fuel resales to subcontractors.

Other cost

The following table sets out the breakdown of the Group's other cost for the years ended 31 December 2016 and 2015:

	For the years ended		Change
	31 December (audited)		
	2016	2015	%
	<i>(in EUR thousands, except percentages)</i>		
Repair, installation cost.....	14,116	13,405	5.3
Direct rent cost.....	5,430	4,492	20.9
Vehicle weight tax and other transportation-related taxes.....	1,891	2,734	(30.8)
Insurance cost and expenses.....	24,368	19,273	26.4
Other indirect cost.....	1,129	1,405	(19.6)
Total.....	46,934	41,309	13.6

In 2016, the Group's other cost increased by EUR 5.6 million or 13.6% to EUR 46.9 million as compared to EUR 41.3 million in 2015. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group's other cost for 2016 was EUR 52.7 million. The Group's other cost amounted to 8.2% of its revenue in 2016 as compared to 7.9% of its revenue in 2015. This increase was primarily due to reallocation of the Group's insurance cost and expenses and the acquisition of the Insurance Company in April 2016, such as its claims costs. In addition, the repair, insurance and weight tax elements related to the Group's fleet increased as a result of an increase of the Group's fleet size.

Net gain on fleet sales

In 2016, the Group's net gain on fleet sales decreased by EUR 2.1 million or 34.2% to EUR 4.0 million as compared to EUR 6.1 million in 2015. This decrease was primarily due to a decrease in the number of vehicle sold and a lower average margin on sold vehicles caused by deteriorating general market conditions for used vehicles.

Indirect wages and benefits

In 2016, the Group's indirect wages and benefits increased by EUR 4.6 million or 20.1% to EUR 27.7 million as compared to EUR 23.1 million in 2015. The Group's indirect wages and benefits amounted to 4.9% of its revenue in 2016 as compared to 4.4% of its revenue in 2015. This increase was primarily due to the acquisition of the Insurance Company, which resulted in an increase in the number of the Group's white-collar employees, and an increase in the number of employees in, among others, the Group's marketing and legal department, caused by insourcing of activities.

Other services

In 2016, the Group's other services increased by EUR 2.9 million or 19.2% to EUR 18.3 million as compared to EUR 15.4 million in 2015. This increase was primarily due to the costs of professional services related to the discontinued previous initial public offering of the Company and the change of control provision and due to the acquisition of the Insurance Company.

Other operating income

In 2016, the Group's other operating income decreased by EUR 0.8 million or 11.3% to EUR 6.2 million as compared to EUR 7.0 million in 2015. This decrease was primarily due to the acquisition of the Insurance Company and due to the fact that in 2015, the Group received a refund of a motorway fine in the amount of EUR 1.3 million paid in 2014, while there was no such one-off income recognised in 2016.

Other operating expense

In 2016, the Group's other operating expense increased by EUR 5.6 million or 108.5% to EUR 10.8 million as compared to EUR 5.2 million in 2015. This increase was primarily due to the consolidation and integration of the Insurance Company following its acquisition by the Group.

Adjusted EBITDA

In 2016, the Group's Adjusted EBITDA increased by EUR 2.1 million or 2.9% to EUR 73.6 million as compared to EUR 71.5 million in 2015. This increase was primarily due to the acquisition of the Insurance Company. For a description of the adjustment for 2016 in the amount of EUR 4.4 million, please see "*Presentation of Financial and Other Information—Alternative Performance Measures*".

On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), in 2016, the Group's Adjusted EBITDA increased by 21.5% or EUR 15.4 million to EUR 86.9 million as compared to EUR 71.5 million in 2015. For a description of the adjustment for 2016 in the amount of EUR 4.4 million, please see "*Presentation of Financial and Other Information—Alternative Performance Measures*".

EBITDA

In 2016, the Group's EBITDA decreased by EUR 1.1 million or 1.6% to EUR 69.2 million as compared to EUR 70.3 million in 2015. This decrease of EBITDA was primarily due to lower earnings of the International Transportation Segment. This decrease was partially offset by the acquisition of the Insurance Company.

Depreciation and amortisation

In 2016, the Group's depreciation and amortisation increased by EUR 2.5 million or 5.0% to EUR 52.0 million as compared to EUR 49.6 million in 2015. This increase was primarily due to an increase in the Group's size which, in turn, was mainly caused by acquisition of new clients.

Adjusted EBIT

In 2016, the Group's Adjusted EBIT decreased by EUR 0.4 million or 1.7% to EUR 21.6 million as compared to EUR 22.0 million in 2015. This decrease was primarily due to lower earnings of the International Transportation Segment. For a description of the adjustment for 2016 in the amount of EUR 4.4 million, please see "*Presentation of Financial and Other Information—Alternative Performance Measures*".

On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), in 2016, the Group's Adjusted EBIT increased by 34.1% or EUR 7.5 million to EUR 29.5 million as compared to EUR 22.0 million in 2015. For a description of the adjustment for 2016 in the amount of EUR 4.4 million, please see "*Presentation of Financial and Other Information—Alternative Performance Measures*".

EBIT

In 2016, the Group's EBIT decreased by EUR 3.6 million or 17.2% to EUR 17.2 million as compared to EUR 20.7 million in 2015. This decrease of EBIT was primarily due to a decrease in EBIT of both the Group's International Transportation Segment and the Regional Contract Logistics Segment.

Interest

The following table sets out the breakdown of the Group's interest for the years ended 31 December 2016 and 2015:

	For the years ended 31 December (audited)		Change
	2016	2015	%
	<i>(in EUR thousands, except percentages)</i>		
Interest received.....	95	84	13.1
Interest paid.....	(4,312)	(6,374)	32.4
Realised foreign exchange difference.....	(166)	65	(355.4)
Unrealised foreign exchange difference.....	29	(185)	115.7
Realised gain/loss on derivatives.....	1,205	3,511	(65.7)
Result of sale of investment.....	183	24	662.5
Other.....	(160)	0	100.0
Total.....	(3,126)	(2,875)	8.7

In 2016, the Group's interest increased by EUR 0.3 million or 8.7% to EUR 3.1 million as compared to EUR 2.9 million in 2015. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group's interest for 2016 was EUR 3.6 million. This increase was primarily due to an increase in the size of the Group's fleet and the financing liabilities and also a decrease of realised gain on foreign exchange derivatives. This increase was partially offset by lower average interest rate of the financing of the Group's fleet, which decreased to 1.82% *per annum* in 2016 as compared to 2.76% *per annum* in 2015.

Income taxes

	For the years ended 31 December (audited)		Change
	2016	2015	%
	<i>(in EUR thousands, except percentages)</i>		
Current income tax expense.....	(5,862)	(6,004)	(2.4)
Deferred taxes.....	993	552	79.9
Total.....	(4,870)	(5,452)	(10.7)

In 2016, the Group's income taxes decreased by EUR 0.6 million or 10.7% to EUR 4.9 million as compared to EUR 5.5 million in 2015. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group's income taxes for 2016 were EUR 6.4 million. This decrease was primarily due to an increase of deferred taxes and a decrease of the current income tax expense. The Group's effective tax rate (taxation per profit before taxation) in 2016 was 34.7% as compared to the Group's effective tax rate of 30.5% in 2015.

Year Ended 31 December 2015 Compared to Year Ended 31 December 2014

The following table sets out a summary of the Group's income statement for the years ended 31 December 2015 and 2014:

	For the year ended 31 December (audited, unless indicated otherwise)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentages)</i>		
Revenue	522,480	496,200	5.3
Direct wages, benefits and allowances.....	(70,004)	(64,176)	9.1
Fuel costs.....	(107,820)	(123,097)	(12.4)
Toll fees and transit costs.....	(93,590)	(86,288)	8.5
Cost of subcontractors and reinsurance fee	(92,208)	(81,498)	13.1
Cost of goods sold.....	(16,765)	(11,834)	41.7
Other cost	(41,309)	(32,765)	26.1
Net gain on fleet sales.....	6,134	8,259	(25.7)
Gross profit	106,918	104,801	0.2
Indirect wages and benefits.....	(23,055)	(19,200)	20.8
Other services.....	(15,372)	(12,405)	23.9
Other operating income.....	6,996	9,358	(25.2)
Other operating expense	(5,184)	(14,418)	(64.0)
EBITDA (unaudited)	70,303	68,136	3.2
Depreciation and amortisation.....	(49,556)	(41,892)	18.3
EBIT (unaudited)	20,747	26,244	(20.9)
Interest.....	(2,875)	(9,016)	(68.1)
Profit (loss) before income tax	17,872	17,228	3.7
Income taxes.....	(5,452)	(6,147)	(11.3)
Profit (loss) for the year	12,420	11,081	12.1
Adjusted EBITDA (unaudited) ⁽¹⁾	71,511	68,136	5.0
Adjusted EBIT (unaudited) ⁽¹⁾	21,955	26,244	(16.3)
Adjusted EBITDA Margin (unaudited) ⁽¹⁾	13.7%	13.7%	0.0

Notes:

(1) Please see "Presentation of Financial Information—Alternative Performance Measures" for reconciliation and further information on these measures.

Revenue

The following table sets out a breakdown of the Group's revenue by segment for the years ended 31 December 2015 and 2014:

	For the year ended 31 December (audited)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentages)</i>		
International Transportation Segment	435,016	418,621	3.9
Regional Contract Logistics Segment	87,464	77,579	11.3
Total	522,480	496,200	5.3

In 2015, the Group's revenue increased by EUR 26.3 million or 5.3% to EUR 522.5 million as compared to EUR 496.2 million in 2014. This increase was primarily due to an increase in sales revenue in the Group's International Transportation Segment. Sales in the Group's International Transportation Segment increased primarily due to organic growth both in its asset based truckload business and its brokerage business, a 4.4% increase in the number of kilometres driven by the International Transportation Segment, to 381 million kilometres in 2015 as compared to 365 million kilometres in 2014.

In addition, the loaded ratio of the International Transportation Segment increased to 91.3% in 2015 as compared to 90.9% in 2014, the average size of the Group's fleet increased to an average of 3,433 in 2015 as compared to 3,268 in 2014 and the revenue per kilometre of the Regional Contract Logistics Segment increased to EUR 0.97 per kilometre in 2015 as compared to EUR 0.99 per kilometre in 2014. Revenue from the Group's Regional Contract Logistics Segment increased due to the launch of a new Hungarian toll fee system, which was partially offset by a decrease in total kilometres driven in 2015 to 41 million as compared to 43 million in 2014.

Direct wages, benefits and allowances

The following table sets out the breakdown of the Group's direct wages, benefits and allowances for the years ended 31 December 2015 and 2014:

	For the years ended 31 December (audited)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentages)</i>		
Fixed salaries	23,109	20,448	13.0
Variable wages	40,077	37,664	6.4
Payroll contributions	6,818	6,064	12.4
Total	70,004	64,176	9.1

In 2015, the Group's direct wages, benefits and allowances increased by EUR 5.8 million or 9.1% to EUR 70.0 million as compared to EUR 64.2 million in 2014. The Group's direct wages, benefits and allowances amounted to 13.4% of its revenue in 2015 as compared to 12.9% of its revenue in 2014. This increase was primarily due to an increase of costs of International Transportation Segment, which resulted from an increase in the number of drivers by 6.5% to 2,916 in 2015 as compared to 2,739 in 2014. The overall number of the Group's truck drivers increased to 4,379 in 2015 as compared to 4,189 in 2014. Driver costs increased to EUR 0.15 per kilometre in 2015 as compared to EUR 0.14 per kilometre in 2014 in the International Business Segment and to EUR 0.20 per kilometre in 2016 as compared to EUR 0.16 per kilometre in 2014 in the Regional Contracts Logistics Segment. This increase was partially offset by a decrease in the Regional Contract Logistics Segment due to outsourcing and a decrease in the number of truck drivers by 2.3% to 517 in 2015 as compared to 529 in 2014.

Fuel costs

The following table sets out the breakdown of the Group's fuel costs for the years ended 31 December 2015 and 2014:

	For the years ended 31 December (audited)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentage)</i>		
International Transportation Segment	100,365	112,316	(10.6)
Regional Contract Logistics Segment	7,455	10,780	(30.8)
Total	107,820	123,097	(12.4)

In 2015, the Group's fuel costs decreased by EUR 15.3 million or 12.4% to EUR 107.8 million as compared to EUR 123.1 million in 2014. The Group's fuel costs amounted to 20.6% of its revenue in 2015 as compared to 24.8% of its revenue in 2014. This decrease was primarily due to a decline in oil prices (see "Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs" for more information) and a decrease in the Group's average fuel consumption to 30.0 litres per 100 kilometres in 2015 as compared to 30.1 litres per 100 kilometres in 2014 due to the Group replacing trucks in its fleet with more fuel efficient newer models. In addition, the Group's International Transportation Segment fuel cost decreased to EUR 0.26 per kilometre in 2015 as compared to EUR 0.30 per kilometre in 2014 and the Group's Regional Contract Logistics Segment fuel cost decreased to EUR 0.24 per kilometre in 2015 as compared to EUR 0.28 per kilometre in 2014. Also, fuel costs related to 110 outsourced trucks of the Group incurred in 2015 were reported as cost of subcontractors and reinsurance fee.

Toll fees and transit costs

The following table sets out the breakdown of the Group's toll fees and transit costs for the years ended 31 December 2015 and 2014:

	For the years ended 31 December (audited)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentages)</i>		
International Transportation Segment	82,485	78,033	8.0
<i>of which:</i> Highway fee	55,160	52,300	5.5
Toll facilities.....	22,850	20,984	8.9
Other costs during the service.....	4,474	4,546	(1.6)
Regional Contract Logistics Segment	11,106	8,458	31.3
<i>of which:</i> Highway fee	3,715	4,207	(11.7)
Transport, loading, packaging.....	6,825	3,765	81.3
Other costs during the service.....	566	486	16.5
Total.....	93,590	86,288	8.5

In 2015, the Group's toll fees and transit costs increased by EUR 7.3 million or 8.5% to EUR 93.6 million as compared to EUR 86.3 million in 2014. The Group's other toll fees and transit costs amounted to 17.9% of its revenue in 2015 as compared to 17.4% of its revenue in 2014. This increase was primarily due to a 4.4% increase in the number of kilometres driven by the International Transportation Segment, to 381 million kilometres in 2015 as compared to 365 million kilometres in 2014 and due to an increase in toll fees in several EU countries, including Hungary.

Cost of subcontractors and reinsurance fee

The following table sets out the breakdown of the Group's Cost of subcontractors and reinsurance fee for the years ended 31 December 2015 and 2014:

	For the years ended 31 December (audited)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentages)</i>		
Subcontractor costs	92,208	81,498	13.1
Reinsurance costs	—	—	—
Total.....	92,208	81,498	13.1

In 2015, the Group's cost of subcontractors and reinsurance fee increased by EUR 10.7 million or 13.1% to EUR 92.2 million as compared to EUR 81.5 million in 2014. The Group's cost of subcontractors and reinsurance fee was 17.6% of its revenue in 2015 as compared to 16.4% of its revenue in 2014. This increase was primarily due to an increase in freight forwarding services the Group provided in 2015 as compared to 2014 and due to the costs incurred in connection with the outsourcing of 110 trucks of the Group.

Cost of goods sold

In 2015, the Group's cost of goods sold increased by EUR 4.9 million or 41.7% to EUR 16.8 million as compared to EUR 11.8 million in 2014. The Group's cost of goods sold was 3.2% of its revenue in 2015 as compared to 2.4% of its revenue in 2014. This increase was primarily due to the intercompany resale of toll fees.

Other cost

The following table sets out the breakdown of the Group's other cost for the years ended 31 December 2015 and 2014:

	For the years ended 31 December (audited)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentages)</i>		
Repair, installation cost.....	13,405	12,178	10.1
Direct rent cost.....	4,492	4,296	4.6
Vehicle weight tax and other transportation-related taxes.....	2,734	2,524	8.3
Insurance cost and expenses.....	19,273	11,978	60.9
Other indirect cost.....	1,405	1,788	(21.4)
Total.....	41,309	32,765	26.1

In 2015, the Group's other cost increased by EUR 8.5 million or 26.1% to EUR 41.3 million as compared to EUR 32.8 million in 2014. The Group's other cost was 7.9% of its revenue in 2015 as compared to 6.6% of its revenue in 2014. This increase was primarily due to a significant increase in insurance premiums in the Hungarian insurance market generally.

Net gain on fleet sales

In 2015, the Group's cost of net gain on fleet sales decreased by EUR 2.1 million or 25.7% to EUR 6.1 million as compared to EUR 8.3 million in 2014. This decrease was primarily due to a lower number of sold vehicles, which was partially offset by a higher average margin on sold vehicles caused by deteriorating general market conditions for used vehicles.

Indirect wages and benefits

In 2015, the Group's indirect wages and benefits increased by EUR 4.5 million or 20.8% to EUR 23.1 million as compared to EUR 19.2 million in 2014. The Group's indirect wages and benefits amounted to 4.4% of its revenue in 2015 as compared to 3.9% of its revenue in 2014. This increase was primarily due to a 7% decrease in the number of employees, increase of wages of certain groups of employees to market level, and insourcing of activities, which resulted in an increase in several of the Group's white-collar departments.

Other services

In 2015, the Group's other services increased by EUR 3.0 million or 23.9% to EUR 15.4 million as compared to EUR 12.4 million in 2014. This increase was primarily due to the costs of professional services related to the discontinued previous initial public offering of the Company.

Other operating income

In 2015, the Group's other operating income decreased by EUR 2.4 million or 25.2% to EUR 7.0 million as compared to EUR 9.4 million in 2014. This decrease was primarily due to lower income in both the International Transportation Segment and the Regional Contract Logistics Segment.

Other operating expense

In 2015, the Group's other operating expense decreased by EUR 9.2 million or 64.0% to EUR 5.2 million as compared to EUR 14.4 million in 2014. The Group's other operating expense was 1.9% of its revenue in 2015 as compared to 2.9% of its revenue in 2014. This decrease was primarily due to higher expense in both the International Transportation Segment and the Regional Contract Logistics Segment, the EUR 0.9 million ERP implementation cost and the EUR 0.7 million Belgian excise tax.

Adjusted EBITDA

In 2015, the Group's Adjusted EBITDA increased by EUR 3.4 million or 5.0% to EUR 71.5 million as compared to EUR 68.1 million in 2014. This increase was primarily due to an increase of the Regional Contract Logistics Segment's Adjusted EBITDA and a stable Adjusted EBITDA of the International Transportation Segment. For a description of the adjustment for 2015 in the amount of EUR 1.2 million, please see "*Presentation of Financial and Other Information—Alternative Performance Measures*".

EBITDA

In 2015, the Group's EBITDA increased by EUR 2.2 million or 3.2% to EUR 70.3 million as compared to EUR 68.1 million in 2014. This increase of EBITDA was primarily due to increased EBITDA of the Regional Contract Logistics, which was partially offset by lower earnings of the International Transportation Segment.

Depreciation and amortisation

In 2015, the Group's depreciation and amortisation increased EUR 7.7 million or 18.3% to EUR 49.6 million as compared to EUR 41.9 million in 2014. This increase was primarily due to higher depreciation in both the International Transportation Segment and the Regional Contract Logistics Segment resulting from a special financing solution provided to the Group between 2016 and 2014, through which part of the fleet, 1,207 trucks and 917 trailers were financed, which, in turn, resulted in a higher decreases of the blue-book value of the trucks in the first two years. In 2015, the Group continuously replaced EURO 5 vehicles with new EURO 6 vehicles and decreased the financial lease period.

Adjusted EBIT

In 2016, the Group's Adjusted EBIT decreased by EUR 4.3 million or 16.3% to EUR 22.0 million as compared to EUR 26.2 million in 2015. This decrease was primarily due to a decrease of the Adjusted EBIT of the International Transportation Segment, which was partially off-set by an increase of the Adjusted EBIT of the Regional Contract Logistics Segment. For a description of the adjustment for 2015 in the amount of EUR 1.2 million, please see "*Presentation of Financial and Other Information—Alternative Performance Measures*".

EBIT

In 2015, the Group's EBIT decreased by EUR 5.5 million or 20.9% to EUR 20.7 million as compared to EUR 26.2 million in 2014. This decrease was primarily due to the higher fleet insurance fee, the higher non-driver wage cost and wage contributions and the higher fleet depreciation in the International Transportation Segment, which was partially offset by the higher profit from the warehousing business unit and the higher margin from brokerage business in the Regional Contract Logistics Segment.

Interest

The following table sets out the breakdown of the Group's interest for the years ended 31 December 2015 and 2014:

	For the years ended 31 December (audited)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentages)</i>		
Interest received.....	84	98	(14.3)
Interest paid.....	(6,374)	(7,219)	(11.7)
Realised foreign exchange difference.....	65	(784)	(108.3)
Unrealised foreign exchange difference.....	(185)	(288)	(35.8)
Realised gain/loss on derivatives.....	3,511	(888)	(495.4)
Result of sale of investment.....	24	24	0
Other.....	0	40	(100.0)
Total.....	(2,875)	(9,016)	(68.1)

In 2015, the Group's interest decreased by EUR 6.1 million or 68.1% to EUR 2.9 million as compared to EUR 9.0 million in 2014. This decrease was primarily due to lower interest rates and margins on the Group's financings generally in 2015 as compared to 2014, particularly due to a decrease of the average interest rate of the financing of the Group's fleet, which decreased to 2.76% per annum in 2015 as compared to 3.56% *per annum* in 2014, and due to the EUR 4.3 million gain realised on foreign exchange derivatives. This was partially offset by an increase in the size of the Group's fleet and its financing liabilities.

Income taxes

	For the years ended 31 December (audited)		Change
	2015	2014	%
	<i>(in EUR thousands, except percentages)</i>		
Current income tax expense.....	(6,004)	(6,632)	(9.5)
Deferred taxes.....	552	485	13.8
Total.....	(5,452)	(6,147)	(11.3)

In 2015, the Group's income taxes decreased by EUR 0.7 million or 11.3% to EUR 5.5 million as compared to EUR 6.1 million in 2014. This decrease was primarily due to lower current income tax expense. The Group's effective tax rate (taxation per profit before taxation) in 2015 was 30.5% as compared to the Group's effective tax rate of 35.7% in 2014.

Segments

The Group uses segment-level reporting in accordance with IFRS, and all figures for the segments reflect business-level reporting in accordance with IFRS.

International Transportation Segment

The following table sets out a summary of the International Transportation Segment's income statement for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Pro forma total for the year ended 31 December 2016 (unaudited)	For the year ended 31 December (audited, unless indicated otherwise)		
	2017	2016		2016	2015	2014
	<i>(in EUR thousands)</i>					
Revenue before inter-segment eliminations	117,379	108,213	545,711	451,401	442,128	424,971
Inter-segment revenue.....	(2,692)	(1,770)	(7,979)	(7,979)	(7,112)	(6,350)
Revenue	114,687	106,443	537,731	443,422	435,016	418,621
Direct wages, benefits and allowances.....	(19,359)	(17,615)	(86,795)	(75,534)	(61,618)	(54,758)
Fuel costs.....	(26,720)	(23,185)	(106,724)	(95,891)	(100,365)	(112,316)
Toll fees and transit costs.....	(20,884)	(21,479)	(93,038)	(80,585)	(82,707)	(78,033)
Cost of subcontractors and reinsurance fee	(17,847)	(16,774)	(109,845)	(70,232)	(68,558)	(64,055)
Cost of goods sold.....	(4,409)	(1,666)	(14,036)	(13,697)	(13,799)	(11,620)
Other cost	(9,831)	(9,751)	(29,179)	(27,088)	(31,741)	(23,112)
Net gain on fleet sales.....	(80)	797	2,873	3,915	5,122	7,105
Gross profit	18,250	18,540	108,966	92,290	88,461	88,182
Indirect wages and benefits...	(5,151)	(4,562)	(25,093)	(21,417)	(19,083)	(16,369)
Other services.....	(3,318)	(2,281)	(16,168)	(13,667)	(12,364)	(8,590)
Other operating income.....	1,705	2,666	6,969	4,730	6,368	8,628
Other operating expense.....	(87)	(683)	(10,912)	(9,792)	(4,544)	(11,755)
EBITDA (unaudited)	11,340	13,680	63,762	52,144	58,838	60,097
Adjusted EBITDA (unaudited)⁽¹⁾	12,309	13,718	68,922	56,391	60,046	60,097

Notes:

(1) Please see "Presentation of Financial Information—Alternative Performance Measures" for reconciliation and further information on these measures.

Revenue

In the three months ended 31 March 2017, the International Transportation Segment's revenue increased by EUR 9.2 million or 8.5% to EUR 117.4 million as compared to EUR 108.2 million in the three months ended 31 March 2016. This increase was primarily due to a 4.9% increase in the number of kilometres driven by the International Transportation Segment, to 100 million kilometres in the three months ended 31 March 2017 as compared to 95 million kilometres in the three months ended 31 March 2016.

In 2016, the International Transportation Segment's revenue increased by EUR 8.4 million or 1.9% to EUR 443.4 million as compared to EUR 435.0 million in 2015. This increase was primarily due to a 4.5% increase in the number of kilometres driven by the International Transportation Segment, to 398 million kilometres in 2016 as compared to 381 million kilometres in 2015, an increase of the loaded ratio of the International Transportation Segment to 91.6% in 2016 as compared to 91.3% in 2015 and an increase of the average size of the International Transportation Segment's fleet to an average of 2,970 in 2016 as compared to 2,916 in 2015. This increase was partially offset by a decrease of the revenue per kilometre to EUR 0.90 per kilometre in 2016 as compared to EUR 0.91 per kilometre in 2015 caused by a decrease of fuel prices.

In 2015, the International Transportation Segment's revenue increased by EUR 16.4 million or 3.9% to EUR 435.0 million as compared to EUR 418.6 million in 2014. This increase was primarily due to an increase in the total number of kilometres driven by 4.3% to 381 million in 2015 as compared to 365 million in 2014, which was partially offset by a decrease of the revenue per kilometre to EUR 0.91 per kilometre in 2015 as compared to EUR 0.92 per kilometre in 2015 caused by a decrease of fuel prices.

Direct wages, benefits and allowances

In the three months ended 31 March 2017, the International Transportation Segment's direct wages, benefits and allowances increased by EUR 1.7 million or 9.9% to EUR 19.4 million as compared to EUR 17.6 million in the three months ended 31 March 2016. The International Transportation Segment's direct wages, benefits and allowances amounted to 16.5% of its revenue in the three months ended 31 March 2017 as compared to 16.3% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase in the number of truck drivers by 8.1% to 4,188 in the three months ended 31 March 2017 as compared to 3,874 in the three months ended 31 March 2016 and also an increase of the driver per truck ratio to 1.29 in the three months ended 31 March 2017 from 1.31 in the three months ended 31 March 2016 in order to improve the working conditions of the Group's truck drivers.

In 2016, the International Transportation Segment's direct wages, benefits and allowances increased by EUR 13.9 million or 22.6% to EUR 75.5 million as compared to EUR 61.6 million in 2015. The International Transportation Segment's direct wages, benefits and allowances amounted to 17.0% of its revenue in 2016 as compared to 14.2% of its revenue in 2015. This increase was primarily due to an increase of wages of truck drivers by approximately 15% as of 1 January 2016 as compared to 2015, an increase in the number of truck drivers by 9.2% to 4,074 in 2016 as compared to 3,729 in 2015 and also an increase of the driver per truck ratio from 1.28 in 2015 to 1.37 in 2016 in order to improve the working conditions of the Group's truck drivers.

In 2015, the International Transportation Segment's direct wages, benefits and allowances increased by EUR 6.9 million or 12.5% to EUR 61.6 million as compared to EUR 54.8 million in 2014. The International Transportation Segment's direct wages, benefits and allowances amounted to 14.2% of its revenue in 2015 as compared to 13.1% of its revenue in 2014. This increase was primarily due to an increase in the number of drivers by 6.5% to 2,916 in 2015 as compared to 2,739 in 2014.

Fuel costs

In the three months ended 31 March 2017, the International Transportation Segment's fuel costs increased by EUR 3.5 million or 15.2% to EUR 26.7 million as compared to EUR 23.2 million in the three months ended 31 March 2016. The International Transportation Segment's fuel costs amounted to 22.8% of its revenue in the three months ended 31 March 2017 as compared to 21.4% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase in oil prices (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs*" for more information).

In 2016, the International Transportation Segment's fuel costs decreased by EUR 4.5 million or 4.5% to EUR 95.9 million as compared to EUR 100.4 million in 2015. The International Transportation Segment's fuel costs amounted to 21.6% of its revenue in 2016 as compared to 23.1% of its revenue in 2015. This decrease was primarily due to a decline in oil prices (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs*" for more information) and a decrease in the International Transportation Segment's fuel consumption by 0.1 litres per 100 kilometres. This decrease was partially offset by the 4.5% increase in the number of kilometres driven by the International Transportation Segment, to 398 million kilometres in 2016 as compared to 381 million kilometres in 2015.

In 2015, the International Transportation Segment's fuel costs decreased by EUR 12.0 million or 10.6% to EUR 100.4 million as compared to EUR 112.3 million in 2014. The International Transportation Segment's fuel costs amounted to 23.1% of its revenue in 2015 as compared to 26.8% of its revenue in 2014. This decrease was primarily due to a decline in oil prices (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs*" for more information). This decrease was partially offset by the increase in the total number of kilometres driven by 4.3% to 381 million in 2015 as compared to 365 million in 2014.

Toll fees and transit costs

In the three months ended 31 March 2017, the International Transportation Segment's toll fees and transit costs decreased by EUR 0.6 million or 2.8% to EUR 20.9 million as compared to EUR 21.5 million in the three months ended 31 March 2016. The International Transportation

Segment's toll fees and transit costs amounted to 17.8% of its revenue in the three months ended 31 March 2017 as compared to 19.8% of its revenue in the three months ended 31 March 2016. This decrease was primarily due to a decrease of transit cost per kilometres by EUR 0.02 per kilometre in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016. This decrease was partially offset by a 4.9% increase in the number of kilometres driven by the International Transportation Segment, to 100 million kilometres in the three months ended 31 March 2017 as compared to 95 million kilometres in the three months ended 31 March 2016.

In 2016, the International Transportation Segment's toll fees and transit costs decreased by EUR 2.1 million or 2.6% to EUR 80.6 million as compared to EUR 82.7 million in 2015. The International Transportation Segment's other toll fees and transit costs amounted to 18.2% of its revenue in 2016 as compared to 19.0% of its revenue in 2015. This decrease was primarily due to increase of total km by 17 million or 4.5% in 2016 which increased cost by 3.7 million or 4.5% while Toll fee and Transit costs/km decreased by 0.02 EUR/km or 6.7% resulting 5.8 million or 7% lower cost than 2015 due to additional rebate on transit costs partly due to the positive effect of the newly implemented route planning system.

In 2015, the International Transportation Segment's toll fees and transit costs increased by EUR 4.7 million or 6.0% to EUR 82.7 million as compared to EUR 78.0 million in 2014. The International Transportation Segment's other toll fees and transit costs amounted to 19.0% of its revenue in 2015 as compared to 18.2% of its revenue in 2014. This increase was primarily due to increase of total km by 15.8 million or 4.3% in 2015 which increased cost by 3.2 million or 4.3% while Toll fee and Transit costs/km increased by 0.01 EUR/km or 3.8% resulting 3.1 million or 4% higher cost than 2014 due to the new Hungarian toll fee system and the increasing toll fee in several European countries.

Cost of subcontractors and reinsurance fee

In the three months ended 31 March 2017, the International Transportation Segment's cost of subcontractors and reinsurance fee increased by EUR 1.1 million or 6.4% to EUR 17.8 million as compared to EUR 16.8 million in the three months ended 31 March 2016. The International Transportation Segment's cost of subcontractors and reinsurance fee was 15.2% of its revenue in the three months ended 31 March 2017 as compared to 15.5% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase in the provision of freight forwarding services.

In 2016, the International Transportation Segment's cost of subcontractors and reinsurance fee increased by EUR 1.7 million or 2.4% to EUR 70.2 million as compared to EUR 68.6 million in 2015. The International Transportation Segment's cost of subcontractors and reinsurance fee was 15.8% of its revenue in 2016 as compared to 15.8% of its revenue in 2015. This increase was primarily due to an increase in the provision of freight forwarding services.

In 2015, the International Transportation Segment's cost of subcontractors and reinsurance fee increased by EUR 4.5 million or 7.0% to EUR 68.6 million as compared to EUR 64.1 million in 2014. The International Transportation Segment's cost of subcontractors and reinsurance fee was 15.8% of its revenue in 2015 as compared to 15.3% of its revenue in 2014. This increase was primarily due to an increase in the provision of freight forwarding services.

Cost of goods sold

In the three months ended 31 March 2017, the International Transportation Segment's cost of goods sold increased by EUR 2.7 million or 164.7% to EUR 4.4 million as compared to EUR 1.7 million in the three months ended 31 March 2016. The International Transportation Segment's cost of goods sold was 3.8% of its revenue in the three months ended 31 March 2017 as compared to 1.5% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase in fuel resales to subcontractors.

In 2016, the International Transportation Segment's cost of goods sold decreased by EUR 0.1 million or 0.7% to EUR 13.7 million as compared to EUR 13.8 million in 2015. The International Transportation Segment's cost of goods sold was 3.1% of its revenue in 2016 as compared to 3.2% of its revenue in 2015. This decrease was primarily due to the intragroup resale of the Hungarian toll fee.

In 2015, the International Transportation Segment's cost of goods sold increased by EUR 2.2 million or 18.7% to EUR 13.8 million as compared to EUR 11.6 million in 2014. The International

Transportation Segment's cost of goods sold was 3.2% of its revenue in 2015 as compared to 2.8% of its revenue in 2014. This increase was primarily due to the intragroup resale of the Hungarian toll fee.

Other cost

In the three months ended 31 March 2017, the International Transportation Segment's other cost increased by EUR 0.1 million or 0.8% to EUR 9.8 million as compared to EUR 9.8 million in the three months ended 31 March 2016. The International Transportation Segment's other cost was 8.4% of its revenue in the three months ended 31 March 2017 as compared to 9.0% of its revenue in the three months ended 31 March 2016. This increase corresponds to the International Transportation Segment's increased revenue.

In 2016, the International Transportation Segment's other cost decreased by EUR 8.5 million or 26.7% to EUR 23.3 million as compared to EUR 31.7 million in 2015. The International Transportation Segment's other cost was 5.2% of its revenue in 2016 as compared to 7.3% of its revenue in 2015. This decrease was primarily due to the consolidation of insurance cost as a result of the acquisition of the Insurance Company.

In 2015, the International Transportation Segment's other cost increased by EUR 8.6 million or 37.3% to EUR 31.7 million as compared to EUR 23.1 million in 2014. The International Transportation Segment's other cost was 7.3% of its revenue in 2015 as compared to 5.5% of its revenue in 2014. This increase was primarily due to a significant increase in insurance premiums in the Hungarian insurance market generally and increase in the International Transportation Segment's fleet size.

Net gain on fleet sales

In the three months ended 31 March 2017, the International Transportation Segment's net gain on fleet sales decreased by EUR 0.9 million or 110.1% to EUR (0.08) million as compared to EUR 0.8 million in the three months ended 31 March 2016. This decrease was primarily due to a decrease in the number of vehicles sold and the margin.

In 2016, the International Transportation Segment's net gain on fleet sales decreased by EUR 5 million or 98.0% to EUR 0.1 million as compared to EUR 5.1 million in 2015. This decrease was primarily due to a decrease in the number of vehicles sold, which was partially offset by a higher margin in 2016 as compared to 2015.

In 2015, the International Transportation Segment's net gain on fleet sales decreased by EUR 2.0 million or 27.9% to EUR 5.1 million as compared to EUR 7.1 million in 2014. This decrease was primarily due to a decrease in the number of vehicles sold, which was partially offset by a higher margin in 2015 as compared to 2014.

Indirect wages and benefits

In the three months ended 31 March 2017, the International Transportation Segment's indirect wages and benefits increased by EUR 0.6 million or 12.9% to EUR 5.2 million as compared to EUR 4.6 million in the three months ended 31 March 2016. The International Transportation Segment's indirect wages and benefits amounted to 4.4% of its revenue in the three months ended 31 March 2017 as compared to 4.2% of its revenue in the three months ended 31 March 2016. This increase was primarily due to a 6% increase in the number of employees and a 6.5% decrease of wages.

In 2016, the International Transportation Segment's indirect wages and benefits increased by EUR 2.3 million or 12.2% to EUR 21.4 million as compared to EUR 19.1 million in 2015. The International Transportation Segment's indirect wages and benefits amounted to 4.8% of its revenue in 2016 as compared to 4.4% of its revenue in 2015. This increase was primarily due to an increase in the number of employees.

In 2015, the International Transportation Segment's indirect wages and benefits increased by EUR 3.3 million or 16.6% to EUR 19.1 million as compared to EUR 16.4 million in 2014. The International Transportation Segment's indirect wages and benefits amounted to 4.4% of its revenue in 2015 as compared to 3.8% of its revenue in 2014. This increase was primarily due to an increase in the number of employees.

Other services

In the three months ended 31 March 2017, the International Transportation Segment's other services increased by EUR 1.0 million or 45.5% to EUR 3.3 million as compared to EUR 2.3 million in the three months ended 31 March 2016. The International Transportation Segment's other services amounted to 2.8% of its revenue in the three months ended 31 March 2017 as compared to 2.1% of its revenue in the three months ended 31 March 2016. This increase was primarily due to the cost of professional services related to the Offering.

In 2016, the International Transportation Segment's other services increased by EUR 1.3 million or 10.5% to EUR 13.7 million as compared to EUR 12.4 million in 2015. The International Transportation Segment's other services amounted to 3.1% of its revenue in 2016 as compared to 2.8% of its revenue in 2015. This increase was primarily due to the cost of professional services related to the discontinued initial public offering of the Company and the change of control.

In 2015, the International Transportation Segment's other services increased by EUR 3.8 million or 43.9% to EUR 12.4 million as compared to EUR 8.6 million in 2014. The International Transportation Segment's other services amounted to 2.8% of its revenue in 2015 as compared to 2.1% of its revenue in 2014. This increase was primarily due to the cost of professional services related to the discontinued initial public offering of the Company and the change of control.

Other operating income

In the three months ended 31 March 2017, the International Transportation Segment's other operating income decreased by EUR 1.0 million or 36.0% to EUR 1.7 million as compared to EUR 2.7 million in the three months ended 31 March 2016.

In 2015, the International Transportation Segment's other operating income decreased by EUR 2.2 million or 26.2% to EUR 6.4 million as compared to EUR 8.6 million in 2014.

Other operating expense

In the three months ended 31 March 2017, the International Transportation Segment's other operating expense decreased by EUR 0.6 million or 87.3% to EUR 0.09 million as compared to EUR 0.7 million in the three months ended 31 March 2016. The International Transportation Segment's other operating expense was 0.1% of its revenue in the three months ended 31 March 2017 as compared to 0.6% of its revenue in the three months ended 31 March 2016.

In 2016, the International Transportation Segment's other operating expense increased by EUR 5.2 million or 115.5% to EUR 9.8 million as compared to EUR 4.5 million in 2015. The International Transportation Segment's other operating expense was 2.2% of its revenue in 2016 as compared to 1.0% of its revenue in 2015.

In 2015, the International Transportation Segment's other operating expense decreased by EUR 7.3 million or 61.3% to EUR 4.5 million as compared to EUR 11.8 million in 2014. The International Transportation Segment's other operating expense was 1.0% of its revenue in 2015 as compared to 3.6% of its revenue in 2014.

EBITDA

In the three months ended 31 March 2017, the International Transportation Segment's EBITDA decreased by EUR 2.3 million or 16.7% to EUR 11.4 million as compared to EUR 13.7 million in the three months ended 31 March 2016.

In 2016, the International Transportation Segment's EBITDA decreased by EUR 6.7 million or 11.4% to EUR 52.1 million as compared to EUR 58.8 million in 2015.

In 2015, the International Transportation Segment's EBITDA decreased by EUR 1.3 million or 2.1% to EUR 58.8 million as compared to EUR 60.1 million in 2014.

Adjusted EBITDA

In the three months ended 31 March 2017, the International Transportation Segment's Adjusted EBITDA decreased by EUR 1.4 million or 11.4% to EUR 12.3 million as compared to EUR 13.7 million in the three months ended 31 March 2016. This decrease was primarily due to a EUR 2.0 million increase in fuel costs, an EUR 0.9 million decrease in fleet sales, an EUR 0.9 million decrease in sales price, lower transit costs and increase in the number of kilometres per truck.

In 2016, the International Transportation Segment's Adjusted EBITDA decreased by EUR 3.7 million or 6.1% to EUR 56.4 million as compared to EUR 60.0 million 2015. This decrease was primarily due to an increase in the cost of drivers. On a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), in 2016, the International Transportation Segment's Adjusted EBITDA increased by 14.8% or EUR 8.9 million to EUR 68.9 million as compared to 2015. For a description of the adjustment for 2016 in the amount of EUR 4.2 million, please see "Presentation of Financial and Other Information—Alternative Performance Measures".

In 2015, the International Transportation Segment's Adjusted EBITDA decreased by EUR 0.1 million or 0.1% to EUR 60.0 million as compared to EUR 60.1 million in 2014. This decrease was primarily due to an increase in the size of the Group's fleet and in the Group's indirect costs. Adjustment for 2015 includes the one-off costs incurred by the Group in connection with the discontinued initial public offering of the Company, undertaken in 2015 and 2016, and with the related employees share offering program (ESOP) in the amount of EUR 1.2 million.

Regional Contract Logistics Segment

The following table sets out a summary of the Regional Contract Logistics Segment's income statement for the three months ended 31 March 2017 and 2016:

	For the three months ended 31 March (unaudited)		Pro forma total for the year ended 31 December 2016 (unaudited)	For the year ended 31 December (audited, unless indicated otherwise)		
	2017	2016		2016	2015	2014
	(in EUR thousands)					
Revenue before inter-segment eliminations	28,809	20,958	97,970	97,970	88,088	79,025
Inter-segment revenue.....	(399)	(171)	(952)	(952)	(623)	(1,446)
Revenue	28,410	20,787	97,019	97,019	87,464	77,579
Direct wages, benefits and allowances.....	(3,745)	(1,833)	(11,056)	(11,056)	(8,386)	(9,417)
Fuel costs.....	(3,285)	(1,667)	(8,774)	(8,774)	(7,465)	(10,793)
Toll fees and transit costs....	(4,418)	(2,924)	(13,884)	(13,884)	(11,145)	(8,458)
Cost of subcontractors and reinsurance fee	(6,508)	(5,564)	(25,215)	(25,193)	(24,826)	(17,444)
Cost of goods sold.....	(828)	(1,273)	(5,125)	(5,125)	(7,303)	(6,506)
Other cost	(2,332)	(2,306)	(9,736)	(13,482)	(9,736)	(9,981)
Net gain on fleet sales.....	54	(61)	101	3,915	1,012	1,154
Gross profit	7,749	5,331	24,281	24,371	20,238	17,579
Indirect wages and benefits...	(1,873)	(1,216)	(5,430)	(5,418)	(3,972)	(2,831)
Other services.....	(1,684)	(1,437)	(5,923)	(5,920)	(4,764)	(4,719)
Other operating income.....	25	206	1,058	989	610	707
Other operating expense.....	(352)	(105)	(981)	(977)	(648)	(2,696)
EBITDA (unaudited)	3,863	2,779	13,005	13,044	11,465	8,039
Adjusted EBITDA (unaudited)⁽¹⁾	3,863	2,779	13,005	13,044	11,465	8,039

Notes:

(1) Please see "Presentation of Financial Information—Alternative Performance Measures" for reconciliation and further information on these measures.

Revenue

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's revenue increased by EUR 7.9 million or 37.5% to EUR 28.8 million as compared to EUR 21.0 million in the three months ended 31 March 2016. This increase was primarily due to a 32.3% increase in the number of kilometres driven by the Regional Contracts Logistics Segment, to 14 million kilometres in the three months ended 31 March 2017 as compared to 10 million kilometres in the three months ended 31 March 2016. Further, this increase was due to a 4.3% increase of the Regional Contracts

Logistics Segment's revenue per kilometre in the three months ended 31 March 2017 as compared to the three months ended 31 March 2016, due to the fuel price increase.

In 2016, the Regional Contract Logistics Segment's revenue increased by EUR 9.5 million or 10.9% to EUR 97.0 million as compared to EUR 87.5 million in 2015. This increase was primarily due to a 18.7% increase in the number of kilometres driven by the Regional Contracts Logistics Segment, to 48 million kilometres in 2016 as compared to 41 million kilometres in 2015 and an increase of the average size of the Regional Contracts Logistics Segment's fleet to an average of 580 in 2016 as compared to 517 in 2015. This increase was partially offset by a decrease of the revenue per kilometre to EUR 0.97 per kilometre in 2016 as compared to EUR 0.99 per kilometre in 2015 caused by a decrease of fuel prices.

In 2015, the Regional Contract Logistics Segment's revenue increased by EUR 9.9 million or 10.7% to EUR 87.5 million as compared to EUR 77.6 million in 2014. This increase was primarily due to the launch of a new Hungarian toll fee system and an increase of the revenue per kilometre to EUR 0.99 per kilometre in 2015 as compared to EUR 0.97 per kilometre in 2014. This increase was partially offset by a decrease in total kilometres driven in 2015 to 41 million as compared to 43 million in 2014.

Direct wages, benefits and allowances

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's direct wages, benefits and allowances increased by EUR 1.9 million or 104.3% to EUR 3.7 million as compared to EUR 1.8 million in the three months ended 31 March 2016. The Regional Contract Logistics Segment's direct wages, benefits and allowances amounted to 13.0% of its revenue in the three months ended 31 March 2017 as compared to 8.7% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase in the number of its truck drivers by 226 full time equivalent employees or 35.6% in the three months ended 31 March 2017 due to acquisition of new clients.

In 2016, the Regional Contract Logistics Segment's direct wages, benefits and allowances increased by EUR 2.7 million or 31.8% to EUR 11.1 million as compared to EUR 8.4 million in 2015. The Regional Contract Logistics Segment's direct wages, benefits and allowances amounted to 11.4% of its revenue in 2016 as compared to 9.6% of its revenue in 2015. This increase was primarily due to an increase in the number of truck drivers by 17.9% to 719 in 2016 as compared to 610 in 2015 due to the acquisition of new customers.

In 2015, the Regional Contract Logistics Segment's direct wages, benefits and allowances decreased by EUR 1.0 million or 11.0% to EUR 8.4 million as compared to EUR 9.4 million in 2014. The Regional Contract Logistics Segment's direct wages, benefits and allowances amounted to 9.6% of its revenue in 2015 as compared to 12.1% of its revenue in 2014. This decrease was primarily due to outsourcing and a decrease in the number of truck drivers by 2.3% to 517 in 2015 as compared to 529 in 2014.

Fuel costs

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's fuel costs increased by EUR 1.6 million or 97.1% to EUR 3.3 million as compared to EUR 1.7 million in the three months ended 31 March 2016. The Regional Contract Logistics Segment's fuel costs amounted to 11.4% of its revenue in the three months ended 31 March 2017 as compared to 8.0% of its revenue in the three months ended 31 March 2016. This increase was primarily due to a 32.3% increase in the number of kilometres driven by the Regional Contracts Logistics Segment, to 14 million kilometres in the three months ended 31 March 2017 as compared to 10 million kilometres in the three months ended 31 March 2016 and an increase in oil prices (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs*" for more information).

In 2016, the Regional Contract Logistics Segment's fuel costs increased by EUR 1.3 million or 17.5% to EUR 8.8 million as compared to EUR 7.5 million in 2015. The Regional Contract Logistics Segment's fuel costs amounted to 9.0% of its revenue in 2016 as compared to 8.5% of its revenue in 2015. This increase was primarily due to the 18.7% increase in the number of kilometres driven to 48 million kilometres in 2016 as compared to 41 million kilometres in 2015, which, in turn, was partially offset by the refundable excise tax was changed in Hungary and lower fuel consumption by 1.0 litres per 100 kilometres in 2016 as compared to 2015.

In 2015, the Regional Contract Logistics Segment's fuel costs decreased by EUR 3.3 million or 30.8% to EUR 7.5 million as compared to EUR 10.8 million in 2014. The Regional Contract Logistics Segment's fuel costs amounted to 8.5% of its revenue in 2015 as compared to 13.9% of its revenue in 2014. This decrease was primarily due to a decline in oil prices (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Key Factors Impacting the Group's Results of Operations and Financial Position—Material Costs*" for more information) and lower fuel consumption by 0.7 litres per 100 kilometres in 2015 as compared to 2014.

Toll fees and transit costs

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's toll fees and transit costs increased by EUR 1.5 million or 51.1% to EUR 4.4 million as compared to EUR 2.9 million in the three months ended 31 March 2016. The Regional Contract Logistics Segment's other toll fees and transit costs amounted to 15.3% of its revenue in the three months ended 31 March 2017 as compared to 14.0% of its revenue in the three months ended 31 March 2016. This increase was primarily due to a 32.3% increase in the number of kilometres driven by the Regional Contracts Logistics Segment, to 14 million kilometres in the three months ended 31 March 2017 as compared to 10 million kilometres in the three months ended 31 March 2016.

In 2016, the Regional Contract Logistics Segment's toll fees and transit costs increased by EUR 2.7 million or 24.6% to EUR 13.9 million as compared to EUR 11.1 million in 2015. The Regional Contract Logistics Segment's other toll fees and transit costs amounted to 14.3% of its revenue in 2016 as compared to 12.7% of its revenue in 2015. This increase was primarily due to an increase in the number of kilometres driven and a 4.9% increase in toll fees and transit costs per kilometre.

In 2015, the Regional Contract Logistics Segment's toll fees and transit costs increased by EUR 2.7 million or 31.8% to EUR 11.1 million as compared to EUR 8.5 million in 2014. The Regional Contract Logistics Segment's other toll fees and transit costs amounted to 12.7% of its revenue in 2015 as compared to 10.9% of its revenue in 2014. This increase was primarily due to an increase in the number of kilometres driven and a 34.9% increase in toll fees and transit costs per kilometre.

Cost of subcontractors and reinsurance fee

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's cost of subcontractors and reinsurance fee increased by EUR 0.9 million or 17.0% to EUR 6.5 million as compared to EUR 5.6 million in the three months ended 31 March 2016. The Regional Contract Logistics Segment's cost of subcontractors and reinsurance fee was 22.6% of its revenue in the three months ended 31 March 2017 as compared to 26.5% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase in the provision of freight forwarding services.

In 2016, the Regional Contract Logistics Segment's cost of subcontractors and reinsurance fee increased by EUR 0.4 million or 1.5% to EUR 25.2 million as compared to EUR 24.8 million in 2015. The Regional Contract Logistics Segment's cost of subcontractors and reinsurance fee was 26.0% of its revenue in 2016 as compared to 28.4% of its revenue in 2015. This increase was primarily due to an increase in the provision of freight forwarding services.

In 2015, the Regional Contract Logistics Segment's cost of subcontractors and reinsurance fee increased by EUR 7.4 million or 42.3% to EUR 24.8 million as compared to EUR 17.4 million in 2014. The Regional Contract Logistics Segment's cost of subcontractors and reinsurance fee was 28.4% of its revenue in 2015 as compared to 22.5% of its revenue in 2014. This increase was primarily due to the outsourcing of subcontractors.

Cost of goods sold

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's cost of goods sold decreased by EUR 0.4 million or 35.0% to EUR 0.8 million as compared to EUR 1.3 million in the three months ended 31 March 2016. The Regional Contract Logistics Segment's cost of goods sold was 2.9% of its revenue in the three months ended 31 March 2017 as compared to 6.1% of its revenue in the three months ended 31 March 2016. This decrease was primarily due to a decrease in fuel re-sales to subcontractors.

In 2016, the Regional Contract Logistics Segment's cost of goods sold decreased by EUR 2.2 million or 29.8% to EUR 5.1 million as compared to EUR 7.3 million in 2015. The Regional Contract

Logistics Segment's cost of goods sold was 5.3% of its revenue in 2016 as compared to 8.4% of its revenue in 2015. This decrease was primarily due to a decrease in fuel re-sales to subcontractors.

In 2015, the Regional Contract Logistics Segment's cost of goods sold increased by EUR 0.8 million or 12.2% to EUR 7.3 million as compared to EUR 6.5 million in 2014. The Regional Contract Logistics Segment's cost of goods sold was 8.4% of its revenue in 2015 as compared to 8.4% of its revenue in 2014. This increase was primarily due to the outsourcing of subcontractors.

Other cost

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's other cost increased by EUR 0.03 million or 1.1% to EUR 2.3 million as compared to EUR 2.3 million in the three months ended 31 March 2016. The Regional Contract Logistics Segment's other cost was 8.1% of its revenue in the three months ended 31 March 2017 as compared to 11.0% of its revenue in the three months ended 31 March 2016.

In 2016, the Regional Contract Logistics Segment's other cost increased by EUR 3.7 million or 38.5% to EUR 13.5 million as compared to EUR 9.7 million in 2015. The Regional Contract Logistics Segment's other cost was 10.0% of its revenue in 2016 as compared to 11.1% of its revenue in 2015.

In 2015, the Regional Contract Logistics Segment's other cost decreased by EUR 0.2 million or 2.5% to EUR 9.7 million as compared to EUR 10.0 million in 2014. The Regional Contract Logistics Segment's other cost was 11.1% of its revenue in 2015 as compared to 12.9% of its revenue in 2014.

Net gain on fleet sales

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's net gain on fleet sales increased by EUR 0.1 million or 189.6% to EUR 0.05 million as compared to EUR (0.06) million in the three months ended 31 March 2016.

In 2016, the Regional Contract Logistics Segment's net gain on fleet sales increased by EUR 2.9 million or 286.8% to EUR 3.9 million as compared to EUR 1.0 million in 2015. This increase was primarily due to an increase in the number of vehicles sold as well as an increase in the margin in 2016 as compared to 2015.

In 2015, the Regional Contract Logistics Segment's net gain on fleet sales decreased by EUR 0.1 million or 12.3% to EUR 1.0 million as compared to EUR 1.2 million in 2014. This decrease was primarily due to the renewal of the FTL fleet in 2014.

Indirect wages and benefits

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's indirect wages and benefits increased by EUR 0.7 million or 54.1% to EUR 1.9 million as compared to EUR 1.2 million for the three months ended 31 March 2016. The Regional Contract Logistics Segment's indirect wages and benefits amounted to 6.5% of its revenue in the three months ended 31 March 2017 as compared to 5.8% of its revenue in the three months ended 31 March 2016. This increase was primarily due to an increase in the number of employees.

In 2016, the Regional Contract Logistics Segment's indirect wages and benefits increased by EUR 1.4 million or 36.4% to EUR 5.4 million as compared to EUR 4.0 million in 2015. The Regional Contract Logistics Segment's indirect wages and benefits amounted to 5.6% of its revenue in 2016 as compared to 4.5% of its revenue in 2015. This increase was primarily due to the acquisition of the Insurance Company, which resulted in an increase in the number of employees by 49%.

In 2015, the Regional Contract Logistics Segment's indirect wages and benefits increased by EUR 1.2 million or 40.3% to EUR 4.0 million as compared to EUR 2.8 million in 2014. The Regional Contract Logistics Segment's indirect wages and benefits amounted to 4.5% of its revenue in 2015 as compared to 3.5% of its revenue in 2014. This increase was primarily due to an increase in the number of employees by 6%.

Other services

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's other services increased by EUR 0.2 million or 17.2% to EUR 1.7 million as compared to EUR 1.4 million in the three months ended 31 March 2016. The Regional Contract Logistics Segment's other services amounted to 5.8% of its revenue in the three months ended 31 March 2017 as compared to 6.9% of its revenue in the three months ended 31 March 2016. This increase was primarily due to higher IT

services, professional services, and warehouse costs corresponding to increase volume of the Regional Contract Logistics Segment.

In 2016, the Regional Contract Logistics Segment's other services increased by EUR 1.2 million or 24.3% to EUR 5.9 million as compared to EUR 4.8 million in 2015. The Regional Contract Logistics Segment's other services amounted to 6.1% of its revenue in 2016 as compared to 5.4% of its revenue in 2015. This increase was primarily due to increasing allocation of central costs.

In 2015, the Regional Contract Logistics Segment's other services increased by EUR 0.04 million or 1.0% to EUR 4.8 million as compared to EUR 4.7 million in 2014. The Regional Contract Logistics Segment's other services amounted to 5.4% of its revenue in 2015 as compared to 6.1% of its revenue in 2014.

Other operating income

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's other operating income decreased by EUR 0.2 million or 87.9% to EUR 0.02 million as compared to EUR 0.2 million in the three months ended 31 March 2016.

In 2016, the Regional Contract Logistics Segment's other operating income increased by EUR 0.4 million or 62.1% to EUR 1.0 million as compared to EUR 0.6 million in 2015.

In 2015, the Regional Contract Logistics Segment's other operating income decreased by EUR 0.1 million or 13.7% to EUR 0.6 million as compared to EUR 0.7 million in 2014.

Other operating expense

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's other operating expense increased by EUR 0.2 million or 235.0% to EUR 0.4 million as compared to EUR 0.1 million in the three months ended 31 March 2016. The Regional Contract Logistics Segment's other operating expense was 1.2% of its revenue in the three months ended 31 March 2017 as compared to 0.5% of its revenue in the three months ended 31 March 2016.

In 2016, the Regional Contract Logistics Segment's other operating expense increased by EUR 0.3 million or 50.8% to EUR 1.0 million as compared to EUR 0.6 million in 2015. The Regional Contract Logistics Segment's other operating expense was 1.0% of its revenue in 2016 as compared to 0.7% of its revenue in 2015.

In 2015, the Regional Contract Logistics Segment's other operating expense decreased by EUR 2.1 million or 76.0% to EUR 0.6 million as compared to EUR 2.8 million in 2014. The Regional Contract Logistics Segment's other operating expense was 0.7% of its revenue in 2015 as compared to 3.6% of its revenue in 2014.

EBITDA

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's EBITDA increased by EUR 1.1 million or 39.0% to EUR 3.9 million as compared to EUR 2.8 million in the three months ended 31 March 2016.

In 2016, the Regional Contract Logistics Segment's EBITDA increased by EUR 1.6 million or 13.8% to EUR 13.0 million as compared to EUR 11.5 million in 2015.

In 2015, the Regional Contract Logistics Segment's EBITDA increased by EUR 3.4 million or 42.6% to EUR 11.5 million as compared to EUR 8.0 million in 2014.

Adjusted EBITDA

In the three months ended 31 March 2017, the Regional Contract Logistics Segment's Adjusted EBITDA increased by EUR 1.1 million or 39.0% to EUR 3.9 million as compared to EUR 2.8 million in the three months ended 31 March 2016.

In 2016, the Regional Contract Logistics Segment's Adjusted EBITDA increased by EUR 1.6 million or 13.8% to EUR 13.0 million as compared to EUR 11.5 million in 2015. The Regional Contract Logistics Segment's pro forma Adjusted EBITDA for 2016 (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016) was EUR 13.0 million.

In 2015, the International Transportation Segment's Adjusted EBITDA increased by EUR 3.4 million or 42.6% to EUR 11.5 million as compared to EUR 8.0 million in 2014.

Other Segment

The following table sets out a summary of the Other Segment's income statement for the three months ended 31 March 2017 and 2016:

	For the three months ended (unaudited)		Pro forma total for the year ended 31 December 2016 (unaudited)	For the year ended 31 December 2016 (audited, unless indicated otherwise)
	2017	2016		
	<i>(in EUR thousands)</i>			
Revenue	12,060	—	41,366	31,911
Inter-segment revenue	—	—	—	—
Revenue.....	12,060	—	41,366	31,911
Direct wages, benefits and allowances	—	—	—	—
Fuel costs	—	—	—	—
Toll fees and transit costs	—	—	—	—
Cost of subcontractors and reinsurance fee.....	(6,027)	—	(21,019)	(16,379)
Other costs	(3,803)	—	(14,106)	(10,530)
Net gain on fleet sales	—	—	22	22
Gross Profit	2,230	—	6,263	5,024
Cost of sales	—	—	—	—
Indirect wages and benefits	(454)	—	(1,180)	(846)
Other services	(58)	—	(655)	(568)
Other operating income	327	—	539	456
Other operating expense.....	(29)	—	(199)	(73)
EBITDA (unaudited)	2,017	—	4,768	3,994
Adjusted EBITDA (unaudited)⁽¹⁾	2,017	—	4,933	4,159

Notes:

(1) Please see “Presentation of Financial Information—Alternative Performance Measures” for reconciliation and further information on these measures.

The following table sets out selected performance indicators of the Insurance Company for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	For the three months ended 31 March		For the years ended 31 December		
	2017	2016	2016	2015	2014
Solvency II Ratio (%) ⁽¹⁾	161	155	161	125	<i>n/a</i>
Capital Structure					
SCR Capital Requirement ⁽²⁾	18.4	14.3	17.2	14.3	<i>n/a</i>
Tier 1 Capital ⁽³⁾	29.7	22.2	27.6	17.9	<i>n/a</i>
Tier 2 Capital ⁽⁴⁾	0.0	0.0	0.0	0.0	<i>n/a</i>
Operational Key Performance Indicators					
Loss Ratio (%) ⁽⁵⁾	66	62	65	77	89
Expense Ratio (%) ⁽⁶⁾	12	13	13	13	18
Combined Ratio (%) ⁽⁷⁾	78	75	78	90	107
Other Key Financial Data					
Investment Return ⁽⁸⁾	0.2	0.2	0.7	1.1	0.9
Investments ⁽⁹⁾	50.5	46.9	58.7	41.5	24.8
Book Value of Equity	24.8	14.2	22.4	11.8	9.2
Gross Reserves ⁽¹⁰⁾	54.0	38.9	47.6	32.9	20.9
Net Reserves ⁽¹¹⁾	36.7	28.0	32.0	25.5	16.2
Asset Mix ⁽¹²⁾	16.1	4.5	7.4	4.3	5.2
Intangibles	0.1	0.1	0.2	0.1	0.1
Gross Written Premiums ⁽¹³⁾	20.4	17.9	67.7	45.2	29.4

Notes:

- (1) Calculated as set out in Commission Delegated Regulation EU 2015/35 of 10 October 2014 Supplementing Directive 2009/138/EC of the European Parliament and of the Council.
- (2) Calculated based on a Value-at-Risk measure of the basic own funds of an insurance undertaking, calibrated to a 99.5% confidence level over a one-year period.
- (3) Tier 1 Capital consists of own-fund items which are of a high quality and which fully absorb losses to enable an insurance or reinsurance undertaking to continue as a going concern.
- (4) Tier 2 Capital consists of own-fund items with features that incentivise redemption should be limited to allow for restrictions on repayment or redemption in the event of a breach of the Solvency Capital Requirement.
- (5) Calculated as claim expenses divided by earned premia.
- (6) Calculated as acquisition and administration costs divided by earned premia.
- (7) Calculated as loss ratio plus expense ratio.
- (8) Defined as net result on investment asset.
- (9) Defined as investment assets.
- (10) Defined as technical provision without risk mitigating.
- (11) Defined as technical provision with risk mitigating.
- (12) Consists of receivables, accruals, cash and tangible assets.
- (13) Defined as premiums without risk mitigating.

Management believes that as of the date of the Prospectus, the Insurance Company has a healthy Solvency II Ratio. The portfolio of the Insurance Company has continued to generate profits, which has resulted in increases of the Insurance Company's Solvency II Ratio. As the Company currently has no intention to increase the size of the portfolio materially, management believes that this trend may continue. In addition, the table above shows a significant increase for 2016 as compared to 2015. There is typically no Tier 2 Capital requirement for non-life insurance companies such as the Insurance Company as its elements are of limited relevance.

Regarding the Combined Ratio, the decrease in 2016 as compared to 2015 and in 2015 as compared to 2014 was attributable to different factors including the general market dynamics as average loss-making motor third-party liability insurance prices have recently experienced an increasing trend and new fleet contracts as the Insurance Company concluded several new fleet contracts in the years 2016, 2015 and 2014, some of which are of higher Loss Ratio. The fees for these fleets have been increased on average in order to reach the planned Combined Ratio. Whilst anticipating a slight further

decline, management currently believes that the level of Combined Ratio achieved in the three months ended 31 March 2017 is sustainable in the longer period.

Liquidity and Capital Resources

Principal sources of the Group's liquidity have traditionally consisted of cash flow generated from its operations and external financing (such as loan facilities and factoring) provided by third party financiers. See "*Material Contracts—Financing Agreements for more information*".

Cash Flows and Working Capital

The following table presents the major components of the Group's net cash flows for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

Consolidated Statement of Cash Flows

	For the three months ended 31 March (unaudited)		For the year ended 31 December (audited)		
	2017	2016	2016	2015	2014
	<i>(in EUR thousands)</i>				
Net cash flows from operations before changes in working capital...	17,284	15,598	69,722	70,348	62,686
Changes in inventories	316	401	(665)	312	3,733
Changes in trade receivables	(11,811)	(2,827)	(807)	(5,001)	—
Changes in other current assets and derivative financial instruments.....	(159)	(543)	(7,453)	1,055	(3,182)
Changes in trade payables.....	3,189	1,924	15,013	(6,485)	(8,105)
Changes in other current liabilities and derivative financial instruments	395	3,155	3,722	1,460	10,788
Changes in insurance technical liabilities.....	(2,525)	—	(1,646)	—	(2,007)
Income tax paid.....	(2,320)	(2,284)	(6,721)	(7,768)	(6,058)
Net cash flows from (used in) operating activities	4,368	15,423	71,165	53,922	57,856
Net cash flows from (used in) investing activities	(1,211)	11,472	27,830	(16,480)	(621)
Net cash flows from (used in) financing activities	(10,833)	(17,387)	(77,769)	(47,942)	(52,191)
Cash and cash equivalents at end of the period	23,990	19,948	31,665	10,440	20,939

The Group had cash and cash equivalents of EUR 24.0 million as of 31 March 2017. Management believes that its existing cash and cash equivalents balance together with cash generated from operations will be sufficient to meet its working capital expenditure requirements for at least the next 12 months.

Working Capital

Management believes that the Group has sufficient working capital for its present requirements, that is, for at least the 12 months from the date of this Prospectus.

Cash from (used in) operating activities

Cash from operating activities amounted to EUR 4.4 million for the three months ended 31 March 2017 as compared to EUR 15.4 million for the three months ended 31 March 2016. This decrease in cash from operating activities was primarily due to higher trade receivables and the new Insurance technical liabilities.

Cash from operating activities amounted to EUR 71.2 million for the year ended 31 December 2016 as compared to EUR 53.9 million for the year ended 31 December 2015. This increase in cash from operating activities was primarily due to an increase in the Group's revenue caused by an increase in the number of kilometres driven by the Group, increase of the loaded ratio of the International Transportation Segment and the acquisition of the Insurance Company.

Cash from operating activities amounted to EUR 53.9 million for the year ended 31 December 2015 as compared to EUR 57.9 million for the year ended 31 December 2014. This decrease in cash from operating activities was primarily due to higher income from operation and lower working capital for 2015 as compared to 2014, which was partially offset by higher income from operation and lower working capital for 2015 as compared to 2014.

Cash from (used in) investing activities

Cash used in investing activities was EUR 1.2 million for the three months ended 31 March 2017 as compared to cash from investing activities of EUR 26.9 million for the three months ended 31 March 2016. This decrease in cash used in investing activities was primarily due to lower cash flow from operations, lower fleet sales revenue and the changes in Financial investments related to Insurance Company.

Cash from investing activities was EUR 27.8 million for the year ended 31 December 2016 as compared to cash used in investing activities of EUR 16.5 million for the year ended 31 December 2015. This increase in cash from investing activities was primarily due to lower tangible asset purchases, mainly trucks and other equipment, in 2016 as compared to 2015. Further in 2015, a prepayment in the amount of HUF 4 billion for the acquisition of the Insurance Company was made. There was no corresponding expenditure in 2016.

Cash used in investing activities was EUR 16.5 million for the year ended 31 December 2015 as compared to cash used in investing activities of EUR 0.6 million for the year ended 31 December 2014. This decrease in cash used in investing activities was primarily due to lower income from assets sales including mainly used trucks and the payment in the amount of HUF 4 billion for the acquisition of the Insurance Company.

Cash from (used in) financing activities

Cash used in financing activities was EUR 10.8 million for the three months ended 31 March 2017 as compared to cash used in financing activities of EUR 17.4 million for the three months ended 31 March 2016. This decrease in cash used in financing activities was primarily due to lower lease payment related to sold assets (fleet) and the lower interest paid.

Cash used in financing activities was EUR 77.8 million for the year ended 31 December 2016 as compared to cash used in financing activities of EUR 47.9 million for the year ended 31 December 2015. This increase in cash used in financing activities was primarily due to fact that the Group repaid some of its loans in the amount of EUR 7.6 million in 2016 through credit obtained in 2015.

Cash used in financing activities was EUR 47.9 million for the year ended 31 December 2015 as compared to cash used in financing activities of EUR 52.2 million for the year ended 31 December 2014. This increase in cash used in financing activities was primarily due to lower final payments related the fleet financing which, were EUR 24.9 million in 2015 as compared to EUR 33.5 million in 2014.

Capital expenditures (investments)

The Group defines capital expenditures (investments) as tangible assets additions, lease payments (except for lease payments related to sold assets) and repayment of loans related to the Group's fleet. Tangible asset additions relate principally to real estate and the capitalisation of costs relating to the transfer of trucks and trailers from the manufacturer to the Group's site and placement into circulation of new trucks and trailers. The lease payments (except for lease payments related to sold assets) relate entirely to lease payments on the Group's fleet.

The Group's capital expenditures (investments) are incurred primarily in relation to investments in its own asset fleet of trucks and trailers. Capital expenditures (investments) incurred in the Group's fleet include the purchase of new equipment, including the Group's ongoing programme of updating trucks from EURO 5 classified trucks to EURO 6 classified trucks, which started in 2014, as well as routine servicing and maintenance of its fleet under its comprehensive vehicle maintenance program. The Group's capital expenditures also include investments in its technological infrastructure to enhance the

efficiency of its operations, including its FleetVisor, GPS track and trace, electronic invoice system and its proprietary WIRE IT and WIPE IT systems.

The Group's principal investments for the three months ended 31 March 2017 and for the years ended 31 December 2016, 2015 and 2014 were:

- In the three months ended 31 March 2017, the Group purchased 67 trucks in the amount of EUR 4.7 million and 75 trailers in the amount of EUR 1.6 million.
- In the year ended 31 December 2016, the Group incurred capital expenditures in the amount of EUR 70.0 million, of which EUR 36.7 million represents net capital expenditures and EUR 33.3 million represents income from sales of the Group's fleet. In the same period, the Group purchased 863 trucks in the amount of EUR 51.0 million and 901 trailers in the amount of EUR 17.5 million and incurred capital expenditures related to its IT systems and other assets of EUR 4.9 million. On 8 April 2016, the Group completed its acquisition of the Insurance Company.
- In the year ended 31 December 2015, the Group incurred capital expenditures in the amount of EUR 74.5 million, of which EUR 44.5 million represents net capital expenditures and EUR 30.0 million represents income from sales of the Group's fleet. In the same period, the Group purchased 858 trucks in the amount of EUR 60.9 million and 841 trailers in the amount of EUR 19.9 million and incurred capital expenditures related to its other assets of EUR 10.3 million. Further, the Group paid the purchase price with respect to the acquisition of the Insurance Company in the amount of HUF 4 billion (for further information on the acquisition of the Insurance Company, please see "*Material Contract—Agreement for the purchase of shares of the Insurance Company*").
- In the year ended 31 December 2014, the Group incurred capital expenditures in the amount of EUR 80.7 million, of which EUR 37.8 million represents net capital expenditures and EUR 42.9 million represents income from sales of the Group's fleet. In the same period, the Group purchased 1,217 trucks in the amount of EUR 90.7 million and 1,140 trailers in the amount of EUR 29.6 million and incurred capital expenditures related to its other assets of EUR 5.7 million. Further, the Group purchased a real estate property located in 1238 Budapest, Nagykörösi út 349. for EUR 1.9 million.

The Group principal investments that are in progress as of the date of this Prospectus are:

- The Group expects to incur capital expenditures (investments) in connection with the regular update of its fleet which is a normal part of its business. All material capital expenditures (investments) are undertaken in Hungary. The Group's capital expenditures (investments) in the second half of 2017 are expected to be principally comprised of equipment, mainly trucks and trailers. The Group's capital expenditures (investments) with respect to its fleet are expected to continue to be financed from external sources through financial leases or loans, while all other capital expenditures (investments) of the Group were expected to be financed primarily from internal sources through its cash flow.
- The acquisition of LINK (see "*Management's Discussion and Analysis of Financial Condition and Results of Operations—Recent Developments—Acquisition of LINK*" for more information).

The Group does not have any binding commitments with respect to capital expenditures (investments) as of the date of this Prospectus, other than (i) regular payments under the financial lease agreements and loan agreements related to its fleet in accordance with the terms of the financing agreements currently in place between the Group and its third party finance providers (for further information regarding such financing agreements, please see the section entitled "*Material Contracts—Financing Agreements*") and (ii) the agreement with SAP (see "*Business—IT system—Core IT System enhanced by state of the art Optimisation Engines*").

Quantitative and Qualitative Disclosure about Market Risk

The Group is exposed to various types of market risks in the ordinary course of its business. A brief description of how these risks impact its business and what targets, processes and policies the Group has applied to measure and manage individual risks are described below and in note 28 to the Company's Financial Statements. The Company classifies these risks into the following groups:

- credit risk;
- liquidity risk; and
- market risk.

The Company's Board of Directors is responsible for setting risk management guidelines and framework. Their task is to design and establish a standard risk management policy and strategy and continuously monitor the risks to which the Group is exposed. The Board of Directors is also responsible for regularly reviewing risk management policies and strategies, as well as updating and modifying them if market circumstances change.

Credit Risk

Credit risk is the risk that the Group will incur a loss due to a client not complying with contractual terms and conditions. From the Group's perspective this primarily means the non-payment risk of clients.

The Group does not have a high concentration of credit risks. For the year ended 31 December 2016, the Group's top 10 customers accounted for approximately 21.4% of the consolidated Group's revenue.

The Group has a credit risk management policy based on which it carries out a review on all new clients regarding their operations and public information available at the tax authority. Thereafter, the Group determines the commercial loan limit based on the system of external and internal evaluations. The Group does not require any collateral to secure individual trade receivables.

The Group develops long-term relationships with clients, and losses are not common. The Group monitors existing clients on a monthly basis to check the size of existing exposures and matured items. If one of the Group's clients reaches or exceeds the set limits, the Group's system automatically blocks further transactions. The Group groups the individual exposures according to the number of days in default and the legal status of invoices.

The Group expanded the scope of external services and service providers used for risk management to mitigate future risks. One segment of clients has loan insurance contracts. The Group also engaged a new service-provider to help rate clients in Central and Eastern Europe more effectively. With the higher headcount in the Group's collections department, the Group now places more emphasis on proactive client management.

The calculation of impairment reflects an estimate on the extent of the likely loss for the Group from exposures to clients. The majority of the impairment is made up from individual impairment charges on individually significant items. The other part is the group impairment, which the Group records for incurred but as yet unidentified losses in groups of similar assets. The Group facilitates the allocation of group impairment based on historic loss figures.

Liquidity Risk

Liquidity risk is the risk that the Group will be unable to settle its financial liabilities when they fall due. The purpose of liquidity management is to ensure sufficient resources for the settlement of liabilities when they fall due.

In view of the Group's outstanding liquidity position as at 31 December 2015 and 31 December 2016, the Group did not have to use either its revolving loan or factored loan facility. Accordingly, the Group had an available loan facility of EUR 19 million at 31 December 2016 and an unused factoring facility of EUR 5 million.

With respect to the asset purchase loans taken by the Company in 2015 and 2014 as part of an export incentive programme, the lending banks specified the following financial covenants, whose calculation for the year ended 31 December 2016 is set forth in the following table. Management believes that the Group was in compliance with all of these financial covenants as of 31 December 2016. See “*Risk Factors—The Group has significant ongoing capital requirements*” for more information.

	For the year ended 31 December 2016
Interest coverage	
Total interest coverage	16.40
EBITDA (in EUR million)	69.18
Net of the full interest (in EUR million)	4.22
Minimum amount	4.00
Debt service	
Debt service ratio	1.34
Free Cash-flow (in EUR million).....	69.65
Full debt repayment (EUR million).....	52.05
Minimum amount	1.05
Net debt service	
Debt coverage ratio	2.96
Net debt (in EUR million)	204.95
EBITDA (in EUR million)	69.18
Maximum amount.....	3.50

In addition, Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance (the “**Solvency II Directive**”), among others, reflects new risk management practices to define required capital and manage risks and harmonises the amount of capital that EU insurance companies must hold to reduce the risk of insolvency. The provisions of the Solvency II Directive have been implemented into Hungarian law by the Hungarian Insurance Act which sets forth directly applicable rules creating the regulatory environment for the Insurance Company’s operation in the insurance segment. Management believes that as of the date of this Prospectus, the Insurance Company is in compliance with the Solvency II Directive’s solvency requirements.

Market Risks

Market risk is the risk that changes in market prices, such as exchange rates, interest rates and share prices will influence the Group’s results and the fair values of financial instruments reported in the financial statements. The purpose of managing market risk is to control the exposure affected by market risks in a way that maximises the return achieved. The Group’s treasury department focuses on market risk management.

In terms of market risk, the Group is primarily exposed to exchange rate risks as well as cash-flow risks derived from changes to and uncertainty in interest rates and global fuel price. The Group has engaged in transactions that are designed to protect the Group from such changes and uncertainty, particularly from impacts adversely affecting the planned cash flow. While the Group engages in no hedging activities in respect of fuel price, the Group uses a fuel price covenant in its transportation contracts in order to mitigate its exposure to fuel price fluctuations.

The Group pays interest on leases and loans. The interest payable generally comprises a reference interest rate and an interest margin. The reference rate changes constantly, based on supply and demand on the interbank money market, central bank decisions and other factors.

In 2015, out of the market risks described above, exchange rate risk affected the Group the least, because most of its revenues and expenses incurred is incurred in its functional currency. There are certain business operations that the Group incurs revenue and expenses in RON and HUF. A large portion of the operating costs are incurred in HUF (including driver costs and taxes) due to Hungary

being the principal operating base for the Group. The Group has also historically incurred costs in Romania, as part of its operations had been carried out by a Romanian subsidiary. In 2014, a majority of the functions previously performed by such Romanian subsidiary were transferred to the Group's operations in Hungary and, accordingly, the RON exposure of the Group in 2015 and thereafter has significantly decreased. The Group also has revenue in HUF as a result of the Regional Contract Logistics Segment, although its HUF costs are greater than its HUF revenue. Therefore, fluctuations in the RON/EUR and in the HUF/EUR rates represent a currency risk for the Group. The Group held costs that it incurs in foreign currencies and that are not covered with corresponding revenues (natural cover) as an open foreign exchange position, the value of which changes along with the relevant foreign exchange rate fluctuations. Such foreign exchange expenses related to foreign exchange rate fluctuations represent uncertainty to the Group's cash flows and are therefore addressed with foreign exchange hedges that qualify for hedge accounting (cash flow hedges) under IFRS. As of the date of the Prospectus, the Group's exposure is approximately EUR 130 million to EUR 150 million and is fully hedged through forward and option contracts.

Critical Accounting Policies and Estimates

The Company's significant accounting policies are set forth in Note 3 to the Financial Statements. The preparation of the Company's Financial Statements in accordance with IFRS requires the management of the Company to make estimates and assumptions that affect the amount reported in consolidated financial statements. These estimates and assumptions are periodically re-evaluated by management and are based on historical experience and other factors, including expectations of future events that are believed to be reasonable under the circumstances. Actual results may differ significantly from those estimates and assumptions. The Company has identified the following accounting policies as the most critical to an understanding of its financial position and results of operations, because the application of these policies requires significant and complex management estimates, assumptions and judgment, and the reporting of materially different amounts could result if different estimates or assumptions were used or different judgments were made:

- Rating of leases: when the Group classifies lease transactions, management takes into account whether all the risks and rewards of ownership are transferred to the Group or not and the risk derived from the change in the residual value of the leased assets. Upon initial recognition, management measures the leased asset at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.
- Recording of gain on fleet sales: in respect of leased assets the Group makes an estimate on the assets' useful lives and the expected residual value. These estimates have a significant effect on the net book value of the leased assets at the time of their sales. Gain on fleet sale is the net result of the sale of the fixed assets held for sale (mainly vehicles purchased from the financial lease contract) is recognized in other income or other expense.
- Measurement of recoverable amount of cash-generating unit containing goodwill: determining whether goodwill is impaired requires an estimation of the value in use of cash-generating units to which the goodwill has been allocated. The value in use calculation requires an estimate to be made of the timing and amount of future cash flows expected to arise from the cash-generating units and the application of a suitable discount rate in order to calculate the net present value. Cash flow forecasts for the next three years are based on the Group's budgets. Other key inputs in assessing each cash-generating units are fuel price, the number of kilometres driven, driving costs, truck load and the fee level.
- Provisions and contingent items: provisions and contingent items are liabilities of uncertain timing or amount and therefore in making a reliable estimate of the amount and timing of liabilities judgment is applied and re-evaluated at each reporting date.
- Measurement of financial instruments: the fair values of financial instruments were determined (i) in case of trade receivables: discounted value of future cash flows of receivables based on the market interest rate on the reporting date, (ii) in case of derivative transactions: determined using a measurement technique based solely on market inputs, (iii) in case of finance lease liabilities and loans: present value of future cash flows calculated based on market interest rate on reporting date; The market interest rate used to discount finance leases is determined with reference to similar finance lease agreements and (iv) in case of trade payables: future cash flows discounted to the reporting date.

Recently Issued and Adopted Accounting Pronouncements

The Group's assessment of the impact of recently issued and adopted accounting standards and interpretations is set out below.

The Group has adopted the following new and amended IFRS and IFRIC interpretation: Amendments to IAS 1 Presentation of financial statement-Disclosure Initiative. The adoption of this standard and interpretations did not have any significant effect on the financial statements of the Group.

Recently Issued, but not yet Adopted Accounting Pronouncements

The Group is currently considering the implications of the following standards, which are expected to have an impact on the Group's consolidated results and financial position. However, based on current assessment, management believes that these standards should not have a material impact on the Group's consolidated results and financial position:

- IFRS 9 – Financial Instruments – Classification and Measurement: this standard addresses mainly the classification, measurement and de-recognition of financial instruments, a methodology of impairment and a new hedge accounting model. This standard is to replace IAS 39 Financial instruments: recognition and measurement. IFRS 9 is applicable to annual periods beginning on or after 1 January 2018.
- IFRS 15 – Revenue from Contracts with Customers: this standard establishes a new five-step model applicable to revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. IFRS 15 is to replace IAS 18 Revenue and IAS 11 Construction contracts. This standard is applicable to the Company's first annual IFRS financial statements for the period beginning on or after 1 January 2018.
- IFRS 16 – Leases: this standard provides a single accounting model for lessees and requires recognition of assets and liabilities for all leases. Exempted are leases contracted for a period less than one year and leases with underlying assets of low value. This standard removes the present classification of leases by lessees as either finance or operative leases. Lessors continue to classify leases as operating or finance similarly to IAS 17 Leases. This standard has not been approved by the EU yet, but if approved, it is to replace IAS 17 Leases, IFRIC 4, SIC-15 and SIC-27 and be applicable to annual periods beginning on or after 1 January 2019.

INDUSTRY AND COMPETITION

Historical and current market data used throughout this Prospectus were obtained from external sources and management has approved those sources for the purposes of deriving information for the Prospectus. Neither the Company, the Managers nor any other party involved in the Offering can give assurance as to the accuracy and completeness of, and take no responsibility for, such data beyond the responsibility assumed in the responsibility statement included in this Prospectus. Industry surveys and publications generally state that the information contained therein has been obtained from sources believed to be reliable, but the accuracy and completeness of the information contained in the industry publications is not guaranteed. Neither the Company nor any of its respective advisors has independently verified this market data. See “Important Information about this Prospectus—Third Party Information and Market and Industry Data”. TI, a market research company specializing in the transportation and logistics industries, was engaged by the Company to provide a report with data and analysis on these industries and the competitive landscape in Europe for, inter alia, the inclusion of such data and analysis that is presented in “Industry and Competition” and TI has advised the Company that such data reflects the most recent information available from public sources or from TI’s own internal database. Published information of other data collection agencies may differ from the data sources cited. While the Company is not aware of any misstatements regarding any industry or similar data presented in the Prospectus, TI estimates, particularly as they relate to market share and the Group’s general expectations, involve risks and uncertainties and are subject to change based on various factors, including those discussed under the “Risk Factors” section in this Prospectus. The estimates, analysis, projections, and other forward-looking statements in this section are not guarantees of future performance and actual events and circumstances could differ materially from current expectations. Numerous factors could cause or contribute to such differences. See “Risk Factors” and “Important Information and Cautionary Statement Regarding Forward-Looking Statements”.

General Overview

The Group operates in the European road transportation and logistics industry which, according to the TI Report, constitutes a significant proportion of the European economy, generally amounting to 10% of GDP. Road transportation comprises the largest inland mode for the movement of goods throughout Europe primarily due to the highly developed road infrastructure, its versatility, cost-efficiency and market depth. This is illustrated by the following table which was derived from data of the European Commission and sets forth the percentage ratio for the movement of goods in Europe by mode as measured by ton-kilometres in 2015:

Modes of Goods Transportation in Europe	Market Weight of Goods Moved
	(%)
Road.....	71
Rail.....	16
Inland Navigation.....	13

The following graphs set out the value of the European markets of the different modes of transportation for the period between 2014 and 2019:

	For the Year Ended 31 December					
	2014	2015	2016	2017	2018	2019
	<i>(in U.S. dollars billions, unless %)</i>					
European Road Freight Market Size.....	463.9	478.9	496.1	514.5	533.7	554.1
Growth Rate of the European Road Freight Market Size (%).....	2.0	3.2	3.6	3.7	3.7	3.8
European Sea Freight Market Size.....	28.9	22.8	22.1	23.0	24.0	25.0
Growth Rate of the European Sea Freight Market Size (%).....	3.6	(21.1)	(3.1)	4.1	4.3	4.2
European Rail Freight Market Size.....	59.9	62.6	65.4	68.5	71.6	75.0
Growth Rate of the European Rail Freight Market Size (%).....	2.4	4.5	4.5	4.7	4.5	4.7
European Air Freight Market Size.....	28.1	27.9	26.2	27.5	27.9	28.2
Growth Rate of the European Air Freight Market Size (%).....	5.3	(1.0)	(6.0)	5.1	1.3	1.0

Source: Marketline.

According to the Company, the market size of both sea freight and air freight has correlated to GDP and world trade volumes in the past and the markets with both of these modes have very fragmented freight forwarding market. In addition, a large proportion of sea freight is directly procured through large shippers. The share of rail transportation has decreased due to the limited pace of harmonisation and liberalisation in the European rail sector. However, the absolute market size of rail transportation is expected to increase, also due to the ecologically favourable footprint of rail transport.

Recently, there has been increasing demand for intermodal transportation, which means transportation of freight in a container using multiple modes of transportation where the goods themselves are neither loaded nor unloaded when moving between modes. The entire container of freight is moved intact via multiple types of transport until it reaches its final destination and is re-opened and unloaded at destination. Intermodal transportation often offers an attractive price point for non-time-sensitive deliveries. Intermodal transportation has received increasing demand especially from the automotive and FMCG industries, due to improved transit times and better infrastructure which increases the attractiveness of intermodal transportation versus standard road service.

Further, according to OECD, 58% of the EUR 92.4 billion of funds spend on infrastructure in 2014 in Europe was allocated to road transportation, while the remaining 40% and 2% were spent on rail transportation and inland navigation, respectively.

Road Transportation and Logistics Industry

The transportation and logistics industry includes the following core activities: (i) transportation comprising road, rail, air and sea transportation, provided through owned assets (asset-based) or brokered capacity providers (asset-light); (ii) third party logistics, where providers take over a customer's logistics operations and provide a full supply of chain management services including transportation, storage and value-added services, but rely on transport asset providers and warehouse operators to operate on their behalf; (iii) fourth party logistics, where providers take responsibility for the complete logistics process on behalf of a customer, but have only limited assets and subcontract all activities; (iv) value-added services, which comprise a variety of outsourced business services often integrated into warehouse management, such as pick and pack orders, kit assembly, warehouse and inventory management, quality controls, returns management, classification and product labelling; and (v) management of warehouse facilities, including check-in and check-out, internal cargo handling, storage and retrieval.

The Group is active in all of the above listed core activities of the transportation and logistics industry, in case of transportation through both the International Transportation Segment and the Regional Contract Logistics Segment and in case of third party logistics, fourth party logistics, value-added services and management of warehouse facilities through the Regional Contract Logistics Segment.

Asset-Based and Asset-Light Model

The road transportation market is divided between two distinct operating models, depending on asset ownership: (i) the asset-based model, in which transportation companies own or lease the trucks necessary to provide transportation services and employ their own drivers; and (ii) the asset-light model, where providers subcontract out the majority of haulage requirements.

The asset-based model benefits from the ability to deploy assets themselves and guarantee capacity to customers, due to the ownership of trucks and employment of drivers, and the resulting availability and reliability of supply. This model can generate higher margins than the asset-light model, also due to the fact that there is no freight forwarder as an intermediary, and has the advantage of the absence of margin pressure in times of high demand, but requires well-designed contractual relationships to balance the risk of operational leverage and to deliver returns. In addition, economies of scale relating to the size of the fleets and networks are key for asset-based players to achieve a competitive advantage, such economies of scale also provide purchasing power allowing the acquisition of trucks, trailers and equipment and secure financing at preferential prices and conditions.

On the other hand, the asset-light model can be viewed as more flexible as it can more readily adapt to demand fluctuations and increase or decrease scale, as operating assets are subcontracted. Financially, an asset-light model can potentially provide high returns considering the low capital requirements, even though it typically provides only modest margins. However, in times of high

demand, asset-light players' margins are squeezed between capacity shortage and clients unwilling to absorb costs. The asset-light model requires a mix of large clients and SMEs (small and medium sized enterprises) in order to secure the necessary volumes while maintaining adequate yields. Entry barriers in the asset-light market are based on the requirement for a track record and a reputation for reliability. The asset-light model also means that the asset-based operator does not contract with the beneficial cargo owner directly, but act only as a subcontractor of the freight forwarders.

The table below sets out an overview of the asset intensity of selected companies providing logistics and transportation services:

Asset Intensity of Key Players	Asset Intensity⁽¹⁾
	(%)
Celadon ⁽²⁾	104
Marten ⁽²⁾	93
Knight Transportation ⁽²⁾	92
Covenant Transport ⁽²⁾	90
Heartland Express ⁽²⁾	87
The Waberer's Group ⁽³⁾	86
The Waberer's Group on a pro forma basis ⁽³⁾⁽⁸⁾	82
Werner ⁽²⁾	79
XPO Logistics ⁽²⁾	61
STEF ⁽³⁾	61
J. B. Hunt ⁽²⁾	57
Swift ⁽²⁾	56
ID Logistics ⁽³⁾	47
Norbert Dentressangle ^{(3) (5)}	44
DSV ⁽⁴⁾	34
Kuehne & Nagel ⁽⁴⁾	33
Logwin ⁽³⁾	29
Panalpina ⁽⁴⁾	28
Wincanton ⁽³⁾	28
Average asset-based⁽⁶⁾	80
Average asset-light⁽⁷⁾	38

Source: FactSet (as of 24 March 2017) except of the line, which has been calculated by management based on information derived from the pro forma financial statements.

Notes:

- (1) Asset intensity is calculated as total assets minus intangible assets divided by revenues. Data shows average asset intensity for the years 2016, 2015 and 2014 and the years 2015, 2014 and 2013 for XPO Europe (previously Norbert Dentressangle) and ID Logistics. Intereuropa excluded as outlier (as its asset intensity is above 200%).
- (2) US FTL operator.
- (3) EU logistics operator.
- (4) EU freight forwarder.
- (5) Currently trading as XPO Logistics Europe SA, after it was acquired by XPO Logistics in July 2015.
- (6) Asset-based comprises the US FTL players.
- (7) Asset-light comprises European logistics companies and freight forwarders.
- (8) Calculated as total assets minus intangible assets and goodwill divided by revenue based on information derived from the Pro Forma Financial Statements (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016)

Overview of Trucking Services: FTL, LTL and Groupage

The segments of the road transportation market in which the Group operates include principally: full truckload (FTL) services, less than truckload (LTL) services and groupage.

Full truckload (FTL) services include services where one consignment is carried on a whole truck. Consignments are carried on a point-to-point basis directly from the consignor to the customer. The advantages of FTL include quick delivery times and limited risk of misplaced cargo. However, it requires high efficiency and integrated IT systems in order to offer optimal service to customers. The FTL segment of the road transportation market is characterised by fewer clients moving larger loads. The Group provides FTL services through its own fleet of fully-standardised trucks and non-specialised trailers operated by the International Asset Based business line.

Less than truckload (LTL) services include services where consignments from several sources, each generally below 2.5 tons, are combined into one full vehicle load. The goods are collected from several points and then delivered to several destination points. This requires more coordination to minimise travel time between the drop-off points. There are multiple operating modes, such as using one vehicle which makes multiple collections and deliveries or transshipping goods at various stages on their route from consignor to consignee.

Groupage includes services where goods from several shippers are consolidated in a depot where they are sorted by destination and then shipped collectively with other goods with the same destination. The goods are then collected at a terminal at the point of destination and final delivery to the customer. Groupage is used extensively for parcel operations where hundreds of consignments can be carried in a single truck. This model is also referred to as “hub and spoke network” services.

General Economic Trends and the European Transportation and Logistics Industry

The road transportation and logistics industry in Europe typically reflects the trends in the general economy, although international transportation, including international road freight, has tended to grow more quickly as international trade has expanded disproportionately as a general matter. Since 2002 (when the Group acquired Hungarocamion Rt. thereby becoming the largest transportation and logistics service provider in Hungary and Central Europe), the road transportation industry in Europe has encountered three major economic cycles: (i) the economic expansion from 2002 through to 2007; (ii) the freight slowdown, fuel price spike, economic recession and credit crisis from 2008 through to 2012; and (iii) from 2013 to present, a steady recovery of the global economy. In the decade leading up to the global recession of 2008, globalisation and electronic commerce brought about fundamental changes in economic and trading patterns. For the most part the road transportation industry has benefitted from such changes as more goods are being moved as a result and most, at some stage of their journey, are carried by road. The road transportation industry has generally adapted to the change and logistics systems have become increasingly sophisticated to meet customers’ demands.

TI expects that both the Central European and the wider European economy will underpin growth for the road transportation sector. The road transportation sector is significant to the European economy with the total European road transportation market valued approximately at EUR 314 billion in 2015, with the FTL segment representing approximately 31.5% thereof.

According to the TI Report, the continuing positive increase in European road freight market volume measured in tonne-kilometres since 2013 offset the prior decline in 2012. According to Eurostat data, European road freight market volumes improved by 0.4% in 2014, while in 2015, growth was estimated to be 4.2%, assuming data for Germany to be the same as for 2014 as it has not been provided, yet. Some major European markets grew in 2015 with UK and Spanish growth of 11.0% and 7.0%, respectively, however some major European markets declined, such as Italy and France by 0.8% and 7.0%, respectively. However, CEE countries consistently showed positive growth, for example in Bulgaria, Croatia, Romania, Slovenia, Poland and Hungary with growth of 16.0%, 11.3%, 11.1%, 10.1%, 3.9% and 2.2%, respectively, in 2015. Considerable growth of volumes was recorded in Poland where the increase was 58% between 2008 and 2015.

The following table was derived from the TI Report and sets out the size of the international European road freight market for the period between 2010 and 2020 as estimated by TI, resulting in a compound annual growth rate of 4.8% between 2015 and 2020, which represents a higher rate compared to the compound annual growth rate of 3.0% between 2010 and 2015). Both historically as well as forecasted, the growth of international European road freight outperforms the real GDP growth in the EU by a factor larger than three, underlining the key role road transportation plays in facilitating economic activity:

	For the Year Ended 31 December										
	2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	<i>(in EUR billions)</i>										
International European Road Freight Market Size	76.0	79.6	80.7	81.8	84.9	88.0	92.5	96.8	101.5	106.3	111.3

Although the expectation expressed in the TI Report is for the European road freight sector to grow steadily between 2016 and 2021, as consumer confidence returns and goods movements increase steadily, there is a mixed pattern for the major economies in Europe, which also make up the key markets for the Group. According to the TI Report, the real GDP growth in the United Kingdom

and France is predicted to be less than 2%; however, TI warns of the impacts of Brexit on the current figures, since Brexit is expected to have far-reaching consequences for the road haulage industry, as trade within the EU could decrease and haulage companies could face tighter border controls, driver shortages and increased costs in terms of higher fuel prices and tariffs (see “*Risk Factors—The Group, its customers and other counterparties are subject to geopolitical and general economic conditions.*”). TI expects the real GDP growth in Germany and Italy to average 1.5% and 1.0% for the period between 2016 and 2021, respectively. On the other hand, TI forecasts Poland to lead the growth figures by producing consistent real GDP growth of 3% and Hungarian growth is forecast to range from 2% to 2.5% for the period between 2016 and 2021.

The following table sets out the estimated compound annual growth rates of real GDP and of private consumption of selected European countries and the whole EU as well as of the EU road transportation market for the period between 1 January 2015 and 31 December 2020:

	Compound Annual Growth Rates of Real GDP for the Period between 1 January 2015 and 31 December 2020	Compound Annual Growth Rates of Private Consumption for the Period between 1 January 2015 and 31 December 2020
	(%)	
Hungary	2.4	2.7
Poland	3.0	3.0
Czech Republic.....	2.3	2.4
Slovakia	3.2	2.7
Romania.....	3.8	4.8
Eastern Europe	3.0	3.1
United Kingdom	1.3	1.2
France.....	1.3	1.5
Germany.....	1.5	1.5
Austria.....	1.5	1.3
The Netherlands.....	1.8	1.6
Belgium.....	1.3	1.1
Italy	0.8	0.8
Western Europe	1.6	1.4
EU	1.5	1.4
		Compound Annual Growth Rates of the Road Transportation Market for the Period between 1 January 2015 and 31 December 2020
		(%)
EU.....		4.8

Source: Economist Intelligence Unit, TI Report

Competitive Environment

According to TI, road freight is considered a commodity service with modest capital requirements and subject to strong competition. The European road transportation sector is characterised by high fragmentation, with the combined market share of the top six companies as measured by revenue at 6.4% for the year 2015 (according to the TI Report) and no company commanding more than 2% of the overall conventional road freight market, low entry costs, as leasing facilitates purchasing of trucks, and low differentiation, according to the TI Report.

The Group primarily serves the international segment of the European road transportation market servicing large global manufacturers. The Group is the largest owned vehicle operator within the European international FTL segment of the transportation market as measured by own fleet size, according to the TI Report. The international element of the road transportation sector is growing significantly faster than domestic markets, which is predicted by the TI Report as a segment that the Group is well-positioned to capitalise on. The principal means of competition in the industry are generally service, the ability to provide capacity when and where needed, efficiency and price. In times of strong freight demand, service and capacity become increasingly important, and in times of weak freight demand, pricing becomes increasingly important.

The following table was derived from the TI Report and illustrates the level of fragmentation of the market by setting forth the market shares of selected key players in the European road transportation market based on revenue for the year 2015:

	Market Share
	(%)
DB Schenker Logistics.....	2.0
Deutsche Post DHL.....	1.3
Dachser	1.1
DSV	1.1
Kuehne & Nagel	0.8
Waberer's Group	0.2
Others.....	93.6
Total.....	100.0

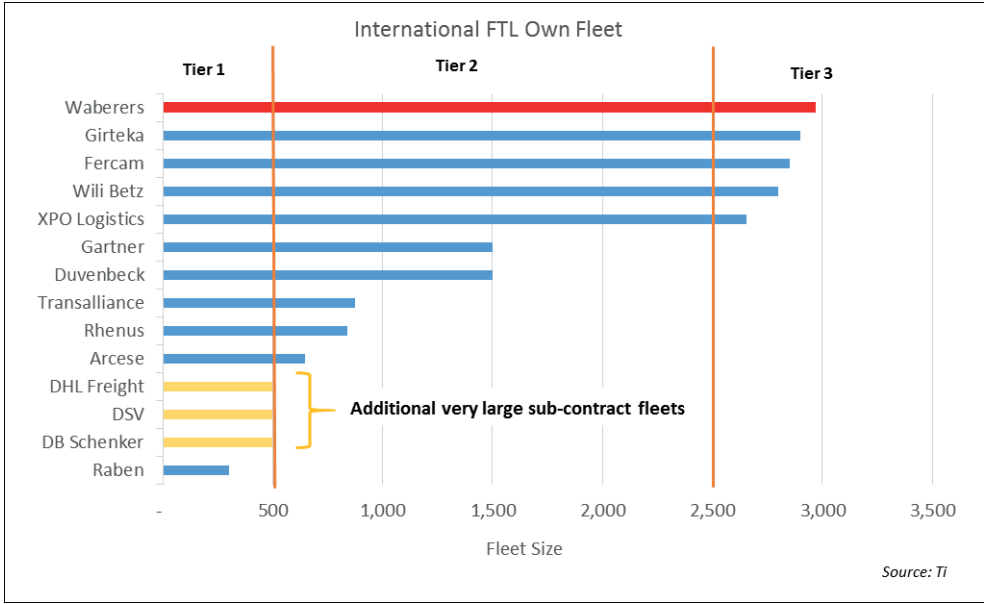
The Group competes with thousands of other truckload carriers in the FTL segment of the European international road transportation market. Of these carriers, 85% operated 10 or fewer trucks (51% operated one truck only and 34% operated between 2 and 10 trucks), while 13% operated between 11 and 50 trucks and 1% only operated more than 50 trucks, according to a 2006 report prepared by the International Road Transport Union. With its large owned asset fleet focused on FTL shipments, the Group is unlike its core competitors, the large pan-European logistics providers, which offer a wide range of road-based and value-added solutions and use sub-contractors extensively. Most other large companies sub-contract at least some of their road transportation services, with companies such as Kuehne & Nagel, DB Schenker and DSV making extensive use of this operational model. Accordingly, among the owned asset operators within the European international FTL segment of the market, the Group's closest competitors appear to be Girteka and XPO Logistics (formerly Norbert Dentressangle), which both operate large in-house fleets on international FTL routes. Willi Betz, whilst managing its own fleet, tends to specialise in refrigerated distribution, special transports and vehicle distribution, with Girteka also specializing in refrigerated transport. Management believes that the fragmented state of the European FTL market provides for opportunities for continued organic growth throughout the cycle and presents potential for market consolidation.

The map below sets out selected key players in the European road transportation market. The position of logo indicates the location of their respective headquarters:



Based on the TI Report, the Group’s position as the largest owned vehicle operator within the European international FTL segment of the market allows it to compete effectively by providing high-quality services in terms of owned fleet capacity, as well as time and cost efficiency and flexibility supported by its business-driven IT system developed to maximise loaded ratio, optimise the freight carry time and minimise the idle time of each of its owned trucks. Although road freight activities have been perceived as challenging by many of the larger European logistics companies, which outsource the majority of their activities, due to relatively poor margins in the years 2012, 2013 and 2014, the Group’s operating profit margins have generally been higher than those of other large European transportation companies according to the TI Report, as a result of the Group’s competitors’ extensive use of sub-contractors.

The following graph sets out the top international FTL own fleet operators in Europe as measured by number of trucks for 2016:



Management believes that the parameters of competition differ between transportation operators (asset-based players) and freight forwarders (asset-light players).

Among transportation operators, competition is based on (i) price, which is the key competitive differentiator for standard shipments and is particularly important during times of weak freight demand; (ii) available capacity, as sufficient scale is required to provide capacity when and where required on short notice (this is particularly important during times of strong freight demand when capacity is scarce); (iii) reliability, such as punctuality and efficiency of service, achieved through, among other factors, high safety and a modern and well-maintained fleet ensuring smooth operations; (iv) reputation: brand recognition and reputation are key for servicing blue-chip customer base; (v) equipment type and configuration options, mainly the ability to offer specialised services for customers in end-markets such as pharmaceuticals, chemicals and hazardous goods or food and beverage; and lastly (vi) the ability to offer low-cost transportation alternatives through multimodal transportation for non-time-sensitive deliveries.

Among freight forwarders, competition is mainly based on (i) the ability to secure capacity at an attractive price: scale is required to secure competitive capacity allocation quantities and appropriate service offering at attractive prices from operators; (ii) sophistication of service level and depth and breadth of service offering, mainly the ability to operate effectively across complex supply chains; (iii) value add, for example service offering catering to specific end-markets, such as providing extra security or controlled storage; (iv) level of expertise and technical knowledge, for example knowledge of customs and regulation in different countries; (v) IT capabilities driving optimisation potential for customers' supply chains, for example through real-time tracking and monitoring, web-based quotes, reservation, invoicing or payment; (vi) sufficient coverage to offer global transportation solutions for global clients; (vii) warehouse flexibility and the ability to cater to customers demanding storage and distribution for non-standard cargo; and (viii) price.

Hungarian Competitive Environment

Hungary has a well-developed transport network and has been able to position itself as a distribution and logistics centre, as well as an industrial and manufacturing centre in the CEE region. The Hungarian road transportation market is reasonably fragmented, with the largest nine companies accounting for only 10% of the total market in 2016 as measured by ton-kilometres. This is primarily due to the large number of small, local players present in both industrial and more rural areas of the country. While road infrastructure in Hungary is generally good (all parts of the country are accessible within four hours of Budapest, the capital of Hungary) and most of the larger national and international players will claim full national coverage, volumes tend to be concentrated around Budapest. This leads to tight margins in the Hungarian market and leads many providers to sub-contract transportation to smaller operators. Compared to the Group's sizeable owned asset fleet

dedicated to its domestic operations and assisted by a large number of domestic employees, the Group's international competitors in Hungary use sub-contractors extensively, including a large number of small firms and individual owner-drivers who work on their own account to provide the necessary support for the larger players in the industry. According to the TI Report, the Group is the largest logistics services provider in Hungary, based on revenue for the year 2015. In addition, based on the TI Report, freight rates in Hungary had grown considerably more than EU rates since the end of 2011. The growth was achieved in a short period of time and since the start of 2014 the rates remain the same. At the end of the second quarter of 2016, the rates in the Hungarian road freight market were 16.3% higher than in 2010, compared to 5.3% in the EU. Overall, the compound annual growth rate of the Hungarian road freight market was 4.2% for the period between 2010 and 2016 and is estimated to continue at 4.1% for the period between 2016 and 2022, according to TI.

The following table derived from the TI Report sets out the top ten logistics companies in Hungary in 2015:

Company's Names	Revenues
	<i>(in EUR millions)</i>
Waberer's Group	167
UPS	92
Deutsche Post DHL.....	91
Kuehne & Nagel	89
Dachser	76
DB Schenker Logistics.....	72
Transdanubia	70
Geodis	58
Raaberlog.....	49
TNT	47

Notes:

(1) All revenues stated exclude express and parcels revenues.

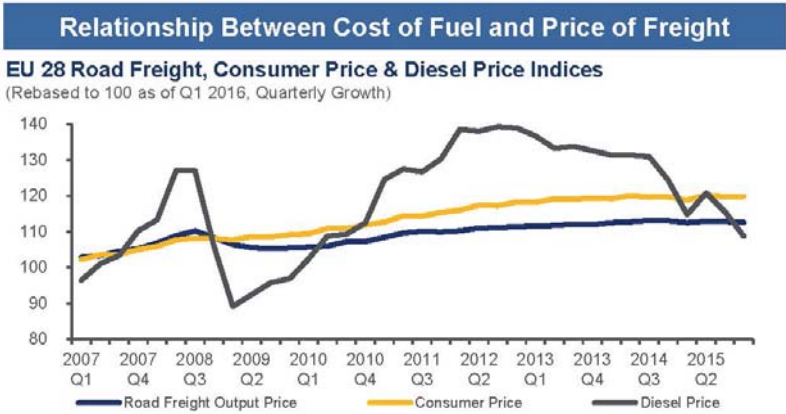
Trends in the Market

Recently, a number of trends and developments have impacted the European road freight industry which have caused continuous changes in the structure of the market. These factors include: fuel price fluctuation, driver shortages, 'just-in-time' supply chain systems requiring reliable transportation of raw materials and parts, various developments in cabotage (international carriage where operations are undertaken within a member state by a provider based in a different country), increased mergers and acquisitions activity in the industry, as well as growth in e-commerce generally affecting road transportation companies.

Fuel Price Fluctuation

According to TI, freight rates for international services across Europe have shown minimal growth over the past five years. The main driver of freight rates is the price of fuel. The fuel price and freight rates followed each other to a large extent until the collapse in oil prices towards the end of 2014, when freight rates did not fall in parallel with the fall in the price of fuel.

The following graph, which has been sourced from the TI Report, sets out the relationship between the fuel price and price of freight:



Oil prices, as measured by the OPEC basket price, steadily increased to a peak at the end of March 2012 at USD 122 per barrel. Prices were then relatively constant until the second half of 2014 when they began to decline significantly. In June 2014, the price was around USD 110 per barrel. By January 2015, the price had more than halved to almost USD 40 per barrel. Oil then started increasing again in the first half of 2015 to around USD 60, only to decrease again considerably in the second half of the year to almost USD 20 per barrel. Since then, the oil price has steadily recovered and in March 2017 stayed around USD 50 per barrel.

All transportation providers charge a surcharge on fuel usage as a method to recoup fuel costs. Surcharges can shield a company from the impact of changes in oil prices; however, there can be a two-month lag from price increase to surcharge adjustment; nevertheless, in case of a decrease in fuel prices, this lag may benefit the transportation providers. The Group’s strategy is to pass on the increases in fuel costs to its clients and its current contracts with most of its customers allow the Group to pass such increases in costs onto customers with a delay of one to six months (two to three months on average), while contracts the Group concludes on the spot market, which accounted for 40.7% of the Group’s revenue in 2016 (49% in the International Transportation Segment and 4% in the Regional Logistics Segment), enable the Group to immediately pass any increase in costs of fuel on to customers. Although the Group currently engages in no hedging activities with respect to oil prices, it stores significant amounts of fuel at its facilities in Hungary, which it procures at a discount to broader market prices, which allows the Group to hedge some portion of its fuel costs. Nevertheless, there have been changes in the method of calculating and charging such surcharge and many companies have failed to pass all fuel increases to the shipper, as often fuel surcharges are negotiable. Also, shippers with more volume are generally more successful in paying either reduced surcharges or no surcharges at all. Management believes the Group has an effective fuel surcharge management operation in place.

Growth in e-commerce

E-retail has generally brought about a dramatic change in the nature of goods flows. Although traditionally many logistics companies (including UPS, for example) were set up for the delivery of business-to-business goods, most of the growth has been in the business-to-consumer segment. Instead of full or part loads, many shipments initially switched to being moved either by pallet, or increasingly, as single parcels. As the e-commerce market matures, large retailers appear keen to gain greater control over the delivery of products, which represents a large proportion of their costs. These larger retailers now pre-sort parcels and deliver them directly into a parcel companies’ sorting hub. This generally reduces the parcel company’s involvement by between 30 to 40%. This has positively impacted of the demand for FTL / LTL transportation controlled by the retailers. Some retailers have gone a step further and now inject parcels directly into the destination delivery depot, reducing the parcel carrier’s involvement further. This has resulted in a swing back to the use of FTL / LTL transportation, controlled by the retailers, with increased FTL potential for warehouse-to-warehouse transportation.

In addition, according to the TI Report, customers seem to be moving away from the concept of requiring purchases to be delivered to their homes or in the fastest possible time. Instead, they are

looking for their purchases to be delivered to a place and at a time convenient to them. As a result, new concepts like Click & Collect partly invert the historic trend from business-to-business to business-to-customer deliveries, creating new business opportunities for transportation companies.

The following table sets out the value of the European online retail sector for the period between 2011 and 2020, showing an overall compound annual growth rate of 11.8% for the period between 2011 and 2020, according to Marketline (*Online Retail in Europe*, October 2016):

	For the Year Ended 31 December									
	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
	<i>(in EUR billions)</i>									
European Online Retail Sector Market Size...	117	133	150	169	189	212	236	262	290	319

Source: Marketline

Increased Mergers and Acquisitions Activity

As a whole, the road transportation industry is driven by economic growth and a number of other macro-economic drivers which have contributed positively to the market for road transportation companies, including:

- The global economy (particularly Europe) is forecast to improve, providing companies with more confidence to invest in new markets and sectors, leading to an increased possibility of mergers and acquisitions;
- Supply chains are reaching into untapped markets in the developing world, increasing the need for global logistics companies to support multi-national clients;
- Asian logistics companies are looking to expand their networks into Europe to support the expansion of their customers;
- The express parcels sector has benefited from e-commerce activity, in particular with respect to last mile delivery;
- The emergence of a powerful middle class in Asia and Latin America (and Africa to a lesser degree) has created more demand for higher value consumer goods, which in turn require a higher level of sophistication of supply chain management;
- Manufacturers and retailers are increasingly demanding more sophisticated supply chain IT capabilities, which logistics service providers can obtain from niche technology providers;
- Retailing structures are changing in Europe, with the growth in the market share of discounters such as Lidl and Aldi. Major logistics companies must diversify in order to protect their revenues and margins; and
- Logistics companies are increasingly looking to expand into niche sectors such as healthcare/ pharmaceuticals where the demand for value added services is generally greater.

The top ten most acquisitive transportation companies in the world (by number of deals carried out) account for about a quarter of all the transactions undertaken in the sector in the past 15 years. Many established logistics companies were acquired during the early 2000s, which transformed the industry. French companies (such as Geodis and XPO Logistics Europe (formerly Norbert Dentressangle)) and German companies (such as DP DHL, DB Schenker and Rhenus) have been the most successful at building market leading positions not only in Europe, but also worldwide. Although certain of the logistics companies have emerged as the leaders following such acquisitions, not all companies followed this strategy. In Europe, Panalpina for example has successfully pursued growth through organic means.

The Group has undertaken a number of strategic acquisitions, which have augmented its international and domestic trucking and logistics businesses, including the 2004 acquisition of Transporta Kft., the 2007 acquisition of Révész Eurotrans Kft., the 2013 acquisition of a 60% ownership interest in Szemerey Transport and the 2016 acquisition of the Insurance Company.

Driver Shortages

Road transportation companies in Europe are generally finding it difficult to hire truck drivers, largely due to better paid and less arduous job opportunities elsewhere in the market. One of the key problems has been the erosion of the difference in remuneration between driving staff and factory

workers. Accordingly, there is less of an incentive to take a job as a driver which often entails spending time away from home. Further, in the EU, the driver population is increasingly ageing, as fewer younger people enter the profession. The reasons for this generally are frustration with vehicle congestion, unsociable working hours and low pay.

Few official statistics exist for the level of turnover of driving staff measured by Driver Churn, which is defined as the number of drivers leaving a company during a given period divided by the average number of drivers for such period. A quarterly survey undertaken by the American Trucking Association found that driver turnover at the companies with the largest fleets was almost 100% while firms operating small fleets experienced rates lower at approximately 82% (when studying the American market). For 2013, Driver Churn averaged 96%, just below 2012's average of 98%. Although TI did not identify any comparable European study to that of the American Trucking Association mentioned above, from ongoing discussions with industry participants, TI has recognised that the same problems likely exist in Europe. It is likely that the Driver Churn rate in Europe is lower for domestic businesses than those specializing in the international arena, however the rates are not likely to be as severe as in the United States.

The Group's Driver Churn has improved steadily over the past three years, with rates of 44.6%, 53.5% and 58.3% for the years 2016, 2015 and 2014 respectively, and represent rates which management believes to be below the industry average. The Group, in order to address this issue, acted to increase employee satisfaction and create a transparent, predictable and attractive driver wage system, through the introduction of a new compensation scheme. This scheme provided for material growth in wages during the years 2016, 2015 and 2014, favourably amended the wage structure, and provided for extensive training. Furthermore, the scheme also extended to include complex benefits including the possibility to use the Group's holiday resort, a family day and an accommodation subsidy. As a result, approximately 35% of the overall cost of drivers in the International Transportation Segment is the base salary (including taxes and social contribution), while the remaining 65% include mainly foreign daily allowance. The net salary share drivers in the International Transportation Segment consists of a 22% fixed part and 78% of daily allowances. Management believes that the Group's drivers' compensation is in line with the CEE average (Polish, Slovakian, Hungarian level) and, taking into consideration also cost of living, it is in line with the compensation the international road transportation companies from Western Europe offer to drivers from Eastern Europe.

The driver shortage was compounded by the implementation of the Working Time Directive in March 2005. This limited the amount of non-driving work a driver is able to do. Shortage problems have been exacerbated further with the legal requirement for the implementation of the Driver Certificate of Professional Competence ("CPC") periodic training, which all truck drivers were required to complete by 10 September 2014. According to TI, as a result of the new CPC regulations, transportation companies have indicated that some older drivers have chosen early retirement rather than to invest the amount (the cost for the driver is GBP three thousand in the United Kingdom) required to obtain the CPC. The driver shortages will have implications for the road transportation industry, as well as on wider supply chains. They will add to the pressure on operators' margins, which are already considered thin, and in many cases companies may be forced out of the market, leading to less choice for clients. This may lead, either directly or indirectly, to higher transportation costs for manufacturers and retailers.

Increase in Just-in-Time Delivery

One of the key trends in the logistics industry has been a switch from FTL to groupage/LTL and express pallet services. The demands of just-in-time manufacturing processes has been a major factor in this trend, as just-in-time manufacturing places an emphasis on the frequent replenishment of stocks in order to reduce inventory (which requires more frequent and regular deliveries). There has been an increase in just-in-time supply chains, which involve goods being delivered only as they are needed in the production process, such as in the automotive industry.

Clients employing just-in-time manufacturing have required the supply-side logistics industry to adopt more flexible and time-sensitive business models and it has also resulted in smaller consignments, which are more appropriate for delivery methods using pallets. A requirement for more rapid delivery and greater certainty of delivery within narrower time windows has resulted in there being a reduction in the size and weight of shipments, accompanied by an increase in the number of shipments. This reduction in shipment size has led to a change in the balance of the market segments whereby the

FTL traffic has declined but LTL and parcel network services have seen an increased volume of shipments.

Recent developments in materials handling technology, as well as the adoption of well-established track and trace technology, have allowed this business model to be applied to heavyweight shipments. This in turn has led to the development of dedicated ‘LTL or pallet networks’. With a complex of depots, companies can construct a “hub and spoke model”, (whereby the central facility (the hub) sorts the consignments and a number of regional depots (the spokes) deal with their collection and delivery), ensuring frequent services, but at a lower cost. This “hub and spoke model” is not new, but it is now emerging as a key strategy employed by the large logistics companies to increase their control of the road freight/trucking market. As a result, this part of the LTL freight transport sector is growing at a much faster rate than any other sectors of the industry, with LTL freight operators reporting annual increases of between 10% and 20% in recent years according to TI.

Technology Trends

New technologies in transportation and driving of cars or trucks continuously develop, which may change nature of the business in which the Group operates and its competitive landscape.

For example, several companies are currently developing and testing the technology of autonomous driving, which consists of vehicles equipped with various levels of autonomous technology which may take over certain elements of driving from the human driver and in the future potentially drive the vehicle fully autonomously. There are several levels of autonomous driving depending on the level of autonomy, from level one (one individual control such as lane keeping or adaptive cruise control, with the driver still fully in control) to level four (a fully autonomous self-driving vehicle). In October 2016, Uber, in cooperation with Volvo and Anheuser-Busch InBev, successfully made the first commercial truck delivery, which involved the employment of driverless technology while the truck was on the highway. However, it is still expected that a human driver will be present in the truck and will manually drive the truck when not on the highway and oversee the truck in general. As the first step, companies are also testing so-called platooning, where several trucks link up through wireless connection, are then all driven by the driver of the first truck and their braking and steering are electronically synchronised. According to statements of some manufacturers and experts, some lower forms of autonomous driving might be ready as soon as by 2020. Further, the introduction of these and other technologies depends, among others, on the amendment of the current legal framework and introduction of new laws and standardised regulations allowing such technologies to be applied.

The technology of autonomous driving addresses several of the inherent challenges the road transportation industry has been facing and has the potential to bring a disruptive change to the industry. The key challenges that may be potentially addressed by this technology include driver shortages, regulated hours of drivers’ service, congestion, safety, driver distraction, fuel costs, drivers’ wellness and driver retention.

According to studies by McKinsey (May 2016) and Roland Berger (April 2016), fast payback of investments into the technology of autonomous driving can in the early stages be only reached in a few applications with a high share of platooning and significant cost savings are expected only in the long-term with driverless trucks. Large fleet operators are likely to gain a competitive advantage over owner-operators as they can more easily form intra-fleet platoons and are more likely to platoon with peers. The study by McKinsey (May 2016) estimates that a fully self-driving 40-tonne tractor long-haul truck in 2025, when compared to an average today’s truck with combined function automation, may save up to 28% on truck total cost of ownership by saving approximately 11% in fuel costs, 81% in driver costs, 40% in insurance and tax costs, 10% in administration and garage and 15% in repairs and maintenance, while increasing depreciation and capital costs by 15%.

Further, telematics, a range of technologies combining telecommunications and GPS, enables effective tracking and optimisation of fleet and drivers. The technology is already widely available and is expected to become standard equipment and achieve nearly full penetration by 2020. According to a study by the U.S. Department of Transportation, the benefits of telematics include: (i) a decrease of up to 50% of sudden acceleration, hard braking and sudden lane changes across short and long haul groups, (ii) decrease of speeds above 105 kilometres per hour (65 miles per hour) by more than 33% for day cabs and 42% for the sleeper cab groups; (iii) increase of distances driven at below 1,500 RPM by 27% for day cab groups and decrease of distances driven at below 1,500 RPM by 48% for sleeper cab groups; and (iv) improvement of fuel economy by 5 and 9%, respectively, for sleeper cab and day cab groups.

The Group's Regional Contract Logistics Segment is currently implementing new real time telematics software, the goal of which is to, among others, enable analysis and monitoring of different driving styles. The resulting data of which can be used to organise various driving technique training programs by fleet operators to enable drivers to use their vehicles better and more efficiently, for example in terms of fuel efficiency or repair and maintenance and toll costs.

Regulation and Political Considerations

The European road transportation sector has been recently experienced changes caused by increasing regulation regarding for example drivers' minimum wages, as recently adopted in several EU countries including France and Germany, excise taxes and driver-related laws regarding working hours and conditions. Further, the decision of the United Kingdom to leave the EU may have an impact on the flow of goods in the European road transportation market. However, the geographic diversification may help the Group mitigate potential negative local impacts.

Shift of Production Facilities

Shift of production facilities from Western Europe to Eastern European countries and from Asia to Europe has increased customer demand for transportation capacities. As a result of this shift, the supply chain has become wider and generates additional capacity needs. In addition, international trade has increased due to globalisation of production and supply chains, contributing to increased road transportation demand.

Hungarian Transportation Market

With its geographical position in the centre of Europe and on the eastern border of the Schengen Area, the TI Report indicates that Hungary has become a pivotal distribution point for east-west intermodal freight forwarding in the CEE region. In addition, its railway links with Asia support Hungary to become a significant logistics centre, attracting investments by both domestic and international transportation and logistics companies. Furthermore, the TI Report suggests that the completion of a high-speed train linking Hungary to Serbia, expected to be completed in 2018, is likely to heighten the country's logistical importance, particularly for the delivery of goods from China to the CEE region. With its high road density centring around Budapest and its major motorways and trunk roads originating in Budapest and reaching national borders to link up with the European road network, Hungary benefits from four European transport corridors passing through the country, providing access to all major parts of Western Europe, including key ports and airports.

In order to reduce VAT fraud, Hungary introduced the EKAER (Electronic Public Road Trade Control System) in January 2015 which made it mandatory to report all goods transported by road. Furthermore, the Hungarian government has made extending and reconstructing the road network a top priority. According to the TI Report, the Hungarian government is estimated to have spent over EUR 218 million on road renovations in 2015. Similarly, the European Commission approved EUR 100 million in financing towards infrastructure projects in Hungary in 2016.

According to the TI Report, in addition to the quality and level of development of its infrastructure and its strategic geographic location, Hungary is also able to offer a comparatively productive and well-qualified labour force for logistics companies. Hungary's general productivity level is the second highest in the region and wages are competitive, according to the TI Report. These factors have also encouraged multinational companies to establish regional logistics centres in Hungary.

In terms of outbound transport (exports) and inbound transport (imports) in the Hungarian road transportation market, for 2015, the TI Report indicated that: (i) Germany, Italy, Poland, Austria and the Czech Republic constituted the main export destinations of freight loaded in Hungary, with such countries representing 22.5, 12.4, 8.3, 6.5 and 6.4%, respectively, of the total freight loaded in Hungary by destination; and (ii) the freight unloaded in Hungary primarily originated from Germany, Poland, Italy, the Czech Republic and Austria, with inbound transport from such countries constituting 22.4, 12.3, 7.4, 6.6 and 6.1%, respectively, of the total freight unloaded in Hungary by origin.

The demand for international road freight services in Hungary is strong, partially due to it being supported by a domestic manufacturing sector that continues to grow, as Hungary is often used by European manufacturers as a low cost manufacturing base. Such manufacturers require the services of road transportation to support supply chains and to transport goods from the factories to the relevant markets where they are to be sold. According to the TI Report, Hungary is likely to remain

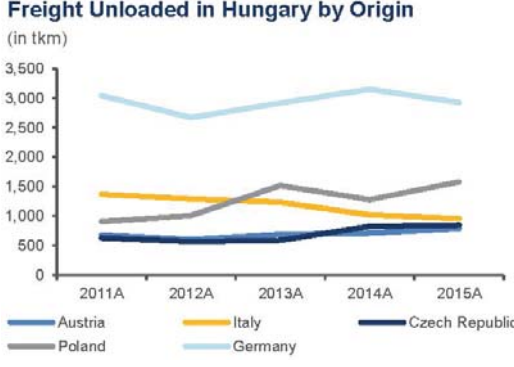
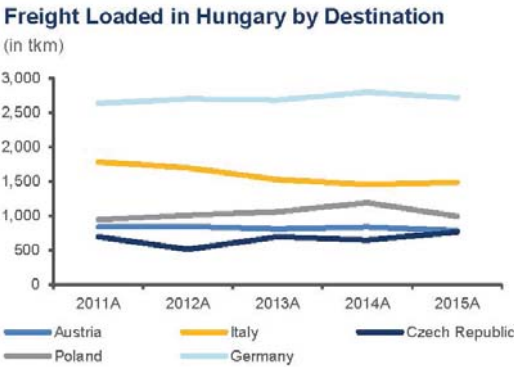
a popular choice for manufacturing due to relatively low costs and comparatively high productivity. Furthermore, the automotive and white goods sectors are particularly strong in Hungary and this is reflected in the Group’s customer base. Also, the Group acts as a sub-contractor to many of its key competitors as it is able to undertake FTLs at a more favourable rate than many of its competitors. Finally, according to the TI Report, despite the prompt growth of infrastructure in Hungary, prices in the Hungarian road transportation market have remained the same since the start of 2014, generally reflecting the average prices in the EU.

The following table was derived from the TI Report and sets out the size of the Hungarian domestic road freight market, which has grown strongly in the past and expected to continue to grow, for the period between 2010 and 2020 as estimated by TI:

		For the Year Ended 31 December										
		2010	2011	2012	2013	2014	2015	2016	2017	2018	2019	2020
		<i>(in EUR billions)</i>										
Hungarian Domestic Road Freight												
Market Size.....		1,639	1,779	1,826	1,909	2,071	2,094	2,159	2,241	2,325	2,405	2,484

According to management, this growth in the Hungarian road transportation and logistics market has been supported by customer-led growth with focus on regional logistics solutions and customer preference for one-stop shop logistics solution providers.

The following graphs set out the freight volume loaded and unloaded in Hungary by origin and destination, respectively, in the period between 2015 and 2011:



Source: Eurostat.

European Road Transportation Markets

Overview of the European transportation market

The TI Report estimates that in 2015 the European road freight market grew by 2.5% in nominal terms, as compared to 2.8% in 2014, both of which are in excess of historical growth levels and forecasted GDP growth. According to the TI Report, market growth has been driven mainly by volume growth, being partially offset by a slightly negative impact on prices.

According to the TI Report, the domestic road freight growth was prompted by solid domestic demand growth of 2.1% in the EU, as compared to 1.8% in 2014. A higher domestic demand growth was reported in most of the major European markets, including France, Germany, Italy and Spain.

The following table sets out an overview of the share of selected countries of the European road transportation market, as measured by ton-kilometres for the year 2015:

Key EU Markets	Share of EU International Road Freight Market
	<i>(%, unless indicated otherwise)</i>
Germany	17.4
Poland.....	14.5
Spain.....	11.6
Great Britain	8.8
France.....	8.5
Italy	6.5
Netherlands	3.8
Czech Republic.....	3.2
Belgium.....	1.8
Austria	1.4
Others	22.6
Total	100.0
Total size of the EU road transportation market (in billions of ton-kilometres).....	1,803

Source: Eurostat.

The following table sets out the major EU routes as measured by ton-kilometres for the year 2015:

Country of Origin	Country of Destination	Billions of Tonne-kilometres	Share of EU International Road Freight Market
			<i>(%)</i>
Germany	Poland	32	6.0
Spain.....	France	28	5.2
Germany	Netherland	25	4.6
Germany	France	22	4.2
France.....	Belgium	16	2.9
Germany	Austria	15	2.7
Germany	Belgium	14	2.6
Germany	Czech Republic	13	2.5
France.....	Italy	13	2.5
Netherlands	Belgium	8	1.5

Source: Eurostat.

Germany

According to the TI Report, Germany is Europe's largest economy and its biggest logistics market in terms of revenue. The country's central location within Europe, combined with a developed transportation infrastructure and a strong emphasis on innovation, has led many companies to use it as a European-wide distribution hub. This situation has been aided by the presence of the Frankfurt Airport, Europe's largest air cargo hub.

As indicated in the TI Report, Germany's road network is substantial, involving 12,5 thousand kilometres of highways (the Autobahn). Roads form the backbone of Germany's transport industry with 3.6 billion tonnes of freight transported on its roads in 2015, which accounted for 78% of volumes transported within the country.

According to TI, Germany has a large number of mid-sized providers of logistics services, the so-called “Mittelstand”, many of which are owned by banks or remain in the families of their founders. Increasing presence of lower cost providers from Central and Eastern Europe has heightened competitive pressure. However, the German providers of logistics services have been benefiting from the growing potential of Eastern European markets.

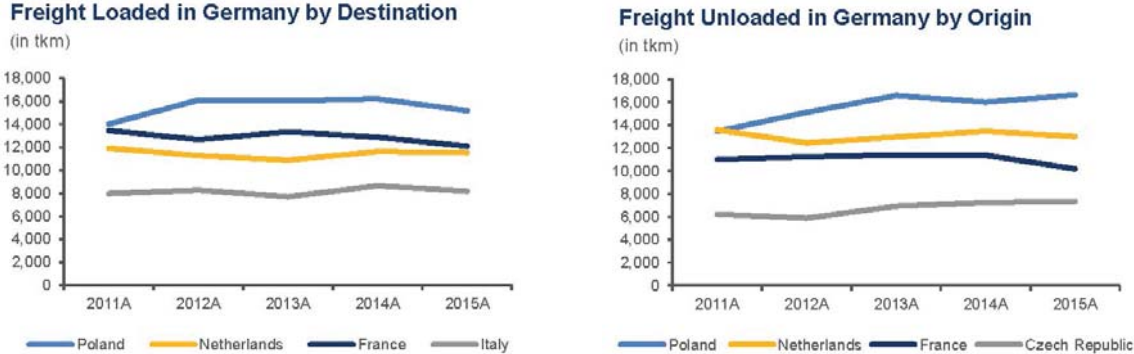
In 2015, road freight became more competitive, due to continuing reductions in diesel prices and lower tolls. However, the declining investment in infrastructure improvements has resulted in Germany’s roads and bridges deteriorating. Particularly, the German Institute of Urban Affairs estimates that 15% of Germany’s municipal road bridges need to be completely rebuilt. Consequently, the German government announced a EUR 265 billion infrastructure investment plan intended for the next 14 years.

According to the TI Report, in 2016, a number of large logistics providers (including DPD, DHL or Amazon) made significant investments into their existing and new facilities in order to grow their services within Germany.

In terms of outbound transport (exports) and inbound transport (imports) in the German road transportation market, for the year 2015 the TI Report provided that: (i) Poland, Spain, The Netherlands, France and Italy constituted the main export destinations of freight loaded in Germany, with such countries representing 18.1, 10.4, 10.2, 9.7 and 7.1%, respectively, of the total freight loaded in Germany by destination; and (ii) the freight unloaded in Germany primarily originated from Poland, Spain, The Netherlands, France and the Czech Republic, with inbound transport from such countries constituting 18.4, 12.8, 11.5, 7.8 and 7.6%, respectively, of the total freight unloaded in Germany by origin.

According to the TI Report, the growth of the transportation rates in the German transportation market has been comparable to that of the EU’s since 2008. However, at the end of the second quarter of 2016, German rates were 5.8% higher than they were in 2010, compared to 5.3% for the EU.

The following graphs set out the freight volume loaded and unloaded in Germany by origin and destination, respectively, in the period between 2015 and 2011:



Source: Eurostat.

France

According to the TI Report, France is one of the largest logistics markets in Western Europe, benefiting from its strategic location between Northern and Southern Europe and having a well-established internal transport network, with motorways and high speed trains.

Based on the TI Report, France has one of Europe’s densest road networks. However, the rising cost of tolls on the majority of France’s autoroute systems has caused problems to hauliers. Following calls for a toll freeze in 2015, the government announced its plan to revise contracts with motorway operators which it regarded to be exceedingly generous and its intention to create a new regulator to oversee highway tolls.

Furthermore, the TI Report suggests that improvements to France’s roads are expected. In 2015, the French government announced a series of key investments for highways in the Ile-de-France region which consists of Paris and the surrounding countryside. The EUR 810 million programme aims at

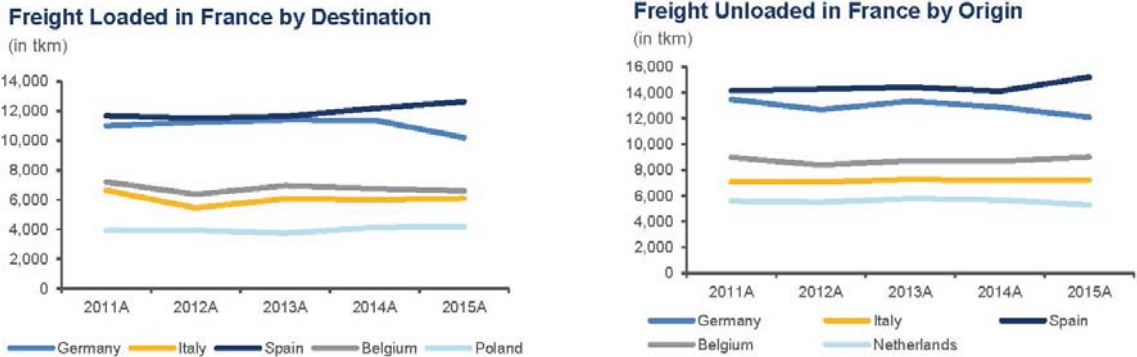
improving highways and expressways which are not currently covered by concessions in order to improve traffic flow. In 2016, a contract was awarded for the construction and operation of the A45 toll motorway. The 50 kilometre four-lane project which includes four tunnels is aimed to connect Lyon to Saint-Etienne and is expected to open in 2022. In 2016, the government announced that it was open to road improvement ideas from private road operators and concession holders on the condition that the work did not present any financial burdens for taxpayers. In exchange for an extension on road concessions, motorway companies have committed to more than EUR 3.2 billion of work over the next five years.

In addition, according to the TI Report, logistics operators (for example DPD or AMC Company) have continued to improve their services in France in 2016. According to TI, the French working time directive (WTD) sets forth a working week of 35 hours which, in turn, has placed time constraints on French truck drivers and exposed it to competition, particularly that from the CEE. In addition, toll fees, which have increased by as much as 25% since 2006 have presented further challenges to French truck drivers.

In terms of outbound transport (exports) and inbound transport (imports) in the French road transportation market, for the year 2015 the TI Report indicates that: (i) Spain, Germany, Belgium, Italy and Poland constituted the main export destinations of freight loaded in France, with such countries representing 24.1, 13.2, 12.5, 11.7 and 8.0%, respectively, of the total freight loaded in France by destination; and (ii) the freight unloaded in France primarily originated from Spain, Belgium, Germany, Italy and The Netherlands, with inbound transport from such countries constituting 24.4, 14.4, 12.7, 11.6 and 8.3%, respectively, of the total freight unloaded in France by origin.

According to the TI Report, the growth of the prices on the French transportation market has substantially reflected the growth of average prices on the EU transportation market since 2008. At the end of the second quarter of 2016, prices on the French transportation market were 4.1% higher than they were in 2010 as compared to 5.3% for the EU.

The following graphs set out the freight volume loaded and unloaded in France by origin and destination, respectively, in the period between 2015 and 2011:



Source: Eurostat.

Italy

Based on the TI Report, Italy serves as a junction for inter-continental flows between Asia, Europe and North America due to its strategic location. In addition, its central Mediterranean position makes it important for intra-European trade, particularly east to west movements. Due to the country’s layout, Italy relies heavily on its maritime connections and network of ports. The Italian network connects to other European countries through 13 alpine passes and other pan-European corridors. Since the financial crisis Italy has suffered public funding shortfalls, whilst a lack of transparency surrounding the country’s project pipeline has deterred private sector investment. As a result, there has been a lack of investment in infrastructure. This situation has been compounded by authorities who have not prioritised key infrastructure projects and as a consequence, they have not taken advantage of all of the infrastructure funds available from the EU.

In March 2016, the Italian government outlined a EUR 4 billion infrastructure plan for the country. It includes a EUR 480 million investment in highways projects, including the Mestre ring road and

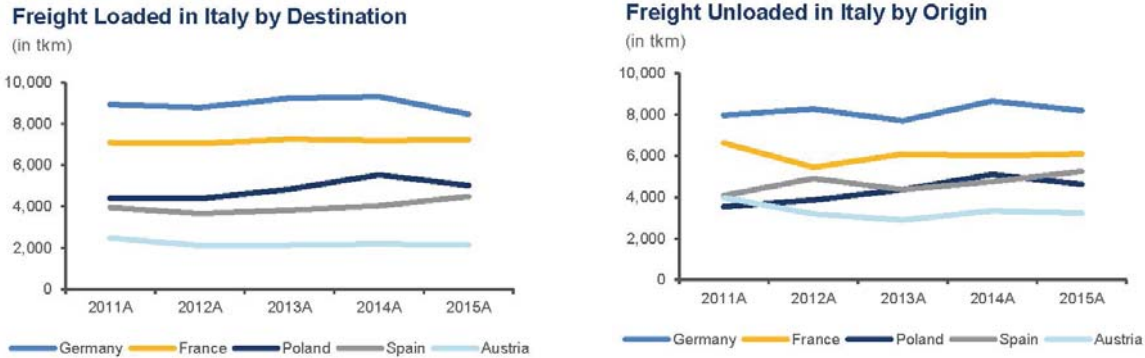
the subalpine Pedemontana stretches of highway that cross Lombardy and Veneto. Meanwhile, the 443 kilometre Salerno to Reggio Calabria autostrada (A3) which has been plagued by bad management, delays and corruption is thought to be close to completion.

According to the data from the TI Report, in 2016, several international logistics companies (including XPO Logistics, CEVA Logistics and Geodis) have expanded their facilities in Italy.

In terms of outbound transport (exports) and inbound transport (imports) in the Italian road transportation market, for 2013, the TI Report indicates that: (i) France, Germany, Poland, Spain and Austria constituted the main export destinations of freight loaded in Italy, with such countries representing 18.1, 16.1, 12.6, 11.3 and 5.1%, respectively, of the total freight loaded in Italy by destination; and (ii) the freight unloaded in Italy primarily originated from France, Germany, Spain, Poland and Austria, with inbound transport from such countries constituting 14.8, 14.1, 12.7, 11.2 and 7.6%, respectively, of the total freight unloaded in Italy by origin.

According to the TI Report, Italy’s highly fragmented market makes it difficult to deal with cabotage. Consequently, in March 2015, the government introduced new rules aiming to reduce infringements of EU road cabotage provisions. The new rules share the responsibility of verifying the fulfilment of provisions concerning salary, labour taxation, and social security payments between transport operators and their clients. Further, the increasing need for more sophisticated shipping may favour larger providers of transportation services having competitive advantages over smaller competitors.

The following graphs set out the freight volume loaded and unloaded in Italy by origin and destination, respectively, in the period between 2015 and 2011:



Source: Eurostat.

United Kingdom

According to the TI Report, the UK is one of the largest logistic markets in Europe, with over 80% of freight transported via its road network and has the most mature logistics market in Europe, mainly due to the length of time it has been de-regulated. However, its integration with other European road networks is restricted by the country’s island geography. Between 2014 and 2015, domestic road freight activity by UK hauliers increased by 11% to 1.65 billion tonnes. In the same period, international road freight activity decreased by 8.0 to 8.2 million tonnes, with both exports and imports declining. Cabotage accounted for just 1% of road freight activity in the UK in 2015 and UK hauliers came 19th in the EU’s leading international hauliers in 2014. Due to high taxes, the UK faces one of the highest diesel prices in Europe and fuel can account for around 40% of total operating costs of road transportation providers.

In June 2016, the UK voted to leave the EU. ‘Brexit’ is expected to have far-reaching consequences for the road haulage industry. However, management believes that Brexit may present business opportunities to competitors on the road transportation market including the Group as well, for example by gaining profit from custom clearance. As the TI Report suggests, trade with the EU could diminish, since 98% of goods delivered by UK heavy goods vehicles (“HGVs”) operating internationally in 2015 were to or from one of the fifteen founding member states of the EU. Furthermore, haulage companies could face stricter border controls, a driver shortage, and increased costs in terms of higher fuel prices and tariffs. In addition, HGV drivers travelling to and from the UK are experiencing problems around the French Port of Calais. Concerns over their safety have risen as they have faced an increase in threats and attacks from migrants trying to reach the UK.

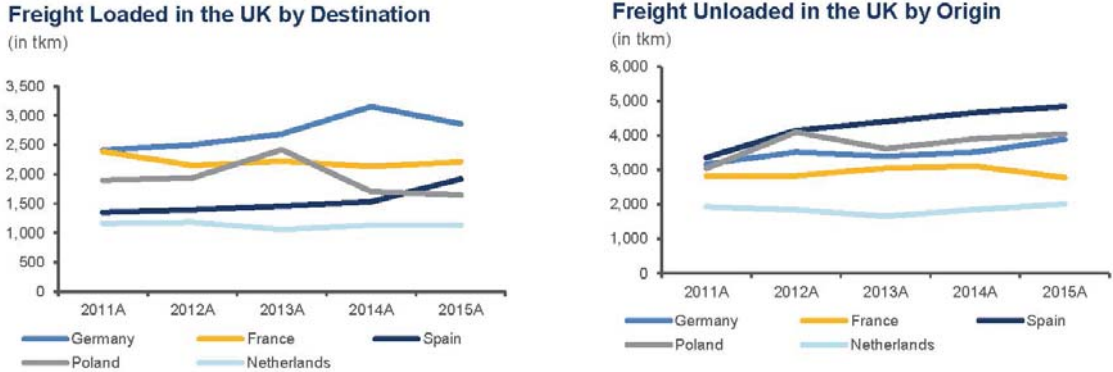
According to the TI Report, congestion causes problems, as the existing road network has failed to cope with rising volumes of traffic. In 2014, a GBP 15 billion road investment strategy outlined 100 major schemes, including a scheme of key motorways being turned into smart motorways (using technology to control congestion), with the aim of boosting connectivity between London, Birmingham, Manchester and Yorkshire. Plans also include improving one-third of the junctions on the M25 around London and improving connections with the Port of Liverpool. The government is currently researching its post-2020 road strategy, studying some of the most significant challenges facing the road network which include the Northern Trans-Pennine (the A66 and A69 corridors), the Trans-Pennine tunnel (connecting Manchester with Sheffield), the Manchester north-west quadrant (the M60 from junctions 8 to 18), the A1 east of England (from the M25 to Peterborough), the Oxford to Cambridge expressway, and the M25 south-west quadrant.

According to the TI Report, in the UK’s highly competitive market, logistics providers (such as DPD, Kuehne & Nagel, Bolloré Logistics or Hellmann Worldwide Logistics) have been expanding their infrastructure in the UK in 2016.

In terms of outbound transport (exports) and inbound transport (imports) in the road transportation market in the United Kingdom, for the year 2015 Eurostat found that: (i) Germany, France, Spain, Poland and Ireland constituted the main export destinations of freight loaded in the United Kingdom, with such countries representing 16, 14, 12, 10 and 10%, respectively, of the total freight loaded in the United Kingdom by destination; and (ii) the freight unloaded in the United Kingdom primarily originated from Spain, Poland, Germany, France and the Netherlands with inbound transport from such countries constituting 19, 16, 12, 11 and 8%, respectively, of the total freight unloaded in the United Kingdom by origin.

According to the TI Report, the growth of the prices on the UK transportation market has substantially followed the growth of average prices on the EU transportation market since the beginning of 2010. At the end of the second quarter of 2016, prices on the UK transportation market were 5.0% higher than they were in 2010, as compared to 5.3% for the EU.

The following graphs set out the freight volume loaded and unloaded in the UK by origin and destination, respectively, in the period between 2015 and 2011:



Source: Eurostat.

Poland

Poland’s location on the routes leading from Western Europe to the Baltic States, Russia and Ukraine means that it has become a major west-east transit country. In recent years, its importance as a logistics hub has increased due to its strong economy relative to its EU neighbours, due to the growth of the Port of Gdansk and since Poland was the only EU nation to avoid recession during the financial crisis, according to TI.

According to the TI Report, the country’s road freight sector is on the rise, although the growth has recently been slowing. In 2014, Poland retained its position as the EU’s leading international haulier, with an increase of 4.8% in 2014, compared to the previous year. Polish hauliers carry 25% of the international road freight in the EU and account for 28% of the cabotage market. Cabotage takes advantage of Poland’s lower operating costs than in many other EU countries, especially from Western Europe, particularly labour and fuel, to charge less than operations in other EU countries,

seizing market share from domestic providers. Whilst drivers account for around 50% of truck costs in countries like Germany and Denmark, in Poland they account for 20%.

Poland's 2014-2023 National Road Construction Programme outlined the construction of around two thousand kilometres of roads at an approximate cost of EUR 16 billion. A key part of the programme is the construction of a 33 kilometre section of the S19 dual carriageway from Krasnik to the Lasy Janowskie junction. Work is expected to start in 2018 and finish in 2025. The programme also includes the building of 57 ring-roads including around the towns of Mysliny, Niemodlina, and Walcz, as well as a EUR 392 million ring-road around Lodz.

A 16.7 kilometre section of the A1 motorway, which is part of European Route 75, is being constructed between the Zawodzie Junction and Woźniki Junction. It is expected to open to traffic in the second half of 2019 and to cost EUR 108 million. In November 2016, the Polish government announced that it will complete the final 80 kilometre section of the A1 motorway, from Tuszyn to Czestochowa, by 2020, at an approximate cost of EUR 830 million.

According to the TI Report, the growth of Poland's retail sector, particularly e-commerce, is providing significant support for logistics providers which now provide broader services, including supermarket deliveries. In 2015, the G6 Alliance (which includes APL, Hapag-Lloyd, Hyundai Merchant Marine, MOL, NYK and OOCL) added the Port of Gdansk to its Asia-Europe Loop service. As a result, commentators suggest that Poland will become a major rival to German and Benelux ports as a transshipment hub for Central Europe. In 2016, the Raben Group launched new linehaul services between Poland and Bristol and Manchester in the UK.

According to the TI Report, the growth of the prices on the Polish freight market has increased significantly since the start of 2013. At the end of the second quarter of 2016, prices on the Polish transportation market were 20% higher than they were in 2010, as compared to 5.3% for the EU.

INFORMATION ABOUT THE COMPANY AND THE GROUP

History and development of the Company

The Company was registered in the company register on 15 May 1990 as the legal successor of Volán Tefu Rt. Volán Tefu Rt. was established in 1948 as a Hungarian state-owned monopoly enterprise, focused on international FTL, LTL and selected specialised segments. Volán Tefu Rt.'s customer focus was on selected group of international destinations and state-owned enterprises and it specialised in the construction industry and also had significant operations in freight forwarding, packing, heavy lift services. In 1966, the Hungarian state established Hungarocamion Rt. as the leading domestic road transportation company in Hungary. Hungarocamion Rt. served a diversified customer base of regional and domestic medium and large enterprises, but skewed towards state-owned enterprises. It offered services mostly in long-haul trucking, but also has a strong international network with a broad fleet.

In 1994, Mr György Waberer and his associates acquired Volán Tefu Rt. in a privatisation process and subsequently reorganised the business portfolio to also include logistics services. In 1998, Hungarocamion Rt. was privatised by financial investors via HC-Invest Kft. and in 2002 Volán Tefu Rt. acquired HC-Invest Kft., thus becoming the indirect controlling entity of Hungarocamion Rt. and thereby became the largest transportation and logistics service provider in Hungary, subsequently operating under the name "*Waberer's*". The acquisition of Hungarocamion Rt. increased the size of the Company's fleet by approximately 1,200 trucks.

The Company took over the management of the previously existing group of companies which was followed by a partnership with a private equity investor, AIG New Europe Fund, in 2004. With the private equity investment brought by AIG New Europe Fund, the Company focused on efficiency and integration of the formerly state-owned enterprises, extended the geographical scope of its business in the Central and Eastern European countries, continually increased its customer base through attempts at gaining international orders, and performed numerous acquisitions in Hungary. Most importantly, with a view to augment its international business, the Company completed the acquisition of Révész Eurotrans Kft. in 2007 which increased the Group's fleet by 424 trucks.

In 2011, the Selling Shareholder acquired a 57.54% ownership interest in the Company through a share acquisition and capital increase, which was later decreased to 56.77% on 1 March 2012 as a result of a subsequent restructuring of the Group. As a result of the capital increase in 2011, the Selling Shareholder's equity investment significantly strengthened the capital base of the Company and enabled the Company to continue integrating its business and to continue its acquisition strategy in Hungary and the surrounding countries. Accordingly, as of 29 February 2012, four group companies (Waberer's International Zrt., Delta Sped Kft., Interszervíz Kft., and Inforatio Kft.) merged into Waberer's Holding Zrt., thereby becoming '*Waberer's International Zrt*' as the legal successor.

In 2013, the Group's domestic expansion was further augmented by the share exchange transaction through which the Group obtained a 60% ownership interest in Szemerey Transport Zrt. ("**Szemerey Transport**"), with the remaining 40% having been retained by Mr Lóránd Szemerey, who in exchange received a 40% ownership interest in Waberer's Logisztika Kft. These two companies were envisioned to operate under a common ownership structure, with the sole control and management of the Group, which controlled 75%-plus-one of the votes. In 2014, the two companies merged under the name Waberer's-Szemerey Logisztika Kft. ("**Waberer's-Szemerey**") and the operational and sales departments of the two companies were combined for efficiency, and optimised the use of equipment, storage and loading spaces (in particular warehouses and depots), as well as procurement, customer relations, IT and account management. The acquisition of the ownership interest in Szemerey Transport increased the size of the Group's fleet by 465 trucks. With the integration of their logistics service capabilities and refrigerated freight and distributions capacity in Hungary, Waberer's-Szemerey became the market-leading logistics service provider in Hungary. Pursuant to the agreements entered in connection with the Szemerey Transport acquisition, the Company has been granted a call option with respect to the 40% quota retained by Mr Lóránd Szemerey. The call option was established on 26 October 2012 and became effective upon the completion of the transactions under the Szemerey share swap agreement, which took place on 26 April 2013. The call option can be exercised by the Company until 10 April 2018.

In 2014 and 2015, the Group, in an effort to better address country specific needs for its international FTL services and to constantly improve the levels of service in its International Transportation Segment, has built a network of international subsidiaries in its key European markets, combining the

operational and financial scale of a pan-European road transportation company with the flexibility typical among smaller trucking companies.

In April 2016, the Group acquired the Insurance Company, the eighth largest non-life insurer in Hungary, based on gross written premiums (the amount of premiums paid in a given period) in 2016, in order to build on the scale of its demand for insurance services and optimise its operating cost base. On 1 January 2016, the Insurance Company started covering 100% of the Group's vehicle insurance needs and only 114 units were selectively outsourced to UNIQA on several occasions in the three months ended 31 March 2017. In 2016, insurance costs represented 4.2% of the Group's total costs, and management believes that the Insurance Company acquisition has positively impacted, and management believes that it will continue to positively impact, the profitability of the Group through, among others factors, (i) internalising the required insurance services for the transportation and logistics business, thereby reducing the Group's exposure to further premium increases, and (ii) providing it with access to own claims information, allowing the Group to better manage its transportation and logistics business in a manner so as to decrease its cost of insurance generally.

In July 2016, the Selling Shareholder increased its stake in the Company from the previous level of 56.77% to the level of approximately 97.10% when the Selling Shareholder acquired the shares previously owned by entities controlled by Mr György Waberer. As a result, Mr György Waberer ceased to be a shareholder of the Company. Additionally, Mr György Waberer resigned, from his positions as chief executive officer of the Company and member of the Board of Directors, with effect from 25 July 2016. In addition, the Selling Shareholder agreed with Mr György Waberer a lock-up, according to which Mr György Waberer will not establish any competitor in either transportation or insurance businesses for a period of two years commencing in July 2016, and three years commencing in April 2016, respectively. In November 2016, the Selling Shareholder increased its stake in the Company from the previous level of 97.10% to the current level of approximately 97.18% when the Selling Shareholder acquired the shares previously owned by Mr Ferenc Lajkó.

As a result of the development between 2013 and 2016, the Group has a modern and scalable platform with a broad European footprint built on, among other things, a modern fleet capable of meeting the requirements of demanding customers and continuous investments into technology to meet international standards. The Group has a diversified offering encompassing a full scope of transportation and logistics services.

Corporate particulars of the Company

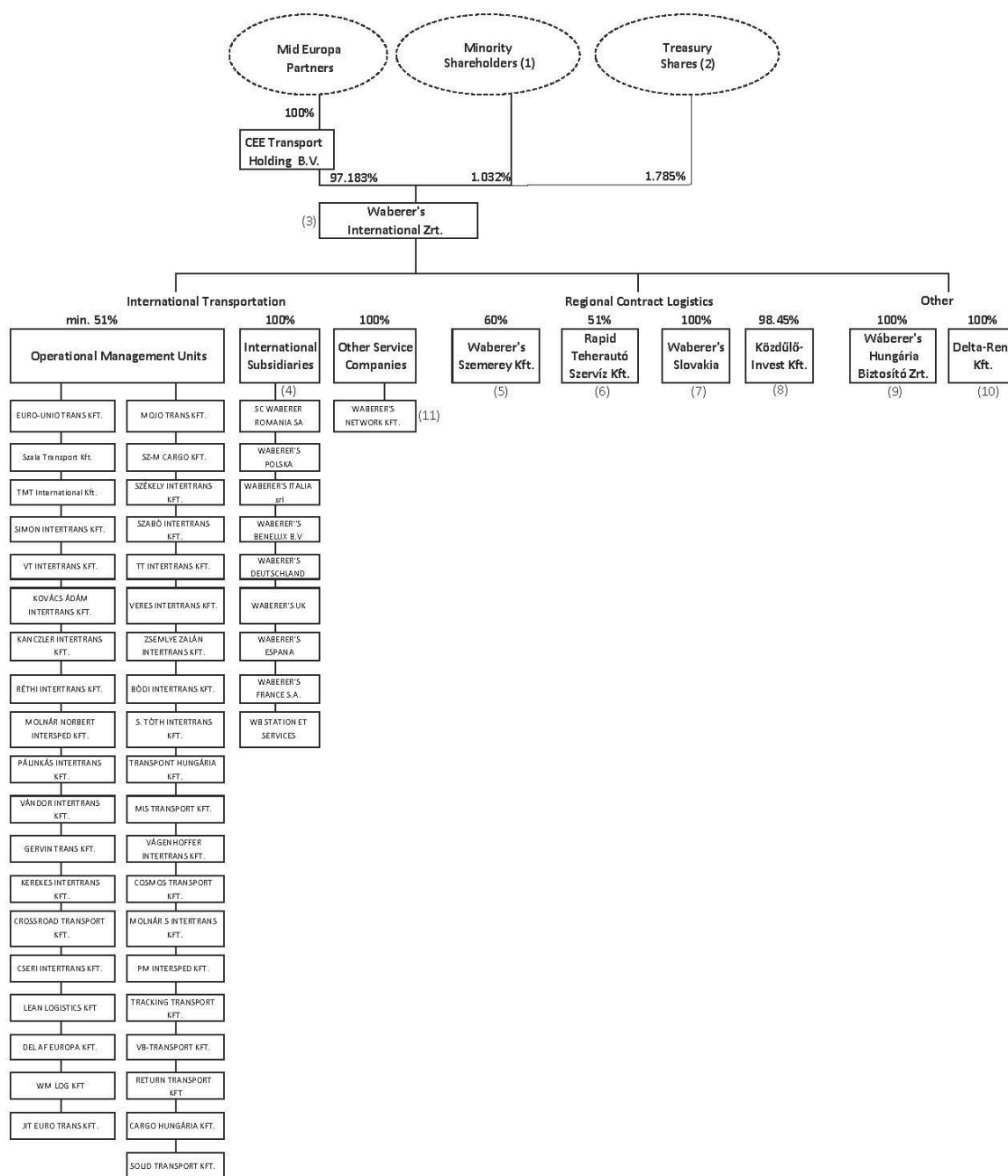
The registration number of the Company is Cg. 01-10-041375. As of the date of this Prospectus, the Company is operating as a private company limited by shares incorporated under the laws of Hungary. The general meeting of the Company's shareholders resolved in its resolution No 29/31.05.2017 to change the form of operation of the Company such that the existing private company limited by shares shall continue its operation as a public company limited by shares. Such resolution shall take effect on the date when the Chief Executive Officer of the Budapest Stock Exchange approves the listing of the Existing Shares and the Existing Shares are registered on the Product List of the Budapest Stock Exchange.

There has been no public trading market for the Shares. The Company will apply for admission of the Existing Shares on the Budapest Stock Exchange on or about 19 June 2017 and for admission of the New Shares on the Budapest Stock Exchange on or about 3 July 2017. The listing approvals regarding the Existing Shares and the New Shares are expected to be announced on or about 20 June 2017 and 5 July 2017, respectively. Trading of the Shares on the Budapest Stock Exchange is expected to commence on 6 July 2017.

The Company is incorporated under the laws of Hungary. The registered office of the Company is at 1239 Budapest, Nagykörösi út 351., Hungary; phone number: +36 (1) 421-6666 ; fax: +36 (1) 421-6699.

Group Structure

The following table sets out the detailed corporate structure of the Group:

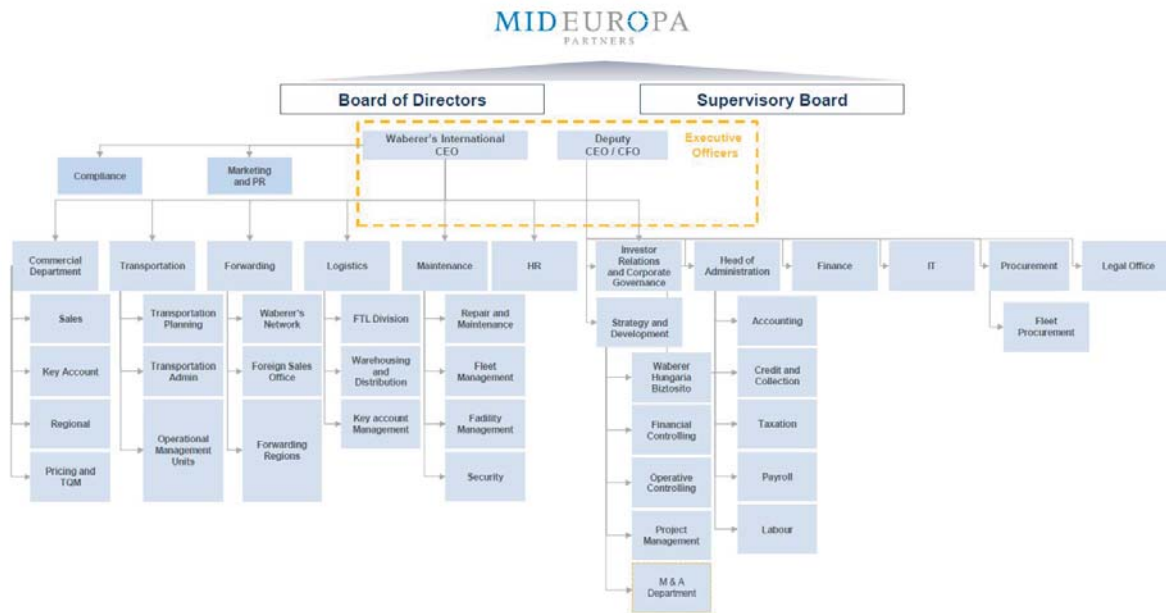


Notes:

- (1) Includes over 150 minority shareholders, mainly shareholders of the predecessors of the Company, i.e., Volán Tefu Rt. and Hungarocamion Rt., which had employee participation programs. From the Company's current management, only Mr Ferenc Lajkó (Chief Executive Officer of the Company and members of its Board of Directors) and Mr Csaba Kiss (Director of Transportation) had, as of the date of this Prospectus, Shares issued by the Company in the amount 11,559 Shares and 2,449 Shares, respectively, which together represent 0.098% of the Company's total share capital.
- (2) Treasury shares of the Company in the amount of 1.785% of the Company's total share capital held by the Company as of 1 June 2017, of which approximately 1.07% are held by ESOP.
- (3) In addition to its head office functions for the benefit of the entire Group, the Company itself performs business activities in the International Transportation Segment.
- (4) The International Transportation Segment maintains a number of international offices throughout Europe with 100% direct or indirect control of the Company.
- (5) Constitutes the principal part of the Regional Contracts Logistic Segment. The Company has been granted a call option with respect to the 40% quota retained by Mr Lóránd Szemerey.

- (6) Provides maintenance services mainly for the Regional Contract Logistics Segment. Mr Imre Kovács holds the remaining 49% of the shares.
- (7) Constitutes part of the Regional Contracts Logistics Segment by providing services to an oil refining company in Slovakia.
- (8) The Insurance Company controls Közduő Invest Kft. which owns PLK logistics centre comprising of warehouses and office buildings. Közduő Invest Kft. as lessor rents to Waberer's-Szemerey certain warehouse and office premises in PLK logistics centre.
- (9) The Insurance Company became part of the Group as of 8 April 2016.
- (10) In addition to the Group entities performing business activities within the International Transportation Segment and Regional Contract Logistics Segment, the Group has an additional subsidiary (Delta-Rent Kft.), which provides other services for the benefit of the Group.
- (11) Includes the freight forwarding activities of the Group, which has been operating as a separate legal entity since December 2010.

Further, below is set out the organisational chart of the Company as of the date of this Prospectus:



BUSINESS

The following description of the Group's business contains certain financial condition and results of operations extracted from the Financial Statements. In addition, this section contains certain pro forma financial information, extracted from the Pro Forma Financial Statements. Any reference to "pro forma" financial information refers to information which has been prepared to illustrate the effect of the acquisition of the Insurance Company, which was acquired on 8 April 2016, and of the currently ongoing acquisition of LINK on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place on 1 January 2016 and on the Group's balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016. See also the sections "Selected Historical Financial and Operating Information" and "Unaudited Pro Forma Financial Information", which include the Pro Forma Financial Statements.

Certain market and industry data set forth in this section has been extracted from external sources, especially from the TI Report. See the sections "Important Information about this Prospectus—Third Party Information and Market and Industry Data" and "Industry and Competition" for more information.

Business Overview

The Group is the largest owned vehicle operator within the European international FTL segment of the transportation market as measured by own fleet size and the largest logistics service provider in Hungary as measured by revenue, according to TI. In 2016, the Group generated EUR 572.4 million of revenue, EUR 69.2 million of EBITDA and EUR 73.6 million of Adjusted EBITDA. In the same period, on a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group generated EUR 676.1 million of revenue, EUR 81.5 million of EBITDA and EUR 86.9 million of Adjusted EBITDA. As of 31 March 2017, the Group operated 3,730 trucks and had 6,857 employees, of which 5,048 were truck drivers.

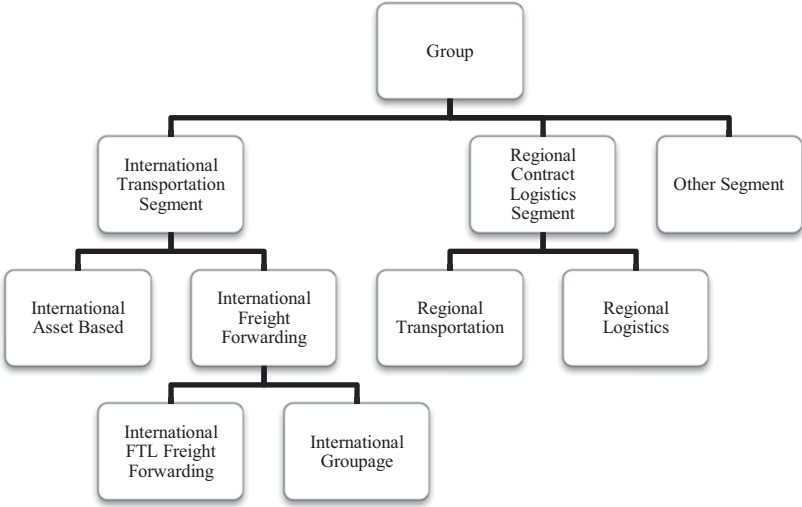
The Group's business is divided into three segments: (i) the International Transportation Segment comprising international transportation services focused primarily on the EU; (ii) the Regional Contract Logistics Segment comprising regional transportation and logistics services in Hungary and the CEE region; and (iii) the Other Segment which includes mainly insurance services provided by the Insurance Company to third parties outside the Group. The International Transportation Segment is further divided into two business lines: (i) the International Asset Based business line and (ii) the International Freight Forwarding business line. The Regional Contract Logistics Segment is further divided into two business lines: (i) the Regional Transportation business line and (ii) the Regional Logistics business line.

Following the completion of the Group's acquisition of the Insurance Company on 8 April 2016, the Group's business was expanded to include the provision of non-life insurance products in Hungary, with the Group's transportation and logistics business being the Insurance Company's largest client for its insurance products. Even though the Insurance Company continues to operate separately from the International Transportation Segment and the Regional Contract Logistics Segment, its results related to services provided to the Group are consolidated in part into the International Transportation Segment and the Regional Contract Logistics Segment, as these businesses comprise the largest clients of the Insurance Company, while its results related to services provided to third parties outside the Group constitute the results of its Other Segment. In 2016, the Insurance Company generated revenue attributable to entities outside the Group of approximately EUR 31.9 million (5.6% of the Group's total revenue for 2016, or 6.1% of the Group's pro forma revenue for 2016) and, for the same period, on a pro forma basis (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016), the Group generated EUR 41.4 million of revenues attributable to entities outside the Group.

The following table sets out the principal markets of the Group for the three months ended 31 March 2017 and for the year ended 31 December 2016, broken down by percentage of total revenue generated from such markets at a percentage of total revenue:

	For the three months ended 31 March	For the year ended 31 December
	2017	2016
	(%)	
Hungary	35.8	35.0
United Kingdom	12.5	12.2
Germany	12.1	11.7
France	11.3	11.4

The following graph sets out the Group’s operating segments and business lines as of the date of this Prospectus:



The Group’s main business activity (and the main activity of the International Transportation Segment) is the international long-haul transportation of standardised goods through full truckload (FTL) services where one consignment is carried on a whole truck, carried out through the Group’s own fleet of fully-standardised trucks and non-specialised trailers operated by the International Asset Based business line. In addition, the International Transportation Segment comprises specialised freight forwarding operations primarily carried out by a network of qualified sub-contractors in the framework of the International Freight Forwarding business line. The International Freight Forwarding business line focuses on (i) international specialised FTL services not covered by the International Asset Based business line, through its International FTL Freight Forwarding business and (ii) groupage operations by way of less than truckload or groupage (LTL) services where consignments from different sources are combined to make up a full vehicle load. Further, the Group, through its Regional Contract Logistics Segment, is the largest transportation and logistics service provider in Hungary as measured by revenue and offers its domestic customers short and medium haul road transportation and distribution services through the Regional Transportation business and warehousing services through the Regional Logistics business. The Group’s Regional Transportation business operates a dedicated fleet of specially equipped trucks providing FTL transportation services of dry and refrigerated goods and provide container and gas-cylinder transportation services, while the Regional Logistics business disposed, as of 31 March 2017, of a leased warehousing capacity of 182,399 square meters, including outsourced warehousing services at customer premises in the capacity of approximately 25,241 square meters.

Summary of key financial information of the Group's Business Segments

The following table sets out selected revenue and profit information and splits with respect to the Group's segments for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	For the three months ended 31 March (unaudited)				For the year ended 31 December (audited, unless indicated otherwise)					
	2017		2016		2016		2015		2014	
	(in EUR millions)	(% of total)	(in EUR millions)	(% of total)	(in EUR millions)	(% of total)	(in EUR millions)	(% of total)	(in EUR millions)	(% of total)
Revenue										
International Transportation Segment⁽¹⁾	114.7	73.9	106.4	83.7	443.4	77.5	435.0	83.3	418.6	84.4
International Asset Based	91.6	59.0	85.8	67.5	360.2	62.9	352.5	67.5	343.5	69.2
International Freight Forwarding	23.1	14.9	20.6	16.2	83.2	14.5	82.5	15.8	75.1	15.1
International FTL Freight Forwarding	17.3	11.1	15.7	12.3	65.1	11.4	66.6	12.7	62.6	12.6
International Groupage	5.8	3.7	4.9	3.9	18.1	3.2	15.9	3.0	12.5	2.5
Regional Contract Logistics Segment⁽²⁾	28.4	18.3	20.8	16.3	97.0	16.9	87.5	16.7	77.6	15.6
Regional Transportation	22.9	14.8	16.7	13.1	78.2	13.7	70.7	13.5	63.2	12.7
Regional Logistics	5.5	3.5	4.1	3.2	18.8	3.3	16.8	3.2	14.4	2.9
Other Segment	12.1	7.8	—	—	31.9	5.6	—	—	—	—
EBITDA (unaudited)⁽³⁾										
International Transportation Segment⁽¹⁾	11.4	66.0	13.7	83.1	52.1	75.3	58.8	83.7	60.1	88.3
Regional Contract Logistics Segment⁽²⁾	3.9	22.4	2.8	16.9	13.0	18.8	11.5	16.3	8.0	11.7
Other Segment	2.0	11.7	—	—	4.0	5.8	—	—	—	—
EBIT (unaudited)⁽³⁾										
International Transportation Segment⁽¹⁾	1.1	21.8	2.2	62.8	6.8	39.3	15.0	72.3	22.8	86.9
Regional Contract Logistics Segment⁽²⁾	2.0	39.3	1.3	37.2	6.5	37.7	5.8	27.7	3.4	13.1
Other Segment	2.0	38.8	—	—	3.9	23.0	—	—	—	—

Notes:

- (1) In addition to International FTL Freight Forwarding and International Groupage, the International Transportation Segment's revenue includes revenue from effective hedging and other non-core operations related activities.
- (2) In addition to Regional Transportation and Regional Logistics, the Regional Contract Logistics Segment's revenue includes revenue from fuel sales, rental income from sub-leasing warehouse capacity and other non-core operations related activities.
- (3) Please see "Presentation of Financial Information—Alternative Performance Measures" for reconciliation and further information on this measure.

The International Transportation Segment constitutes the Group's principal business, having generated 66.0% of the Group's total revenue and 73.9% of the Group's EBITDA in the three months ended 31 March 2017 and having generated 77.5% of the Group's total revenue and 75.3% of the Group's EBITDA in 2016 (or 79.5% and 78.2% of the Group's pro forma revenue and pro forma EBITDA for 2016, respectively). The revenue of the International Transportation Segment grew at a compound annual growth rate of 2.9% (13.3% on a pro forma basis) during the period between 2014 and 2016. The Group's operations in the International Transportation Segment are carried out by various wholly owned subsidiaries of the Group as well as the so-called 'Operational Management Units'. For further information on the Operational Management Units, see "Business—Operational Management Model".

The Regional Contract Logistics Segment generated 18.3% of the Group's total revenue and 22.4% of the Group's EBITDA in the three months ended 31 March 2017 and generated 16.3% of the Group's total revenue and 18.8% of the Group's EBITDA in 2016 (or 14.3% and 15.1% of the Group's pro forma revenue and pro forma EBITDA for 2016, respectively). The revenue of the Regional Contract Logistics Segment grew at a compound annual growth rate of 11.8% (11.8% on a pro forma basis) during the period between 2014 and 2016, as a result of the acquisition of a 60% stake in Szemerey in 2013. The Group's operations in the Regional Contract Logistics Segment are carried out mainly by Waberer's-Szemerey, which is 60% owned by the Group and 40% owned by Mr Lóránd Szemerey.

The Group's headquarters and centre of operations are located in Budapest, Hungary. As such, the Group is situated in central Europe at the crossroads of significant international transit lines, thereby giving the Group the ability to reach all of Western Europe within the 3,300 kilometres operational range of a full tank of the Group's truck. For example, in 2016, the Group's International Transportation Segment transported approximately 4.3 million tons of freight within Europe. The location of the Group's headquarters also helps ensure access to favourable maintenance costs for trucks and rolling stock, the availability of a comparatively well-trained pool of drivers, and low diesel fuel costs. The Group owns a high quality fleet of new trucks, with the average age of its FTL trucks as of 31 March 2017 amounting to 2.2 years for its International Transportation Segment's fleet and 3.1 years for its Regional Contract Logistics Segment's fleet. As of and for the three months ended 31 March 2017, the Group operated 3,668 trucks, employed 5,048 professional drivers and reached 114.2 million driven kilometres. With the acquisition of the Insurance Company, the Group's management believes it is also be able to better control the cost of its insurance for its transportation and insurance business, which has been a major increasing fixed cost for the Group since 1 January 2014.

The Group's International Transportation Segment has a higher fleet utilisation (as measured by truck loaded ratio) as compared to its competitors from Germany, the United Kingdom and France, according to TI. The Group's truck loaded ratio for its International Transportation Segment was 92.0% for the three months ended 31 March 2017 and 91.6% for the year ended 31 December 2016 which, according to the TI Report, was generally higher than the averages for comparable companies in France, the United Kingdom and Germany for the same period. Management believes that the Group's high truck loaded ratio is primarily a result of its scale, modern and fully homogenous fleet, and its business-driven proprietary IT system, including the WIPE and WIRE IT systems, both of which have been developed internally in cooperation with an external supplier, and the standardisation of its fleet. WIPE has been developed to match free truck capacity with orders received from customers thereby maximising truck loaded ratio, while WIRE optimises the freight carry time and minimises the idle time of each of its owned trucks by calculating the optimal route between given pickup and delivery points. WIPE was implemented by the Group in 2013, whereas WIRE was launched in January 2016. Through its low cost base and operational efficiencies, the Group is able to offer high quality services at European standard levels at competitive prices in both the International Transportation Segment and Regional Contract Logistics Segment. (see "*Business—IT system*" for further information.

There are no patents or licences, industrial, commercial or financial contracts (except as described in "*Material Contracts*") or new manufacturing processes which have a material impact on the Group's business or profitability.

Key Strengths

Established leadership in the European long haul and regional road transportation market secured by significant barriers to entry

The Group is the largest owned vehicle operator within the European international FTL segment of the transportation market as measured by own fleet size, according to the TI Report, with an average of 2,970 trucks in its International Transportation Segment in 2016. The Group also is the largest provider of transportation and logistics services in the Hungarian road transportation and logistics market, being the largest logistics company in Hungary as measured by revenue for 2015, according to the TI Report.

The Group benefits from high barriers to achieve leadership in the market in which it operates. These barriers include the purchasing power resulting from large scale operations, which results in preferential pricing and various costs savings, the positive network effects related to density of coverage and operations of a large fleet, significant capital expenditures necessary to, among others, secure the requisite number of trucks, drivers and sub-contractors and finally the development of a suitable IT infrastructure, working organisational setup including sales organization and relationships with customers.

These barriers secure the Group's inherent competitive advantage in a market dominated by numerous smaller companies. The Group's large scale operations increase its efficiency and produce various network effects. In particular, the Group's size provides it with significant purchasing power, allowing the Group to acquire top quality trucks, trailers and equipment at preferential prices and with preferential buy-back conditions. The Group has historically maintained good relationships with

leading original trucking equipment manufacturers, such as Volvo/Renault, DAF, MAN and Mercedes-Benz, some of whom have established technological partnerships with the Group. Its fleet size also provides the Group with access to financing on more attractive terms compared to competitors operating a smaller fleet. Furthermore, due to its sizeable fleet, the International Transportation Segment has the capability to deliver FTL services anywhere within the EU using its own vehicles, which enables the Group to serve an international blue-chip customer base in contrast to smaller competitors. Furthermore, management believes that the Group's scale and market leadership position it favourably to successfully navigate future regulatory and technological changes in the industry that may place a disproportionate burden on smaller operators

Large, addressable market with attractive growth and consolidation prospects

Road transportation comprises the largest inland mode for the movement of goods throughout Europe, representing 71% of the intra-European freight market in 2014, with rail and inland navigation (including pipelines) accounting for the remaining 16% and 13%, respectively, as measured by tonne-kilometres (the transportation of one ton of goods over the distance of one kilometre), according to TI. The total European road transportation market was valued at an estimated EUR 313.7 billion in 2015, with FTL representing approximately 31.5% thereof, according to TI. Road transportation and other elements of the logistics sector are a sizable proportion of any economy, usually around 10% of the GDP, according to TI.

The expectation is, according to the TI Report, that both the Central European and wider European economy will underpin growth for the road transport sector in general and specifically for the Group's International Business Segment. This trend has been supported by strong ongoing investments into road transportation, ongoing recovery of European GDP and consumer confidence, with favourable exposure to higher growth economies, the growth of e-commerce, which has driven retailer-controlled transportation demand, and increased mileage driven by continued fragmentation of logistics chains. According to TI, the compound annual growth rate of the European international road freight market is estimated at 3.9% for the period between 2010 and 2020, with compound annual real GDP growth rate for the EU of 1.9% for the same periods, according to the Economist Intelligence Unit.

According to the Economist Intelligence Unit, the compound annual real GDP growth rate of CEE countries for the period between 2015 and 2020 is estimated at 3.0% (these CEE countries include: Hungary: 2.4%, Poland: 3.0%, Czech Republic: 2.3%, Slovakia: 3.2% and Romania: 3.8%) as compared to 1.6% for Western Europe (these Western European countries include: France: 1.3%, Germany: 1.5%, Austria: 1.5% and Italy: 0.8%). Further, the compound annual growth rate of the Hungarian road freight market was 4.2% for the period between 2010 and 2016 and is estimated to continue at 4.2% for the period between 2016 and 2020, according to TI. According to management, this growth in the Hungarian road transportation and logistics market has been supported by customer-led growth with focus on regional logistics solutions and customer preference for one-stop shop logistics solution providers.

Management believes that this positive growth outlook will aid the organic growth of the Group's business, both in the International Transportation Segment and the Regional Contract Logistics Segment. In addition, the European road transport market in which the Group operates is highly fragmented. Further, 85% of the truckload carriers in the FTL segment of the European international road transportation market operated 10 or fewer trucks, according to a 2006 report prepared by the International Road Transport Union. These low levels of concentration combined with the Group's current market share have enabled it to grow throughout the cycle. Additionally, management believes that the Group has the potential to further increase its market share by expanding its customer portfolio and geographic footprint in both existing and new markets in order to capture growth in the most dynamic sectors, such as e-commerce. Also, a higher share of wallet of its existing key accounts, such as through upselling of services, offers substantial room for growth within existing customer base. Further, management expects significant growth in regional third-party logistics services market, driven by particularly strong demand for the Group's services from blue-chip customers.

Focused strategy, underpinned by a compelling value proposition, driving above market growth

In the past years, the Group has been able to offer high-quality and capacity services to its customers while retaining cost leadership in the European international FTL segment of the market. Due to the size of its fleet, the Group's International Transportation Segment offers high network density, has

trucks and trailers readily deployed in its principal markets, allowing it to react swiftly to its clients' needs throughout the EU, and also benefits from substantial economies of scale. In addition, the Group's Regional Contract Logistics Segment has an established track record of providing tailored logistics solutions across the full logistics value chain. The Group has nation-wide FTL and distribution coverage throughout Hungary, a dedicated regional sales team and benefits from its well-established and reputable brand. The Group's transportation and distribution services in Hungary are fully integrated and cover a broad spectrum of services.

The Group is committed to inorganic growth and growth through innovations. Management believes that the Group has the potential to be a leading consolidator in the fragmented transportation and logistics market in which it operates through targeted inorganic growth strategy, focused on companies in the CEE region which offer similar types of value-added services as the Group and are coherent with the Group's growth and margin targets. The Group has a history of strategic acquisitions of domestic logistic companies in Hungary dating back to 2002. In 2013, the Group acquired a 60% stake in the Hungarian logistics company, Szemerey Transport Zrt. (which subsequently became Waberer's-Szemerey), which doubled the revenue of the Group's Regional Contract Logistics Segment. In 2016, the Group acquired the Insurance Company, thus internalising the required insurance services for the transportation and logistics business. In addition, the Group is focusing on introducing innovation to its business and has constantly developed market-leading solutions and modernisations, both internally and in cooperation with partners such as Mercedes and Volvo, SAP or the logistics master course István Széchenyi University of Győr. The Group's size has enabled it to invest in its own support and compliance functions. For example, the Group developed its own software, in particular the Group's proprietary and bespoke WIRE and WIPE systems. Management believes that the Group has potential to further grow through these and other innovations. The Company has also recently been awarded as Gold winner of the SAP Quality Awards for EMEA (CEE) in the Innovation category.

This strategy has been the driving force behind the Group's above-market growth. The following table sets out the compound annual growth rate in terms of revenue for the period between 2012 and 2016 for the Group, the European International Road Freight market and select U.S. FTL operators as well as the compound annual growth rate of the 28 member states of the EU for the same period. Management believes that this strategy will contribute to further growth of the Group in the future.

	Compound annual growth rate for the period between 1 January 2012 and 31 December 2016
	(%)
Group ⁽¹⁾	11.4
U.S. FTL Operators ⁽²⁾	3.8
European International Road Freight ⁽³⁾	3.5
EU 28 GDP ⁽⁴⁾	1.5

Notes and sources:

- (1) Based on 2016 pro forma revenue (giving effect to the acquisitions of the Insurance Company and LINK as if they had occurred on 1 January 2016); see "Presentation of Financial and Other Information—Pro Forma Financial Information" and "Unaudited Pro Forma Financial Information" for more information). Of this 11.4%, approximately 7.4% is attributable to organic growth
- (2) FactSet (as of 24 March 2017). US FTL operators include J.B. Hunt, Knight, Werner, Swift, Heartland, Marten, Covenant and Celadon.
- (3) Transport Intelligence. European road freight market size growth, based on estimated market size for 2016.
- (4) According to data from the Economics Intelligence Unit.

Industry leading operational performance

The Group's business is characterised by industry leading operational performance and efficiency largely as a result of its internally developed bespoke IT system, a fully-standardised modern fleet, an integrated in-house maintenance and insurance model and a motivating management business model.

The Group's International Asset Based business operates a modern fleet of new trucks, with an average age of 2.17 years as of 31 March 2017. The fleet is fully-standardised and technically

homogenous, which enables nearly full interoperability and operational reliability, increases fuel efficiency and also attracts new drivers to the Group by providing greater driver comfort (for further information, see “*Business—Fleet*”). The standardisation of the Group’s International Asset Based and Regional Transportation businesses fleet allows the Group to offer a higher density of freight coverage and to reduce the number of “empty runs”, where trucks travel without carrying freight which has been paid for by a customer. In addition, the size of the Group’s fleet enables high density of coverage and provides the Group with significant negotiation and purchasing power.

The Group’s IT system is based on a reliable and industry specific third party developed software package which has been augmented by internally developed proprietary software specifically designed around the Group’s operations and based on its vast industry knowledge and experience. As such, the Group’s IT combines proven industry standard software with a high degree of customisation. The Group’s proprietary and bespoke IT system, in particular WIRE and WIPE, have been developed internally in cooperation with external suppliers to ensure operational optimisation, high fleet utilisation and reduce idle time and fuel costs in both its international and regional transportation business. The Group’s proprietary WIRE system, which was implemented in January 2016, calculates the optimal route between pickup and delivery points, taking into consideration cost and time factors. In addition, the Group’s proprietary WIPE IT system, which was implemented in 2013, helps to optimally match free truck capacity with the orders received from customers to maximise loaded ratio. The Group’s Regional Contract Logistics Segment is currently implementing new real time telematics software, the goal of which is to, among others, enable analysis and monitoring of different driving styles. The resulting data can be used to organise various driving technique training programs by fleet operators to enable drivers to use their vehicles better and more efficiently, for example in terms of fuel efficiency or repair and maintenance and toll costs. The Group’s IT system, combined with its modern fleet, have contributed to the high loaded ratio achieved by the Group, with 91.6% in 2016 as compared to an EU average of 87.5% for 2015, according to management’s estimate based on Eurostat data.

Management believes that the Group further benefits from its integrated in-house insurance model. In April 2016, the Group acquired the Hungarian provider of non-life insurance, the Insurance Company, largely due to significant increases in the costs of insurance premiums on the Hungarian insurance market in 2015 and 2014 and also due to the fact that the exposure to the Group’s fleet was considered as too large for multinational insurance companies. The Group consolidated essentially all of its vehicle insurance needs with the Insurance Company (except for 114 trucks in the three months ended 31 March 2017), with substantially all of its premiums paid to the Insurance Company from 1 January 2016. The acquisition of the Insurance Company has positively impacted its cost control and margins by (i) internalising the required insurance services for the transportation and logistics business, thereby reducing the Group’s exposure to further premium increases, and (ii) providing it with access to own claims information, which management believes helps the Group better manage its transportation and logistics business in a manner so as to reduce the number of insurance claims, and thus decrease its cost of insurance generally. The Group’s continuous focus on decreasing its repair and maintenance costs has also positively influenced the Insurance Company’s claim ratio with regards to the Group’s own fleet. The Insurance Company, in turn, maintains a comprehensive set of reinsurance policies with various reinsurers. The Group further has a comprehensive integrated vehicle maintenance program designated to fully cover the replacement cycle of its vehicles, minimise downtime and enhance the resale value of its equipment.

The Group’s profitability is also driven by its management business model. As of the date of this Prospectus, over 70% of the Group’s trucks in the International Asset Based business are operated through a business model, which combines the operational and financial scale of a Pan-European road transportation company with the flexibility and personal approach typical among smaller trucking companies (the “**Operational Management Model**”). The Operational Management Model consists of a number of companies (each, an “**Operational Management Unit**”) organised as Hungarian limited liability companies, each of which owns approximately 60-65 trucks and employs 80-90 drivers (except for Euro-Unió Trans Kft., which performs the same activities as an Operational Management Unit, but is under the sole control of the Company and has a pool of approx. 750 trucks and approx. 1000 drivers from Romania). After a successful operating period, the Company generally sells a minority ownership interest in the Operational Management Unit to the manager who operates the cluster of trucks (each, an “**Operational Management Leader**”). As a result, the majority of Operational Management Units are, after a successful managing period, outsourced and as a result 49% owned by the Operational Management Leaders and 51% owned by the Company.

The Operational Management Model affords the Group's managers the opportunity to hold an ownership interest in the operations of the business and better align the interests of the managers with those of the Group. Management believes that Operational Management Model results in higher efficiency of on-the-ground operators and better performance of assets managed by Operational Management Units. The Operational Management Model allows the Company to manage driver retention by delegating recruitment and driver pool management functions to Operational Management Units. For further information on the Operational Management Model, see "*Business—Operational Management Model*".

Lastly, the Group's centralised operations in Hungary provide it with cost benefits compared to Western European markets in terms of driver and staff compensation. Management believes that the Group has a good driver loyalty ratio in the industry as measured by Driver Churn, which positively influences recruitment and churn costs. In 2016, the Group's driver pool ratio was 1.37 drivers per truck and its Driver Churn rate 44.6%, which the management believes to be below the industry average. This improvement was also aided by the introduction of a new driver compensation scheme for the Group's International Transportation Segment on 1 January 2016. In addition, the Group has a remuneration program in place that rewards drivers for low fuel consumption driving and accident-free driving supported by a custom driver profiling telematics tool.

Resilient business model

The Group benefits from a flexible business model, which facilitates operational agility and resilience throughout the cycle. The Group benefit from its expertise in optimisation across all main components of the Group's cost base, including fuel, fleet, toll fees, repair and maintenance, financing, insurance and personnel. The Group's large scale operations give it a significant purchasing power advantage, lowering the Group's cost base, such as through securing financing at favourable terms. The Group also profits from lower fuel costs as a result of advantageous wholesale agreements, which allow it to fuel its fleet both in Hungary and internationally at significantly discounted prices per litre of diesel compared to standard market rates Management believes that Group has potential to continue this trend and further grow in the future. Additionally, Group's in-house fuel storage facilities in Budapest and Mosonmagyaróvár allow bulk purchases and cushion against fuel price volatility. The Group's fleet buy-back program with the original equipment manufacturers and suppliers of trucks guaranteeing the lessee a minimum price for its trucks as they are phased out of the Group's fleet provides the Group with greater operational flexibility and cyclical resilience and allows for reconfiguration of the Group's fleet. For example, in 2016, trucks equivalent to 22.9% of the Group's fleet in 2015 were either replaced or bought in 2016. Further, the use of third-party sub-contractors enables increased deployable capacity and efficient management of order overflow, thus complementing the services offered in the Group's International FTL business line and expanding its range to non-EU destinations, orders of goods falling within the scope of the European Agreement concerning the International Carriage of Dangerous Goods by Road ("**ADR Goods**") and custom loads.

In addition, the Group benefits form a diverse customer base which includes companies across a broad range of geographic regions as well as end-markets, particularly companies in the FMCG (accounting for 23% of the Group's revenue in 2016), automotive (accounting for 16% of the Group's revenue in 2016), electronics (accounting for 12% of the Group's revenue in 2016) and forwarder (accounting for 11% of the Group's revenue in 2016) industry. The Group enjoys a diverse blue-chip client base, and no single client (or even a limited number of clients) constitutes a large share of its revenue base. As such, the Group's business is diversified and not reliant on any specific sector or country thereby being able to cater to the needs of customers in a wide variety of industries and geographies. For the three months ended 31 March 2017, the Group's top 50 customers based on revenue accounted for 42.6% of the Group's revenue, the Group's top 20 customers based on revenue accounted for 31.5% of the Group's revenue, the Group's top 10 customers based on revenue accounted for approximately 23.3% of the Group's revenue and the Group's largest customer, a leading grocery and general merchandise retailer, accounted for approximately 3.6% of the Group's revenue. For the year ended 31 December 2016, the top 50 customers as measured by revenue accounted for approximately 42.2% of the Group's revenue; the Group's top 20 customers as measured by revenue accounted for approximately 29.8% of the Group's revenue; the Group's top 10 customers as measured by revenue accounted for approximately 21.4% of the Group's revenue; and the Group's largest customer as measured by revenue, a major white goods manufacturer, accounted for approximately 3.8% of the Group's revenue.

Track record of financial performance with an attractive growth outlook

Through its development over the past two decades, the Group has been able to demonstrate consistently above-market growth and consistent profit expansion, driven especially by operational efficiency initiatives, optimisation of asset utilisation, favourable financing terms and a strong deleveraging profile. In the years 2016, 2015 and 2014, the Group consistently increased its share of the European market, increasing its revenue, EBITDA and Adjusted EBITDA to EUR 572.4 million, EUR 69.2 million and EUR 73.6 million (EUR 676.1 million, EUR 81.5 million and EUR 86.9 million on a pro forma basis), respectively, in 2016, from EUR 496.2 million, EUR 68.1 million and EUR 68.1 million in 2014. This represents a compound annual growth rate in revenues of 7.4% (16.7% on a pro forma basis). This rate was higher than the estimated compound annual growth rate for the European international road freight market generally for the period between 2014 and 2016, which, according to the TI Report, was 2.9% in case of revenue. Further, through its focus on operating efficiency and cost controls described above, the Group was able to stabilise its Adjusted EBITDA Margins over the period with Adjusted EBITDA margins of 12.9% in 2016 (12.8% on a pro forma basis), 13.7% in 2015 and 13.7% in 2014, which management believes provided the Group with profitability among the highest of its European peers for those periods. In the years 2016, 2015 and 2014, parallel with the growth of its business, the Group continuously increased its operational efficiency in terms of loaded ratio, fuel consumption and driver per truck ratio. Even in 2008, the Group managed to achieve a double-digit EBITDA margin.

Management believes that this financial performance has been driven by visibility of revenues from the Group's customers combined with the Group's high customer retention rate. The Group's contracts with its existing customers are generally for a one-year term in the International Transportation Segment and for a two-to-five-year term (three-years on average) in the Regional Contract Logistics Segment. After the initial term, these contracts are subject to competitive bidding pursuant to tender processes in which the Group and its competitors participate. In 2016, 2015 and 2014, the Group has been successful at maintaining a 99% customer retention rate with respect to its Key Accounts Customers in each of these years. Management believes the Group has a high bidding success rate.

Entrepreneurial and experienced leadership team with a track record of success

The Group has a strong corporate culture with a dedicated management team with extensive experience in the industry, high employee loyalty as well as demonstrated history of enhancing efficiency and driving both organic and inorganic growth.

The Group is currently managed by Mr Ferenc Lajkó, the Company's chief executive officer, who has been working for the Group and its predecessors since 2002 and became chief executive officer in August 2016, and Mr Barna Erdélyi, who joined the Group in 2013 and is its current chief financial officer and deputy chief executive officer. Mr Erdélyi has over 15 years of management and accounting experience at Hungarian transport and consultancy companies. In March 2017, Mr Lajkó and Mr Erdélyi became members of the Company's Board of Directors. Further, the Group's leadership team includes Mr Stefan Delacher, who has been a member of the Board of Directors since 2011 and is the former owner of Delacher + Co Transport AG and previously held different positions in Thiel Logistics AG and the Raben Group, and Mr van Kesteren, who became a member of the Board of Directors in 2016 and previously held the position of chief financial officer of Kühne + Nagel International AG from 1989 until 2014 and is currently a member of the supervisory board of the Raben Group NV (Netherlands) and Planzer Holding AG (Switzerland) and of the board of directors and chairman of the audit committee of Janel Corporation (USA).

In addition, the Group's key managers include Zsolt Barna (Head of Regional Contract Logistics Segment, over 20 years of relevant transportation and logistics industry experience), Szabolcs Tóth (Strategic Development Director, over 14 years of relevant transportation and logistics industry experience), László Barits (Director of Commerce, over 12 years of relevant transportation and logistics industry experience), Csaba Kiss (Director of Transportation, over 20 years of relevant transportation and logistics industry experience), Levente Böröndy (Director of Freight Forwarding, over 20 years of relevant transportation and logistics industry experience) and Bence Nyilasy (Director of the Insurance Company, over 15 years of relevant experience in the insurance industry).

Objectives and Strategy

The Group's objective in the International Transportation Segment is to maintain and extend its leading position as an owned vehicle operator within the European international FTL segment of the market. The Group's strategic goal is to convert the most frequent cross-border routes into intermodal connections to strengthen its footprint in key markets for the Group. In the Regional Contract Logistics Segment, the Group's objective is to maintain and to extend its position as the largest logistics service provider in Hungary in terms of revenue and to maintain and extend its market share in the CEE region. To achieve these objectives, the Group strives to continuously increase its market share and expand its blue-chip customer base by offering high quality services at competitive prices. As a result, the Group aims to achieve higher revenues, profitability and shareholder returns. The Group has adopted the following specific strategies in order to attain these objectives:

Continue to grow in scale and market share

The Group intends to continue to grow organically by expanding and improving its fleet. In the years 2016, 2015 and 2014, the Group increased the number of trucks by 8.6% and kilometres driven by 9.6%. With a particular focus on its International Transportation Segment, the Group aims to outgrow the international transportation market in terms of revenue and to support such growth by increasing its fleet asset base dedicated to the International Transportation Segment by up to 100 to 120 trucks per year in the forthcoming years. Management believes such growth in its fleet will continue enhancing productivity in terms of mileage, truckload and volume of freight as well as better customer coverage given the higher geographical density of the Group's trucks. The Group also intends to grow organically in key European markets, thus strengthening relationships with its Key Account Customers and gaining market share from competitors by continuing to offer high quality services at competitive prices. The Group intends to maintain an annual customer retention rate of approximately 99% or higher, while maintaining and growing the current pool of its Key Account Customers. Also, management intends to utilise the cross-selling potential offered by the Group's broad portfolio of services with particular focus on high value-add services. Finally, management aims to increase the volume of freight forwarding in order to be able to maintain a loyal and high quality group of sub-contractors.

Continue to drive innovation leadership and operational efficiency

The Group intends to improve efficiency, in particular in terms of increasing fleet utilisation (as measured by kilometres per truck), through the continuous improvement of its operations. To this end, the Group constantly strives to improve its proprietary IT system, in particular WIRE and WIPE, which help ensure high fleet utilisation and reduced idle time and fuel costs. The Group successfully implemented WIPE in 2013 and successfully launched WIRE in January 2016. The Group also intends to upgrade the distribution trucks used by its regional LTL business to newer and more modern trucks as well as modernise its international fleet to include trailers compatible with multi-modal transport. The Group plans to increase the use of e-invoicing to reduce days of sales outstanding. The Group will also continue to employ its eco-driving training program with a view of educating drivers on how to drive in a manner which increases fuel efficiency. Finally, the Group's Regional Contract Logistics Segment is currently implementing new real time telematics software, the goal of which is to, among others, enable analysis and monitoring of different driving styles and train drivers accordingly to maximize efficiency. The resulting data of which can be used to organise various driving technique training programs by fleet operators to enable drivers to use their vehicles better and more efficiently, for example in terms of fuel efficiency, repair and maintenance or toll costs.

The Group recognises that the professional driver workforce is one of its most valuable assets and that it is essential to the growth of its business. The Group will continue to focus on the recruitment, training, and retention of qualified and reliable drivers. The Group will continue to offer complex driver training programs both in-house and through external courses offered by third party service providers and/or the Hungarian government. Management recognises that driver compensation packages play a large part in driver retention, and introduced a significantly increased and driver tailored compensation package in order to mitigate the effects of the driver shortage experienced during the second half of 2015 and to comply with the applicable provisions on minimum wage. The Group plans to continue to offer non-monetary benefits to its drivers, such as providing trucks equipped with XL sized cabins, flexible rest time schemes, legal assistance, eco-driving trainings, and

recreation allowances for drivers and their families to have the opportunity to holiday at the Group's vacation resort maintained by the Group for its employees at the popular Hungarian vacation resort on Lake Balaton.

Expand operations through selective acquisitions and growth initiatives

Management believes that the Group has the potential to be a leading consolidator in the transportation and logistics market in which it operates. The Group intends to take an opportunistic approach to expanding through selected acquisitions in the CEE region with a view to focus on opportunities which are coherent with the Group's growth and margin targets, in particular on companies which offer similar types of services as the Group.

In its International Transportation Segment, the Group is focused on potential acquisitions of mid-sized operators in high-growth CEE economies, primarily in Poland, Czech Republic and Slovakia, with operational focus on standardised asset-based operations and strategy coherent with the Group, with revenue above EUR 50 million, equity value between EUR 30 and 50 million and fleet size larger than 300 trucks. In its Regional Transport Logistics Segment, the Group is focused on potential acquisitions of small to mid-sized logistics providers in high-growth adjacent economies, in particular in Poland, Slovenia and Slovakia, providing warehousing, value added services or distribution services in the FMCG, automotive, electronics or retail sectors, with revenue between EUR 20 and 50 million and equity value up to EUR 50 million. As of the date of this Prospectus, management has identified approximately 20 to 25 such potential targets, of which two had fleets in excess of 1,000 trucks, eight had fleets of between 200 and 400 trucks and the remaining targets were small-size companies or freight-forwarders.

In each case, these companies should be compatible with the Group's management and organisation, have a strong FTL expertise and have English as a corporate language, in order to ensure ease of integration and subsequent operation.

With regards to potential future acquisitions, the Group intends to focus on the following financial criteria: both historic and future top line and profitability growth potential of the target and synergy potential of the target including realisable cost synergies as well as efficiency gains from operational improvements. Further, the Group aims to achieve at least 10% return on investment including run-rate synergies one year after the acquisition and, as a general rule, the Group aims only to make value accretive acquisitions and aiming for the acquisition to be accretive one year after the acquisition including synergies. The key metrics that Group reviews when analysing targets include forward looking enterprise value divided by EBITDA, both before and after synergies, forward looking enterprise value divided by EBIT, both before and after synergies, and return on investment, both before and after synergies. The Group's aim is to transact in the future below six times forward looking enterprise value divided by EBITDA including synergies. The Group also uses the discounted cash flow analysis and price-to-earnings ratio in its analyses. According to management, the Group's plan to carry out potential future acquisitions is likely to be financed by a mixture of equity proceeds from the Offering, cash generated from operations and third party debt.

In addition, the Group intends to continue with its intermodal project, which was commenced in November 2016 and involves running semi-trailers in unaccompanied transport by rail between Hungary and Germany and Belgium. The aim of this project is to develop a potential intermodal network of connection between Budapest and major European cities. The pilot project includes a route between Budapest and Duisburg, Köln and Genk with additional unaccompanied transport ship services across the English Channel and additional routes may be added at a later date. Management believes that the provision of intermodal services would complement the Group's existing offering of transportation and logistics services and utilise the competitive scale of the Group to enhance the service offering to its customers, while potentially acquiring new customers and increasing its market share of the transportation market. Management also believes that intermodal connection would shorten transit time and contribute to lowering costs by for example limiting risk of accidents, lower fuel cost and support the Group's effort to mitigate environmental burden.

Ongoing focus on the optimisation of the Group's cost base

As of the date of this Prospectus, the Group intends to retain its cost leadership in the European international FTL segment of the transportation market. Further, the Group plans to continue to optimise its cost structure, further utilise scale benefits and maintain best-in-class unit cost performance.

Further, the Group intends to further capitalise on its acquisition of the Insurance Company. The Group's objective is to improve the overall profitability of the Group and to reduce the negative impact of insurance premium price fluctuations on its results from operations. The Group will continue to consolidate its insurance needs with the Insurance Company, with the aim of achieving 100% coverage of its insurance through the Insurance Company. In order to help reduce the negative impact of price volatility of insurance premiums on the Group's transportation and logistics services, the Insurance Company's results are consolidated in part into the International Transportation Segment and the Regional Contract Logistics Segment for future reporting periods, as these businesses comprise the largest clients of the Insurance Company. The Group intends to further maximise other synergies and operational efficiencies presented by the Insurance Company acquisition, such as use of claims information with an aim to decrease fleet repair and maintenance costs.

The Group's Business

Background

The Group's principal predecessor companies comprise two former Hungarian state-owned monopoly enterprises, Volán Tefu Rt., which was established in 1948 to serve the domestic market in Hungary, and Hungarocamion Rt., which was established in 1966 to serve the international market. In 1994, Mr György Waberer and his associates acquired Volán Tefu Rt. in a privatisation process and reorganised its business portfolio to allow it to provide logistics services as well. In 2002, the Group acquired Hungarocamion Rt., which created the largest transportation and logistics service provider in Hungary and Central Europe and subsequently began operating under the name "Waberer's". The Group has undertaken a number of strategic acquisitions in Hungary since 2003, which have augmented its international and domestic trucking and logistics businesses, including the 2004 acquisition of Transporta Kft., the 2007 acquisition of Révész Eurotrans Kft. and the 2013 acquisition of a 60% ownership interest in Szemerey Transport. Szemerey Transport was a leading domestic Hungarian logistics company, which was subsequently combined with the Group's legacy regional logistics operation to form Waberer's-Szemerey (comprising the principal part of the Group's Regional Contract Logistics Segment). Waberer's-Szemerey is currently 60% owned by the Company with the remaining 40% stake being owned by Mr Lóránd Szemerey. Pursuant to the agreements entered into for the purpose of the Szemerey Transport Zrt. acquisition, the Group was granted a call option with respect to the shares owned by Mr Lóránd Szemerey. The call option was established on 26 October 2012 and became effective upon the completion of the transactions under the Szemerey Agreement, which took place on 26 April 2013. The call option can be exercised by the Company until 10 April 2018. The price pursuant to the call option is calculated as the enterprise value divided by EBITDA multiplied by 4.5, all based on the financial results of Waberer's-Szemerey for 2015.

As a result of the swap agreement and the merger, the 60% quota of the Group in Waberer's-Szemerey entitles the Group to 75% plus 1 of the votes and 92% of the dividends paid by Waberer's-Szemerey Kft. The Group is entitled to 92% of the dividends paid by Waberer's-Szemerey until it receives an approximately EUR 970 thousand dividend on top of the dividends that the Company is entitled to, based upon its 60% membership interest. After the Group has received such additional approximately EUR 970 thousand in dividends, the members of Waberer's-Szemerey will be entitled to receive dividends in the proportion of their actual membership interests of 40% or 60%.

The Group's business is divided into three segments: (i) the International Transportation Segment comprising international transportation services focused primarily on the EU; (ii) the Regional Contract Logistics Segment comprising regional transportation and logistics services in Hungary and (iii) the Other Segment comprising mainly insurance services of the Insurance Company provided to third parties outside the Group. The International Transportation Segment is further divided into two business lines: (i) the International Asset Based and the International Freight Forwarding. The Regional Contract Logistics Segment is further divided into two business lines: (i) the Regional Transportation business line and (ii) the Regional Logistics business line.

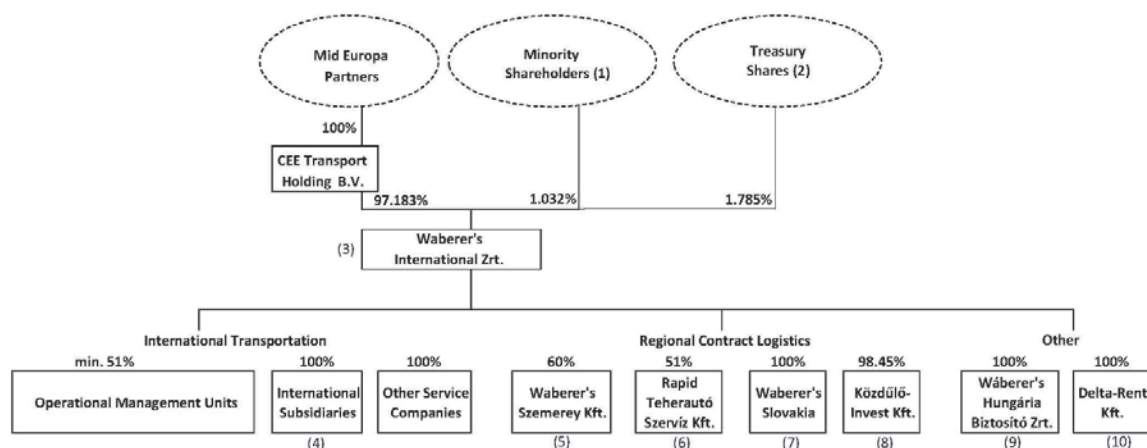
The Group provides services in four Western European core markets, namely the United Kingdom, Germany, France and Italy, and further 24 European countries as of the date of this Prospectus. The following table sets out the principal markets of the Group for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014, broken down by percentage of total revenue generated from such markets as a percentage of total revenue:

	For the three months ended 31 March		For the year ended 31 December		
	2017	2016	2016	2015	2014
			(%)		
Hungary.....	35.8	35.4	35.0	31.9	31.6
United Kingdom	12.5	11.3	12.2	7.5	7.5
Germany	12.1	11.8	11.7	14.7	16.1
France.....	11.3	11.6	11.4	10.3	10.6
Italy	5.3	6.5	5.8	10.7	11.0
Netherlands	5.3	5.3	5.1	7.1	6.3
Spain.....	4.1	5.4	5.1	2.9	3.2
Austria	2.2	3.2	3.3	2.5	2.3
Slovakia	2.2	2.5	2.8	3.7	3.3
Other.....	9.1	6.9	7.4	8.8	8.2
Total	100.0	100.0	100.0	100.0	100.0

The table above shows that the Group's top five markets remained the same in 2016, 2015 and 2014. While the share of France and United Kingdom was slightly growing in terms of the Group's revenue during period, the share of Germany and Hungary was decreasing.

Group Structure

The following chart sets out the Group's shareholder structure as well as the principal subsidiaries wholly or partially owned by the Group which are material for the Group's business as of the date of this Prospectus:



Notes:

- (1) Includes over 150 minority shareholders, mainly shareholders of the predecessors of the Company, i.e., Volán Tefu Rt. and Hungarocamion Rt., which had employee participation programs. From the Company's current management, only Mr Ferenc Lajkó (Chief Executive Officer of the Company and members of its Board of Directors) and Mr Csaba Kiss (Director of Transportation) had, as of the date of this Prospectus, Shares issued by the Company in the amount 11,559 Shares and 2,449 Shares, respectively, which together represent 0.098% of the Company's total share capital.
- (2) Treasury shares of the Company in the amount of 1.785% of the Company's total share capital held by the Company as of 1 June 2017, of which approximately 1.07% are held by ESOP.
- (3) In addition to its head office functions for the benefit of the entire Group, the Company itself performs business activities in the International Transportation Segment.
- (4) The International Transportation Segment maintains a number of international offices throughout Europe with 100% direct or indirect control of the Company.

- (5) Constitutes the principal part of the Regional Contracts Logistic Segment. The Company has been granted a call option with respect to the 40% quota retained by Mr Lóránd Szemerey.
- (6) Provides maintenance services mainly for the Regional Contract Logistics Segment. Mr Imre Kovács holds the remaining 49% of the shares.
- (7) Constitutes part of the Regional Contracts Logistics Segment by providing services to an oil refining company in Slovakia.
- (8) The Insurance Company controls Közdülő Invest Kft. which owns PLK logistics centre comprising of warehouses and office buildings. Közdülő Invest Kft. as lessor rents to Waberer's-Szemerey certain warehouse and office premises in PLK logistics centre.
- (9) The Insurance Company became part of the Group as of 8 April 2016.
- (10) In addition to the Group entities performing business activities within the International Transportation Segment and Regional Contract Logistics Segment, the Group has an additional subsidiary (Delta-Rent Kft.), which provides other services for the benefit of the Group.

International Transportation Segment

The International Transportation Segment is divided into two main business lines: (i) the International Asset Based; and (ii) the International Freight Forwarding. Generating 73.9% of the Group's total revenue and 66.0% of the Group's EBITDA in three months ended 31 March 2017 and 77.5% (76.2% on a pro forma basis) of the Group's total revenue and 75.3% (79.5% on a pro forma basis) of the Group's EBITDA in 2016, the International Transportation Segment is the principal focus of the Group's business. The revenue of the International Transportation Segment grew at a compound annual growth rate of 2.9% (13.3% on a pro forma basis) during the period between 2014 and 2016. The Group's International Transportation Segment focuses on the EU, with 99.7% of its revenue generated through deliveries within the EU. As of the date of this Prospectus, the Group's International Transportation Segment is primarily carried out by the Company directly and through the Operational Management Units. For further information on Operational Management Units, see "*Business—Operational Management Model*".

In addition to the Group's operational hub located in Budapest, Hungary, the International Transportation Segment operates offices in Hungary and Poland, which also carry out the Group's International Freight Forwarding activities, with the Hungarian head office further being responsible for driver recruitment and the International asset based general operations (other than sales) of the Group. Further, Waberer's Romania is responsible for freight forwarding, driver recruitment and driver communication in Romanian language.

The following table sets out the principal markets of the Group's International Transportation Segment for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014, broken down by percentage of total revenue generated from such markets as a percentage of total revenue:

	For the three months ended 31 March		For the year ended 31 December		
	2017	2016	2016	2015	2014
			(%)		
United Kingdom	18.0	15.5	16.2	15.0	14.2
Hungary.....	14.6	15.6	16.0	17.3	18.4
Germany.....	17.0	15.7	15.5	16.5	18.9
France.....	16.1	15.5	15.3	13.3	11.3
Italy	7.6	8.8	7.8	8.6	8.3
Other.....	26.7	28.9	29.2	29.5	29.0
Total	100.0	100.0	100.0	100.0	100.0

The following table sets out the five principal routes of the Group's International Transportation Segment for the year ended 31 December 2016:

Country of Origin	Country of Destination	Annual Revenue	Share of the Group's total revenue	Share of the International Transportation Segment's total revenue
		<i>(in EUR millions)</i>	<i>(%)</i>	<i>(%)</i>
France	England	17	2.9	3.8
Germany	Hungary	14	2.4	3.2
Italy	France	12	2.1	2.7
England	Germany	10	1.7	2.3
Hungary	Germany	10	1.7	2.3
Total	—	63	10.8	14.2

International Asset Based

The Group's International Asset Based constitutes the Group's principal business and is carried out through the Group's own fleet of non-specialised trailers. In the three months ended 31 March 2017, the International Asset Based business generated revenues of EUR 91.6 million which constituted 79.9% of the revenue generated by the International Transportation Segment and 59.0% of the Group's total revenue. In 2016, the International Asset Based business generated revenue of EUR 360.2 million which constituted 81.2% of the revenue generated by the International Transportation Segment and 62.9% of the Group's total revenue. In 2016, the International Asset Based business line realised 284 thousand transports.

The International Asset Based business of the Group is highly standardised and focuses solely on FTL orders. The Group only transports standard goods which can be packed on pallets and which typically include, among others, consumer goods, electronic products, paper products and automotive products. Within the International Asset Based business, the Group does not transport hazardous materials, liquids, overweight, oversized freight, freight of very high value or other materials to which special requirements would apply. Instead, the Group seeks to increase efficiency in the International Asset Based business by focusing on: (i) the operation of a standardised, fully interchangeable fleet of non-specialised trailers that is coordinated by a centralised control centre located in Budapest, Hungary; (ii) the employment of skilled drivers; (iii) the deployment of its own trailers to the premises of major customers in order to reduce loading time; (iv) the operation of WIRE, the Group's proprietary IT system developed to optimise route planning; (v) the operation of WIPE, the Group's other proprietary IT system developed to maximise the fleet's loaded ratio; and (vi) the operation of the telematics software which combines GPS positioning, wireless communications with drivers and enables the Group to monitor, track and control the movement and status of its trucks.

International Freight Forwarding

The Group's International Freight Forwarding business focuses on (i) International FTL Freight Forwarding, comprising international specialised FTL transportation services also to non-EU destinations which are beyond the scope of the International Asset Based business, such as ADR Goods, oversized transports or non-palatalised goods and (ii) International Groupage comprising the delivery of smaller loads (which do not qualify as FTL), including irregular or hazardous goods, through Groupage service freight management activities using a sub-contractor fleet of vehicles, mainly Hungarian small hauliers and international alliances. In addition to the International FTL Freight Forwarding and International Groupage, the International Freight Forwarding business also supports the International Asset Based business by providing additional capacity through thoroughly selected sub-contractors (Hungarian small hauliers and international alliances) which meet the Group's high quality and service standards when such capacity is not available through the Group's own fleet and by providing complementary services in case special equipment is needed or special geographic areas (non-EU) need to be covered.

In the three months ended 31 March 2017, the International FTL Freight Forwarding and International Groupage services generated revenues of EUR 17.3 million and EUR 5.8 million,

respectively, which constituted 15.9% and 5.1% of the revenue generated by the International Transportation Segment in that period. In 2016, the International FTL Freight Forwarding and International Groupage services generated revenues of EUR 83.2 million, which constituted 18.8% of the revenue generated by the International Transportation Segment and 11.4% of the Group's total revenue. In 2016, the International FTL Freight Forwarding and International Groupage services realised 55 thousand transports and 21 thousand transports, respectively.

The Group's International Freight Forwarding business plays a significant role in maintaining the Group's competitiveness in part because of its ability to provide additional capacity if the International Asset Based business experiences an overflow of customer orders. The International Freight Forwarding business provides services different from the portfolio of the International Asset Based business as the latter only transports standardised goods by way of FTL services with a dedicated fleet of non-specialised trailers, whereas International Freight Forwarding business is distinctive by focusing on specialised freight carried out primarily through FTL services and also through Groupage services.

The Group's International Freight Forwarding business provides its customers with a diverse portfolio of International FTL Freight Forwarding services in Hungary and the EU, including the transport of refrigerated goods, specialised cargo types, oversize cargo, Groupage, express transports and truck transportation.

The following table sets out the key European markets for the Group's International FTL Freight Forwarding services for the year ended 31 December 2016:

	For the year ended 31 December 2016
	(%)
Hungary.....	15.9
United Kingdom.....	16.3
Germany.....	15.5
France.....	15.3
Netherlands.....	6.7
Italy.....	7.8
Belgium.....	1.9
Sweden.....	1.4
Romania.....	0.6
Austria.....	3.5
Spain.....	6.7
Others.....	8.4
Total.....	100.0

In addition to the traditional FTL services also provided by the International Asset Based business, International Freight Forwarding business also serves smaller orders by providing International Groupage services. For freight tasks involving the transportation of FTL, the International Freight Forwarding business combines the Group's own-asset vehicles with its sub-contractor fleet (whereas International Asset Based only uses own-asset vehicles).

The International Groupage services include "door to door" export and import transport of LTL loads throughout Europe, scheduled runs of smaller loads, forwarding of LTL freight, express cargo forwarding, handling of hazardous goods, as well as warehouse and customs services related to such services. The Group's Groupage service management activities cover approximately 100 pickup points in Europe funnelled through two collection warehouses located in the Hungarian cities of Budapest and Győr. The performance of International Groupage services typically does not use any own-asset vehicles and transportation is subcontracted to mainly Hungarian small road transportation companies.

Regional Contract Logistics Segment

The Group is the largest logistics service provider in Hungary as measured by revenue and, in management's view, as measured by warehousing capacity in 2016. In its Regional Contract Logistics Segment, the Group offers short and medium haul road transportation, warehousing and distribution services to its regional customers in Hungary and the CEE region. The Group's operations in the Regional Contract Logistics Segment are carried out mainly by Waberer's-Szemerey, which is 60% owned by the Group and 40% owned by Mr Lóránd Szemerey. In the three months ended 31 March 2017, the Regional Contract Logistics Segment generated 18.3% of the Group's revenue and 22.4% of the Group's EBITDA. In 2016, the Regional Contract Logistics Segment generated 16.3% (14.3% on a pro forma basis) of the Group's revenue and 18.8% (15.1% on a pro forma basis) of the Group's EBITDA. The revenue of the Regional Contract Logistics Segment grew at a compound annual growth rate of 11.8% (11.8% on a pro forma basis) during the period between 2014 and 2016. The Regional Contract Logistics Segment is further divided between: (i) trucking services and distribution performed through the Regional Transportation operations, which is the Group's core regional business and (ii) Regional Logistics services. The operations of the Group's Regional Contract Logistics Segment are principally located in Hungary. The Regional Contract Logistics Segment via Waberer's Slovakia also operates an office in Slovakia which provides logistics services in Slovakia to an energy company.

The Group's Regional Contract Logistics Segment is fully integrated and covers a broad spectrum of services. With respect to Regional Transportation, the Group provides notably pharmaceuticals transport, but also inbound and outbound distribution, dry goods transport and distribution, refrigerated goods transport and distribution and distribution and road container transport. With respect to Regional Logistics, the Group provides storage services of normal and refrigerated goods and ADR Goods, pallet movement, value added services and factory outsourcing. By providing refrigerated transport and warehousing storage services, the Group is a leading player in Hungary in temperature control throughout the distribution chain. With a multi-purpose warehousing capacity of 182,399 square meters as of 31 December 2016 at its disposal and the flexibility to add additional capacity on short notice, the Group offers its customers the largest warehousing capacity in Hungary. Further, the Group also provides outsourced warehousing services at the premises of a multinational oil and gas company in Hungary and Slovakia in the capacity of 25,241 square meters. In addition, the Group's Regional Contract Logistics Segment acts as a sub-contractor to many of its key competitors as it is able to undertake FTLs at a more favourable rate than many of its competitors.

Regional Transportation

The Group's Regional Transportation business focuses on (i) FTL freight management services principally in Hungary ("**Regional FTL**") and (ii) distribution services in Hungary ("**Regional Distribution**") to a variety of customers using a dedicated fleet. The Regional Transportation business' primary customers are the major players in the retail market. As of 31 March 2017, the Group's Regional Transportation business operated 638 own-asset trucks (out of which 195 were small trucks) and benefited from the capacity of an additional 450 trucks (out of which 150 were small trucks) operated by vetted and qualified sub-contractors. The Group utilises sub-contractors not only as supplementary resources in peak seasons, but also in the normal course of activity with an aim to retain the most reliable sub-contractors. In 2016, the Regional FTL and Regional Distribution business lines services generated revenues of EUR 78.2 million, constituting 80.6% of the revenue generated by the Regional Contract Logistics Segment in 2016.

The Group's Regional FTL business focuses primarily on the transport of dry food and refrigerated goods. According to management, in 2016, the Group delivered on average 13,600 tons of food per day and over 3 million tons of food in total, giving the Group the leading market position in Hungary for dry food transport. The Group distributed approximately 11,700 tons of refrigerated food products per month, averaging 92,000 deliveries to 52,000 addresses per month in 2016. In addition to a dedicated fleet to transport dry and refrigerated goods, the Group's Regional FTL business also provides container road transportation services and gas cylinder transportation using specially outfitted vehicles. The Group's Regional FTL business provides 24 hour dispatcher services with online tracking and tracing and automated data collection capabilities. The Group has extensive experience servicing customers who use "just in time/just in sequence" manufacturing methods, such as in the automotive industry, and rely to a large extent on timely and dependable delivery of goods in order to manage their inventories.

The Group's Regional Transportation business focuses principally on (i) the distribution of dry goods and refrigerated goods, (ii) the distribution of hazardous materials and (iii) pallet and waste management. Management believes that the Group operates one of the most extensive distribution networks in Hungary. Within its Regional Distribution business line, the Group operates one central cross dock warehouse in Budapest (the "**Central Distribution Warehouse**") and 17 other warehouses (11 for dry goods, three for refrigerated goods, two for both dry and refrigerated goods and one for ADR Goods) (the "**Regional Distribution Warehouses**"). Cross dock warehouses are facilities designed for unloading and loading trucks, and the sorting of transported goods with little or no storage in between. All goods distributed through the Regional Transportation business are first delivered to one of the Central Distribution Warehouses for the initial sorting and packaging of the goods. These goods are then distributed to Regional Distribution Warehouses for subsequent sorting and packing before the goods are transported to the relevant destination. The Group has a centrally controlled tracking system to track goods through the various stages of delivery and serves as a tool to optimise delivery loads. The Group also provides a number of ancillary services as part of its Regional Distribution business, such as collections, billing and the collection of and reporting on unsold goods which were originally delivered by the Group to a sales outlet and subsequently returned by the sales establishment to the client of the Group (such as unsold periodicals).

Regional Logistics

The Group has one of the largest warehousing capacities in Hungary as measured by total square meters of warehousing space, with 182,399 square meters of warehouse capacity as of 31 March 2017. The Group does not own the most significant portion of the warehouse capacity of the Group's Warehousing business as the Group leases the majority of its warehouse capacity, primarily at BILK, which with approximately 106,210 square meters accounts for approximately 54.0% of the Group's total warehousing capacity, and Prologis, which with approximately 13,730 square meters accounts for approximately 8.4% of the Group's total warehousing capacity. The Group's Warehousing business provides a complex warehouse and logistics services package to its clients combined with IT infrastructure and cost-effective operations. In 2016, Regional Logistics services generated revenues of EUR 18.8 million and constituted 19.4% of the revenue generated by the Regional Contract Logistics Segment in 2016. In 2016, 2015 and 2014, the utilisation ratio of the Group's warehouses was 88.2%, 92.5% and 92.5%, respectively. In 2016, the EBITDA Margin of the Regional Logistics business line was approximately 10%.

Management believes that with BILK, Prologis and its other warehouses, the Group has overall access to one of the largest logistics centres in the CEE region as measured by total square meters of warehousing capacity.

BILK is located at the intersection of major transportation through fares connecting Western Europe with Eastern Europe, as well as Northern Europe with Southern Europe. BILK can accommodate intermodal freight transportation through connecting road, rail, air and water transportation for goods to its location which is easily accessible from the M0 motorway in Hungary, by rail and is within 15 kilometres of the Csepel Free Port on the Danube River and Ferenc Liszt International Airport. The BILK logistics centre also includes a container terminal allowing for the handling of containers. The centre is partially owned by BILK Logisztikai Zrt., an entity indirectly majority-owned and controlled by Mr György Waberer, the former chief executive officer and former shareholder of the Company. BILK Logisztikai Zrt. deals with property development and management at BILK and rents out warehouses and offices to its clients, including the Group. The Group provides logistics services in nine warehouses with a total warehouse capacity of approximately 106,210 square meters which comprise part of the BILK logistics centre. At BILK, the Group provides various services to its clients including: (i) storage of normal and refrigerated goods; (ii) storage of hazardous materials and (iii) provision of logistics consultancy services.

In September 2016, Waberer's-Szemerey concluded a built-to-suit lease agreement with Prologis Hungary Sixteen Kft. for the lease of warehousing and office premises with the overall area of approx. 34,844 square metres. The leased premises are to be handed over to Waberer's-Szemerey in three stages: the first, in respect of 13,727 square metres was concluded in December 2016 and January 2017, the second, in respect of 7,008 square metres, in March 2017, and the third, in respect of the remaining area, in April 2017.

PLK is located near the M0-M5 motorway junction in Hungary and has an indoor warehouse capacity of 28,084 square meters in five warehouses. Similar to BILK, PLK is also accessible by road and railway. The PLK logistics centre is owned by Közdülő Invest Kft., an entity controlled by the

Insurance Company. Közdülő Invest Kft. deals with the property development and management at PLK and rents out warehouses and offices to the Group. The Group uses the PLK logistics centre to (among other things) provide non-refrigerated goods, storage services and other value added services, such as packaging of goods for customers.

Other Segment

The Group's Other Segment includes mainly the insurance business and products of the Insurance Company provided to third parties outside the Group. For more information about the Insurance Company, please see "*Business—the Insurance Company*" below. In addition, the Other Segment includes the business of Delta-Rent Kft, which handles the fleet of personal cars for the employees of the Group members, is active in the use and sale of the Group's trucks and trailers after the lease period and takes a holding role with respect to minority share in some of the international subsidiaries (SC Waberer's Romania and WB Station et Services).

Fleet

The Group operates the largest own-asset truck fleet in Europe within the European international FTL segment of the transportation market and in Hungary. The Group operates a modern fleet, with 3,730 trucks and an average age of 2.6 years as of 31 March 2017. By providing LTL and services in addition to FTL, most of the larger transport companies operating in Europe (for example, DHL Freight, DSV and DB Schenker) are generally involved in all segments of the transportation market and generally rely heavily on sub-contracted assets whereby their owned asset fleet dedicated to the FTL segment of the market is estimated by TI to be relatively small compared to that operated by the Group. In addition to its robust fleet size, management believes that the Group's fleet is one of the most modern in Europe in terms of both its International Transportation Segment and the Regional Contract Logistics Segment. Also, in 2016, 84% of the Group's fleet was fully interoperable, which refers to the ability to be used across business divisions. The Group has continuously increased the size of its fleet: in 2000, the Group (as Volán Tefu Rt.) had a fleet of 175 trucks, whereas in 2016, the Group had on average 3,549 trucks. This represents a compound annual growth rate of 20.7%. In the past six years, the size of the Group's fleet increased to an average of 3,549 trucks in 2016, as compared to 3,433 trucks in 2015, 3,268 trucks in 2014, 2,999 trucks in 2013, 2,439 trucks in 2012 and 2,335 trucks in 2011. In 2016, the average tonnage of the Group's trailers was 14 tonnes, which is 58% of 24 tonnes maximum of the trailers. Sub-contracted fleet was around 20% of the Group's operating fleet in 2016, 2015 and 2014 and was the highest at around 22% in 2011.

Certain of the trucks and trailers used by the Group are provided by third party companies ("**Financing Companies**") to the Group through financial lease agreements (whereby such Financing Companies lease the relevant trucks to the Group). These Financing Companies have entered into loan agreements with third party financing parties with respect to the trucks and trailers which are leased to the Group. The Group categorises all trucks and trailers provided by the Financing Companies for the Group's use as own asset trucks and trailers.

The purchases of trucks are usually not evenly spread throughout the year, but there is a material timing effect. For example, in 2016, 40% and 60% of the trucks were purchased in the first and second half of the year, respectively, while in 2015, 76% and 24% of the trucks were purchased in the first and second half of the year, respectively.

Regarding the ratio between trailers and trucks, management believes that a ratio of trailer to trucks of 1.07 is required to ensure flexibility and provide opportunity to pre-loading of trailers at site. However, in case its intermodal project (see "*Business—Objectives and Strategy—Expand operations through selective acquisitions and growth initiatives*") for more information, the Group may require more trailers.

Fleet of the International Transportation Segment

As of 31 December 2016, the fleet of the International Transportation Segment consisted of 3,010 own trucks with an average age of 2.05 years. In addition to its owned asset base, the Group also benefits from the capacity of vehicles provided through sub-contractors. In 2016, there was a pool on average of approximately 600 vehicles available to the Group's International Transportation Segment through sub-contractors as needed. In 2016, the International Transportation Segment's own fleet accounted for 81% of its total revenue, while its sub-contractors accounted for the remaining 19% of the International Transportation Segment's revenue. The Group has dedicated personnel to perform

the qualification process for sub-contractors which includes a vetting process to verify professional references and that the sub-contractor holds the relevant licenses, permits, vehicle documentation and insurance policies, has adequate premises and fleet parking facilities, and is generally financially stable and has a reliable ownership structure.

In the three months ended 31 March 2017 and in the years 2016, 2015 and 2014, the Group operated its fleet dedicated to the International Transportation Segment with the following key performance indicators for the three months ended 31 March 2017 and 2016 and for the years 2016, 2015 and 2014:

	For the three months ended 31 March		For the year ended 31 December		
	2017	2016	2016	2015	2014
International Transportation Segment					
Average number of trucks.....	3,021	2,946	2,970	2,916	2,739
Average number of trailers.....	3,255	3,196	3,277	3,058	2,890
Average age of trucks (years).....	2.18	2.06	2.05	1.86	1.59(2)
Total kilometres (millions) ⁽¹⁾	100.4	94.9	398.1	381.0	365.2
Average loaded ratio	92.0%	91.6%	91.6%	91.3%	90.9%
Kilometres per truck per month.....	11,074	10,742	11,171	10,886	11,110
Revenue per loaded kilometre (EUR).....	0.98	0.99	0.98	1.00	1.01
Truck fleet renewal (number of trucks).....	—	198	627	506	951
Truck fleet expansion (number of trucks).....	60	—	—	171	166

Notes:

(1) Figures are for the full period.

(2) Low average age of trucks in 2014 was due to the change of fleet to EURO 6 trucks.

The Group's current policy in its International Transportation Segment is to maintain a four- to five-year life cycle for its vehicles by replacing its trucks and trailers approximately 48 to 60 months after purchase and has a dedicated fleet procurement team to manage the life cycle of the fleet. The fleet procurement team is responsible for: (i) the tendering process among trucking equipment manufacturers; (ii) the purchase of vehicles and the procurement of relevant vehicle documentation; and (iii) the sale of the trucks and trailers on the secondary vehicle market. The fleet procurement team maintains long-term relationships with leading trucking equipment manufacturers such as Volvo/Renault, DAF, MAN and Mercedes-Benz.

The Group's International Transportation Segment operates a fully interoperable, homogenous and standardised fleet (both in type and technical specifications) comprising mega and normal trucks and mega, multi-modal, standard and curtain-sided semi-trailers (classifications of which are determined by height). Almost all trailers are XL certified mega vehicles, with curtain siders, the ability to be loaded from above and a volumetric capacity approximately 5% greater than that of normal size trailers. In addition, the 100% curtain-sider fleet allows fast loading and unloading. The capacity of these trailers is 102 cubic metres, 34 pallets or 24 tonnes. To make the trailers even more capacious, a technology allows shifting the pole element, easing the economical loading of the pallets. The entire fleet is equipped with telematics and GPS track and trace systems (see "*Business—IT system—Core IT System*" for further information) enhanced by state of the art Optimisation Engines". The Group's fleet for its International Transportation Segment comprises top quality brands, including DAF, Volvo/Renault, MAN and Mercedes-Benz trucks and Schmitz trailers.

The following table sets out the split of the Group's fleet of trucks for its International Transportation Segment between manufacturers as of 31 December 2016:

	As of 31 December 2016
	(%)
DAF	45.5
Volvo/Renault.....	39.6
MAN	10.1
Mercedes.....	4.7
Other.....	0.1
Total	100.0

As of 31 December 2016, 100% of the Group's fleet of trailers for its International Transportation Segment was manufactured by Schmitz. In addition, in April 2017, the Group received 100 Kögel mega-trailers which are compatible with multi-modal modes of transport.

The Group's young fleet reduces maintenance costs, is more fuel efficient, which contributes to lower fuel costs and offers drivers a more comfortable working environment, which helps the Group's driver retention and attracts new drivers. As of 31 December 2016, 70.3% of the International Transportation Segment's fleet comprised EURO 6 classified trucks and 29.7% of the International Transportation Segment's fleet comprising EURO 5 classified trucks. Due to its fleet replacement strategy, the Group's EURO 6 fleet is constantly increasing. The following table sets out the split of the Group's fleet for its International Transportation Segment between EURO 6 and EURO 5 as of 31 December 2016:

	As of 31 December 2016
	(%)
EURO 6	70.3
EURO 5	29.7
Total	100.0

Fleet of the Regional Contract Logistics Segment

The Group's Regional Contract Logistics Segment fleet includes a regional FTL fleet and a regional transportation fleet.

As of 31 December 2016 there were 459 owned vehicles in the regional FTL fleet which comprises trucks similar to those used by the Group's International Asset Based business and 14 owned asset vehicles in the regional LTL fleet. In addition to its owned asset base, the Group also benefits from the capacity of vehicles provided through sub-contractors. As of 31 December 2016, 37% of the regional FTL fleet was comprised of EURO 6 classified trucks, 56% EURO 5 classified trucks and the remainder of the fleet comprising EURO 3 or less classified trucks. The regional FTL fleet is standardised and is largely comprised of trucks manufactured by DAF. In addition, the Regional Contract Logistics Segment has recently purchased 35 truck manufactured by Mercedes. 84.1% of the regional FTL fleet trucks are refrigerated trucks. Trailers used by the regional FTL business, other than the refrigerated trailers, are manufactured by Schmitz and Krone. The entire fleet is equipped with telematics and GPS track and trace systems.

As of 31 December 2016, there were 234 owned vehicles in the regional distribution fleet, with 14% of the regional transportation fleet comprising EURO 6 classified trucks, 41% comprising EURO 5 classified trucks and the remainder of the fleet comprising EURO 3 or less classified trucks. In addition to its owned asset base, the Group also benefits from the capacity of vehicles provided through sub-contractors. The regional transportation fleet is not standardised, and consists of a wide variety of trucks depending on the specific needs of a client. The regional transportation fleet includes mega semi-trailers, with capacity 102 cubic metres or 34 pallets, standard semi-trailers, with capacity 97 cubic metres or 34 pallets, refrigerated semi-trailers, with capacity 86 cubic metres or 33 pallets,

container semi-trailers, with capacity 20, 40, 45 foot containers, specialised delivery trucks (including specialised trucks for gas cylinder delivery) as well as other vehicles. The Group plans to upgrade its regional transportation fleet, with the aim of maintaining a fleet with an average age of three years and comprising EURO 5 or higher classified trucks.

In the three months ended 31 March 2017 and 2016 and in the years 2016, 2015 and 2014, the Group operated its fleet dedicated to the Regional Contract Logistics Segment with the following key performance indicators for the periods indicated (unless otherwise stated):

	For the three months ended 31 March		For the year ended 31 December		
	2017	2016	2016	2015	2014
Regional Contract Logistics Segment					
Average number of trucks.....	647	536	580	517	529
Average number of trailers.....	546	323	514	406	351
Average age of trucks (years).....	3.09	2.25	2.16	2.33	3.11
Total kilometres (millions) ⁽¹⁾	13.8	10.4	49.0	41.3	42.6
Kilometres per truck per month.....	7,130	6,503	7,046	6,659	6,710
Average loaded ratio	86.0%	84.5%	83.9%		
Warehousing capacity (square metres).....	182,399	168,982	162,779	153,961	146,637
Revenue per used square meter of warehousing capacity (EUR per year)	130	118	107		
Revenue per loaded kilometre (EUR).....	0.92	0.97	1.13	1.17	1.15
Truck fleet renewal (number of trucks).....	—	48	41	149	100
Truck fleet expansion (number of trucks).....	7	—	195	32	—

Notes:

(1) Figures are for the full period.

Age of Fleet

The following table sets out detailed information as to the age of the Group's aggregated fleet as of 31 December 2016 by reference to trucks and trailers used for providing International Asset Based and the Regional Transportation services, as well as smaller sized distribution trucks only used by the Regional Contract Logistics Segment:

	As of 31 December 2016						
	Total Number	Average Age	Total Number	Average Age	Total Number	Average Age	Percentage of Total
Truck	3,483	1.98	3,010	3.10	473⁽¹⁾	2.13	100.0
DAF.....	1,768	1.95	1,368	3.12	400	2.21	50.8
Volvo/Renault.....	1,230	2.38	1,193	5.19	37	2.47	35.3
MAN	305	0.71	305	0.00	0	0.71	8.8
Mercedes	176	1.67	141	0.12	35	1.36	5.1
SCANIA	4	0.35	3	20.0	1	5.26	0.1
Trailer	3,989	2.35	3,418	6.08	571	2.88	100.0
KRONE.....	37	0	0	3.61	37	3.61	0.9
Schwarzmüller.....	27	0	0	6.79	27	6.79	0.7
SCHMITZ	3,886	2.35	3,418	6.10	468	2.80	97.4
Distribution							
Truck	234	0	0	7.69	234	7.69	100.0
Total	7,706	2.17	6,428	5.27	1,278	2.69	100.0

Notes:

(1) Excludes vehicles rented to dedicated subcontractors.

The Group typically purchases its vehicles from original equipment manufacturers with a buy-back option which the Group is generally entitled to exercise within 48 months from the maturity date of the equipment purchase financing agreement in the case of trucks and 60 months in the case of trailers, respectively. The buy-back guarantee is usually granted by the original equipment manufacturer to the leasing company financing the purchase, which, in turn, grants to the Group an option to return the vehicle. Although the actual buy-back price may vary depending on the timing of the buy-back, the original equipment manufacturers typically establish a buy-back price after 48 months at 49% of the procurement price in the case of trucks and after 60 months at 30% in the case of trailers.

In the last several years, the Group was typically able to sell its trucks on the secondary market, mainly to the original equipment manufacturers, at a higher price than the price guaranteed in the buy-back agreement with the original equipment manufacturers. According to management, such higher prices achieved on the secondary market were partially due to the excellent maintenance of the fleet and efficient driving techniques employed by its drivers, as well as due to a healthy market for used trucks and trailers generally. However, prices achievable on the market for second hand trucks and trailers decreased recently due to various market forces, including (i) less demand from Russia and the Middle East due to the economic and financial sanctions (the Russian market has historically exhibited a high demand for used trucks and trailers which has decreased due to the economic crisis in Russia) and (ii) lower demand for EURO 5 trucks in the market generally as purchasers of used trucks are increasingly interested in acquiring EURO 6 trucks (which are yet not coming in the age of being replaced). Although so far the Group has typically been able to achieve higher prices than it would achieve through the exercise of the buy-back option agreed with the original equipment manufacturers, the Group cannot guarantee that it will be able to achieve such higher prices in the future.

IT system

Core IT System enhanced by state of the art Optimisation Engines

The Group's high fleet utilisation (as measured by kilometre per truck per month) is primarily a result of its optimised, business-driven IT system. The Group's IT system uses best practices drawn from the public and private sectors internationally. The Group's IT system combines a reliable and industry specific software package (the "**Core IT System**") enhanced by value added, state of the art software specifically aimed to optimise the efficiency of the Group's operations (the "**Optimisation Engines**"). Both with respect to its Core IT System and the Optimisation Engines, the Group periodically re-evaluates and adjusts its IT processes to conform to ISO 14000 recommendations. In 2016, the Group incurred capital expenditures related to its IT systems in the amount of EUR 2.7 million.

The Group's Core IT System has been developed by internationally recognised software development and data management companies and encompasses the following: (i) the database system used for the Group's financial systems; (ii) a warehouse operation and management system; and (iii) an integrated logistics IT system used by the Group as a warehousing management system. The current Core IT System has been operating for over ten years and serves both the International Transportation Segment and the Regional Contract Logistics Segment.

The Group's Optimisation Engines have been either developed in-house or by third parties and are specifically tailored to the Group's operations to increase efficiency. The Optimisation Engines include the following key software used by the Group:

- (i) WIPE, which is software developed internally in cooperation with an external supplier to match free truck capacity with orders received from customers thereby maximising loaded ratio. WIPE has been operating since 2013;
- (ii) WIRE, which is software developed internally in cooperation with an external supplier to optimise the freight carry time and minimise the idle time of each own asset truck. WIRE calculates the optimal route between pick up point and delivery point taking into consideration fuel costs, transit costs, EU regulations regarding maximum driving time and minimum rest time requirements for drivers and order lead time. WIRE has been launched in January 2016;

- (iii) a tour document management system designed to optimise electronic document management by the Group's drivers during their transports. This software allows for hard copy documents issued or created during transports (including but not limited to invoices) to be swiftly converted into electronic documents and processed in due course by the Group's data centre;
- (iv) a fleet controller software, Paragon, designed to manage the Group's regional transportation tour planning in real time. In addition to advanced routing and scheduling optimisation capabilities, this software alerts the Group about any vehicles that are running ahead of or behind schedule so that the Group can make timely alternative arrangements, such as diverting another nearby vehicle to make a scheduled collection or contacting the customer to inform them of any delays;
- (v) telematics systems, which combine GPS positioning, wireless communications with drivers and geographical information technology. These software programs enable the Group to monitor, track, trace and control the movement, status and efficiency of its trucks;
- (vi) accounting software provided by the Hungarian branch of SAP, which commenced operations on 1 January 2017; and
- (vii) a centralised tracking optimisation system.

The Group was granted with an exclusive right to use both WIPE and WIRE for a period of 49 years in the territory of Europe. This license may be withdrawn by the external supplier prior to the expiry of the 49 years in the event the Group use the software clearly contrary to the purposes of the agreements or improperly.

The Group's Core IT System and Optimisation Engines are operated by trained in house staff assisted by outsourced IT experts with respect to hardware operation and maintenance. In terms of software development, the Group is committed to maintain an optimised, business driven IT system. In an effort to continuously modernise its Core IT System, the Group intends to supplement its Optimisation Engines with new software for enhanced efficiency of its operations. Although subject to continuous upgrading, the Group's current IT system can be used to adapt to a materially larger fleet size parallel with the growth of the Group's business. Further, in 2016, the Group, in co-operation with the Hungarian branch of a multinational software corporation, launched two integration projects, the first relating to its accounting system and the second for the introduction of a new transportation management system for its International Transportation Segment, which will involve the standardization of numerous tasks with the aim to simplify the running of multivariate payroll accounting while also making completion and transportation administration easier, optimise the conversion rate of the Group's participation in transportation tenders by replacing the current manual inputting by a fully automated process and store the data from the on-board computers of the fleet of the Group's trucks for later use of route optimization purposes and in search of possible correlations.

In addition, the Group is currently in the process of replacing its IRS transportation and forwarding system with SAP's Transportation Management system. The implementation, which is undertaken step by step, is expected to be finalised by the end of 2018. The SAP system is future-proof, scalable, uses latest technology and has a clear functional architecture. The system is out-of-the-box, with standard functions available in the early phase of implementation, and integrates with the SAP ERP system. The new system is able to process more data with fewer manual inputs than the previous system, offers advanced analytical tools, integrates newly acquired businesses more easily and efficiently and also requires fewer edge applications. Management expects the new system to enable human resources to be utilised in a more efficient manner, to speed up fuel approval and posting, insurance management of the Group's fleet and to simplify the running of multivariate payroll accounting while also making completion and transportation administration easier.

Further, the Group has recently implemented, in cooperation with WebEye, a major service provider in the Hungarian and global telematics market, enhanced telematics capabilities to be used in its Regional Contract Logistics Segment. This software and the devices installed in trucks are integrated into the existing enterprise management system and will enable analysis and monitoring of the way in which vehicle fleets are used, especially of different driving styles, in addition to existing fuel, toll payments, temperature, loading door monitoring, remote tachograph download, container handling and aggregator runtime measurement modules. The data gathered from the measurements can be used to organize various driving technique training programs by fleet operators to enable drivers to use their vehicles better and more efficiently, for example in terms of fuel efficiency, maintenance or toll costs. This software also includes a mobile application, which is currently being tested and which

supports flow of documentation by enabling taking photos of transportation documents and damages to consignment. The system may also be used for other aspects of the Group's logistics operations, including container handling, transportation of e-documents or for communication solutions, and may further streamline the delivery cycle, optimise warehouse space and support the Group's pilot intermodal project. The Group's fully-integrated IT architecture also allows it to work on development of big data-driven tools, particularly predictive analytics, which may help the Group to spot important trends and deviations and aid in making immediate decisions on a management level.

The Group also plans to launch more efficient marketing campaigns based on a new customer relationship management solution. The Hungarian branch of this multinational software corporation was further mandated to provide enhanced support service and the Group also agreed to use its cloud services. The second project is still currently ongoing and scheduled to commence operations in mid-2018.

The Group's IT structure is supplemented by a proprietary pricing system with the capability to accurately predict order costs based on years of comprehensive data gathered by the Group, allowing it to bid for contracts at an optimal price, thereby increasing the chances of winning bids on profitable terms. The Group's sophisticated pricing system takes into account various factors, in particular fuel consumption for each type of truck, toll costs for all roads, location of empty trucks and possibility of truckload brokerage. Further, the Group has implemented electronic invoicing and supporting processes to reduce sales days outstanding and to improve working capital management.

IT data centre

The data centre providing the background for the Group's IT system is provided by a leading Hungarian information and telecommunication company, and another Hungarian provider of IT data centre services. This data centre fulfils the Telecommunications Industry Association and Electronic Industries Alliance 942 standard for data centres, and it features SLA-based (with 24 hours per day / 365 days per year availability) fail-safe, reliability and continuous monitoring, power management and network communications, redundancy and path diversity, network security, physical access control and video surveillance, zoned environmental control as well as fire suppression and early warning smoke detection system. With these technical parameters, the data centre service provider guarantees 99.9% availability for the core system and 99.5% availability for test systems. In terms of disaster back-up, the Group currently follows the so-called "cold site strategy" with a secondary data centre placed in a different geographical location and equipped with basic infrastructure for operation, such as HVAC, power and network connectivity.

Marketing, Sales and Customer Service

The Group's customer base includes companies across a broad range of industries, including FMCG, automotive and electronics companies. The Group's Key Account Customers accounted for 59.3% of the revenue in 2016. The balance of the Group's customers contacted through the spot market in the transportation industry accounted for 40.7% of the revenue in 2016 (49% in the International Transportation Segment and 4% in the Regional Logistics Segment) (the "**Non-Key Account Customers**").

The Group's contracts with its existing Key Account Customers are generally for a one-year term in the International Transportation Segment and for a two-to-five-year term (three-years on average) in the Regional Contract Logistics Segment. After the initial term, these contracts are subject to competitive bidding pursuant to tender processes in which the Group and its competitors participate. These contracts entail a price-volume commitment and the Group guarantees to these customers certain capacity. On the spot market, the Group adopts a selective approach based on market conditions and submits offers in response to requests for quotation on a case by cases basis depending on capacity. However, the Group has high visibility in the spot market based on an extensive track record and long customer relationship. The Non-Key Customers contracted with on the spot market have no written contract with the Group.

Although customers benefit from the same service levels in the International Transportation Segment and the Regional Contract Logistics Segment, the Group applies different marketing and sales strategies in its international and regional operations. In 2016, beneficial cargo owners accounted for 90% of the Group's total revenue, while freight forwarders accounted for the remaining 10% of the Group's total revenue. In 2016, the Group's International Transportation Segment served approximately 3,300 customers.

The following table sets out detailed information about the Group's exposure to the various market sectors it targets, calculated as percentage of the Group's total revenue attributable to these market sectors:

	For the year ended 31 December 2016
	(%)
FMCG	23.4
Automotive	15.7
Electronics: white goods	11.9
Forwarders	11.2
Retail	5.1
Construction and packaging	1.8
Other	31.0
Total	100.0

The following table sets out detailed information about the Group's exposure to the various geographical markets it targets, calculated as percentage of the Group's total revenue attributable to these countries:

	For the year ended 31 December 2016
	(%)
Hungary	35.0
<i>of which:</i> Regional Contract Logistics Segment	15.8
International Transportation Segment	11.9
Other segment	1.7
Central (WHB / Hedge)	5.6
United Kingdom	12.2
Germany	11.7
France	11.4
Italy	5.8
Netherlands	5.1
Spain	5.1
Austria	3.3
Slovakia	2.8
Other	7.4
Total	100.0

Marketing and Sales – International Transportation Segment

In its International Transportation Segment, the Group's marketing strategy is focused on business-to-business marketing activities in Europe, supported by local sales and business development teams that help the Group tailor to the specific needs and challenges of its key markets. The Group's marketing and sales strategy generally focuses on sales incentives, image building, strengthening brand awareness and customer retention. The Group has increased its marketing activity since 2012 and over the last four years has developed itself as a European brand with a conscious and strong image throughout Europe in addition to being a leading Hungarian brand in the logistics industry. The marketing strategy has contributed to the Group's comparatively high customer retention rate with respect to its Key Account Customers. The Group measures customer retention as the amount of revenue from customers in a given year who renewed their contracts with the Group in the immediately following year, as a percentage of total revenue from customers in the following year. The Group's customer

retention rate with respect to its Key Accounts Customers was 99% for each of 2016, 2015 and 2014. The Group intends to maintain a similar annual customer retention rate in the future.

The Group offers its customers high quality services at European standard levels for competitive prices which fall below the price range of premium transportation service providers but exceed the decreased prices applied by the low-end market players. The Group has positioned itself to provide European quality services and to offer “one-stop-shopping” for its customers’ truckload transportation needs through its broad spectrum of services and equipment at competitive prices. Thereby, management believes the Group assists its customers in optimising their service levels and expenses throughout Europe.

The Group’s International Transportation Segment targets the FMCG, construction and packaging, electronics and automotive industries as well as fourth party logistics service providers, which together accounted for 53% of the Group’s revenue in the three months ended 31 March 2017 and 38% in 2016. The Group has built strategic partnerships with many prestigious names in various industries.

The Group’s top international Key Account Customer by revenue is a major white goods manufacturer (accounting for EUR 21.9 million of the Group’s revenue in 2016). This strategic partnership is currently based on a long-term agreement extended to 2018 for 15,000 FTL shipments per year. The Group offers this customer stand-by trailers in certain plant locations in Hungary, as well as collection and delivery points throughout Europe (including Germany, Romania, Italy and Poland). The mutually beneficial partnership agreement enables flexibility for the client, a faster loading process (no waiting times at the loading point), warehousing support for the client (more space) and generally more efficient logistics planning.

The Group’s number two international Key Account Customer by revenue is another electronics manufacturer (accounting for 3.7% of the Group’s revenue in 2016).

The Group also transports high-value goods (with an average of EUR 300,000 per trailer) for its number three international Key Account Customer by revenue, a major electronics company under strict transport security requirements. The Group is dedicated to offering premium customer service and, for example, has developed a security centre specifically for its business with this customer. The security centre includes a monitoring centre headed by a security manager and is equipped with 24/7 full security control on valuable goods movements. The Group’s trained employees act as transport security operators and are responsible for truck tracing, online active GPS monitoring, control of safe parking usage and handling of emergencies. Further, the security package developed for this customer includes a “Driver Identification Database” of reliable and qualified drivers, a terminal at the Group’s site in Mosonmagyaróvár, Hungary dedicated to their shipments and specific equipment with locks and other security enhancements.

For the year ended 31 December 2016, the International Transportation Segment’s top 50 customers based on revenue accounted for 48.2% of the International Transportation Segment’s revenue, the International Transportation Segment’s top 20 customers based on revenue accounted for 35.6% of the International Transportation Segment’s revenue, the International Transportation Segment’s top 10 customers based on revenue accounted for approximately 26.5% of the International Transportation Segment’s revenue and the International Transportation Segment’s largest customer accounted for approximately 4.9% of the International Transportation Segment’s revenue.

Marketing and Sales – Regional Contract Logistics Segment

Due to the different composition of the client portfolio, the marketing and sales strategy of the Regional Contract Logistics Segment is slightly different from that of the International Transportation Segment. The Group’s marketing strategy in the Regional Contract Logistics Segment is focused on offering its customers flexible capacity for warehousing activities and shipments via its fleet. For 2016, the top 10 customers (as measured by revenue) of the Group’s Regional Contract Logistics Segment accounted for 43.1% of the annual revenue of the Regional Contract Logistics Segment. The Group’s Regional Contract Logistics Segment targets the FMCG industry (which accounted for 25.7% of the Regional Contract Logistics Segment’s revenue in 2016), retail companies (which accounted for 31.5% of the regional revenue in 2016) and the food industry (which accounted for 15.6% of the Regional Contract Logistics Segment’s revenue in 2016). The Group’s operations in the Regional Contract Logistics Segment are largely dependent on industries subject to seasonal fluctuations, in particular with respect to the FMCG segment. In order to mitigate such seasonal fluctuations, the Group intends to increase its regional market share in the automotive and technology industries.

For the year ended 31 December 2016, the Regional Contract Logistics Segment's top 50 customers based on revenue accounted for 81.6% of the Regional Contract Logistics Segment's revenue, the Regional Contract Logistics Segment's top 20 customers based on revenue accounted for 57.3% of the Regional Contract Logistics Segment's revenue, Regional Contract Logistics Segment's top 10 customers based on revenue accounted for approximately 43.1% of the Regional Contract Logistics Segment's revenue and the Regional Contract Logistics Segment's largest customer accounted for approximately 10.8% of the Regional Contract Logistics Segment's revenue.

International and Regional Sales Development Teams Dedicated to Customer Service

In 2010, the Group established separate groups of managers specifically dedicated to sales operations. As of 28 February 2017, 167 employees worked in the international sales development team (the "**International Sales Development Team**") with sales account managers ("**SAMs**") dedicated to acquiring new customers and separate personnel dedicated to maintaining and developing existing customer relationships (the "**Customer Farming Team**"). The group of potential target customers is defined in the Group's annual business plan. Before submitting a quote or an offer, the Group undertakes an in-house credit assessment of potential customers before entering into a business relationship, which has resulted in very low levels of bad debt. Subsequently, SAMs provide quotes to potential new customers on the basis of the prices calculated by personnel dedicated to pricing, using the Group's proprietary software (the "**Pricing Team**") organised separately from the sales operations. Each Pricing Team generally includes two professionals. In case of Key Account clients, the Group's 16 key account managers are responsible for the whole tender process. Based on the quoted prices submitted by the Pricing Team, the internal tender committee (Directors of Commercial department) makes a decision on the prices to be submitted in the first round of a tender. Subsequently, if the submitted prices are attractive to the customer, it usually invites the responsible SAM to a personal meeting and negotiation of the terms, including fuel clauses, invoicing or cancellations. The Group's legal team provides support during the negotiations. In the Group's Regional Contract Logistics Segment, this tender process may be streamlined and include request for information and quotation from the customer, which is communicated to the internal tender committee, which provides a quotation to the potential customer.

Once a new customer has become an active client by submitting an order for the Group's services, the SAMs hand over the client management activities to the Customer Farming Team. The Customer Farming Team includes key account managers responsible for handling the Key Account Customer portfolio and sales representatives responsible for handling Non-Key Account Customers. Both the key account managers and the sales representatives work closely together with the Pricing Team to provide quotes to the Group's existing customer base.

The Group offers incentive bonuses to the International Sales Development Team based on a percentage of the revenue derived from the first year after a new customer has become the Group's client. The International Sales Development Team participates in international open tender processes to reach out to potential Key Account Customers. Following a successful tender, the Group typically enters into one year service contracts. Further, the International Sales Development Team also seeks customers on the spot market by submitting offers in response to requests for quotation ("**RFQs**") on a case by case basis, depending, among others, on available own or subcontracted capacity. The Group typically does not enter into written contracts with its Non-Key Account Customers but provides services in accordance with the relevant RFQs. SAMs have an annual revenue plan for both its Key Account Customers and customers on the spot market.

Similarly to the International Transportation Segment, the Group has personnel dedicated to sales operations in the Regional Contract Logistics Segment. As of 31 December 2016, 11 employees of the Group worked in the key account and sales development team responsible for the procurement of regional customers (the "**Regional Sales Development Team**"). The employees of the Regional Sales Development Team are specialised by function with separate groups dedicated to the transportation of dry foods and refrigerated goods, respectively, as these areas require different types of expertise. The Group's Regional Sales Development Team is focused on open tenders with approximately 90% of the existing regional client portfolio acquired as a result of successful tender processes and approximately 10% of the existing client portfolio acquired as a result of sales activities on the spot market. In the regional tender processes potential customers typically require detailed logistics solution plans. Following a successful tender process, the Group typically enters into long-term contracts with its customers for a period of two to five years.

Drivers and Other Employees – Transportation and Logistics

The Group relies on its trained and experienced workforce in achieving its business objectives. The Group recognises that the recruitment, training, and retention of a professional driver workforce, which is one of its most valuable assets, are essential to the Group's continued growth and for meeting the service requirements of its international and regional customers. As of 31 March 2017, the Group had 6,857 employees (including Operational Management Units). Of these employees, 5,048 (74%) were truck drivers, 1,391 (20%) were office workers and 418 (6%) were labour workers. As of 31 March 2017, the Group employed 4,193 drivers in its International Transportation Segment and 855 drivers in its Regional Contract Logistics Segment, recruited principally from Hungary and Romania.

The following table sets out further details regarding the Group's driver workforce as of 28 February 2017:

	As of 28 February 2017
Nationality	(%)
Hungarian	83
Romanian	15
Other	2
Age	
Less than 30 years	15
30 to 50 years.....	55
More than 50 years.....	30
Length of employment	
Less than one year.....	21
One to three years.....	60
More than 3 years	19

The following table sets out the average number of trucks and drivers, as well as the driver/truck ratio for the three months ended 31 March 2017 and 2016 and for the years ended 31 December 2016, 2015 and 2014:

	For the three months ended 31 March		For the year ended 31 December		
	2017	2016	2016	2015	2014
International Transportation Segment					
Average number of trucks	3,021	2,946	2,970	2,916	2,739
Average number of drivers	4,188	3,874	4,074	3,729	3,518
Drivers per truck	1.39	1.31	1.37	1.28	1.28
Regional Contract Logistics Segment					
Average number of trucks	647	536	580	517	529
Average number of drivers	859	634	719	610	598
Drivers per truck	1.33	1.18	1.24	1.18	1.13
Total number of trucks.....	3,688	3,482	3,549	3,433	3,268
Total number of drivers.....	5,048	4,508	4,793	4,379	4,189
Total number of employees.....	6,857	6,061	6,788	5,723	5,474

The Group hires qualified drivers meeting objective guidelines relating primarily to their safety history, road test evaluations, and other personal evaluations, including physical examinations and mandatory drug and alcohol testing. Experienced drivers are required to have obtained and held their category "E" driving license for more than one year and to have a history of more than 100,000 driven kilometres. Before a final hiring decision is made, experienced drivers must participate in a one day training on simulators, specific to the Group. Drivers without relevant experience are required to participate in a three day induction program based on the Group's driver's handbook and practical training course for four to six weeks. Finally, the Group provides ongoing one-day trainings for the

drivers and access to a test track in Zsámbék, which facilitates technical drivers' training and learning about energy efficient use of vehicles by reducing fuel consumption.

In order to attract and retain safe drivers who are committed to customer service and safety, the Group focuses its operations for drivers around a collaborative and supportive team environment. The Group provides latest vehicle models and comfortable equipment, competitive wages and benefits, and other incentives designed to encourage driver safety, retention, and long-term employment. Currently, driver compensation generally includes a base salary, consisting of an allowance and a lump sum, a daily allowance and, depending on driver performance, a fuel bonus. In January 2016, in order to increasingly improve driver retention rates, in particular through increased salaries, the Group launched a pilot project in its International Transportation Segment to implement a new driver remuneration system.

There are two trade unions represented at the Group, the National Trade Union of International and Professionals Drivers (in Hungarian, *Nemzetközi és Hivatásos Gépkocsivezetők Országos Szakszervezete*) and the European Trade Union of Truck Drivers (in Hungarian, *Teherfuvarozók Európai Szakszervezete*), there is also a works council operating at the Group. The represented trade unions have historically entered into collective bargaining agreements with the Group and, according to management, relations with the trade unions have been positive and stable.

The collective agreement between the Company and the National Trade Union of International and Professionals Drivers (in Hungarian, *Nemzetközi és Hivatásos Gépkocsivezetők Országos Szakszervezete*) and the European Trade Union of Truck Drivers (in Hungarian, *Teherfuvarozók Európai Szakszervezete*) was entered into on 21 May 2013 (the “**Collective Agreement**”) and entered into force as of 1 June 2013. The Collective Agreement was concluded for an indefinite period and may be terminated by either party with six months' notice. The Collective Agreement contains, among others, terms regarding probation, dismissals, working time, regular leave and direct damage claims. In particular, the Collective Agreement establishes a six month probationary period for each employee and regulates that, among others, the consumption of any alcoholic beverage or drugs during or before the working hours or causing driving accidents with damage over approximately EUR 970 more than three times within a calendar year constitutes grounds for the immediate dismissal of the employee and determines the limitations and the procedure for the establishment of the employees' liability for any damage caused to the Company (including liability for missing stock items). Further, the Collective Agreement provides certain benefits to employees, for example increased severance payment to employees being employed by the Company for more than 15 years (provided that the employment relationship commenced before 1 July 2013). In addition to the Collective Agreement, the trade unions have also concluded with the Group separate agreements on the allocation of special funds for providing certain benefits to employees and support to the trade unions.

Operational Management Model

The Group operates its International Business partly through the Operational Management Model, a business model which management believes is unique in the transportation industry, combining the operational and financial scale of a pan-European road transportation company with the flexibility and personal approach typical among smaller trucking companies. The Operational Management Model consists of a number Operational Management Units organised as Hungarian limited liability companies, each of which operates approximately 60 trucks, rented from the Group, and employs 80-90 drivers (except for Euro-Unió Trans Kft., which performs the same activities as an Operational Management Unit, but is under the sole control of the Company and has a pool of approx. 750 trucks and approx. 1000 drivers from Romania). After a successful operating period, the Company generally sells a minority ownership interest in the Operational Management Unit to the Operational Management Leader, who is the manager who operates the cluster of trucks. As a result, the majority of Operational Management Units are 49% owned by the Operational Management Leaders and 51% owned by the Company. The Company also retains a 75% plus one voting right with respect to each Operational Management Unit. Further, the Company has a call option over the shares of the Operational Management Units not owned by the Company or an affiliate of the Company. The term of this call option is indefinite if concluded after 15 March 2014 or for a definite period of five years if concluded prior to this date, in which case the Company intends, upon the expiry of such five year term, to enter into indefinite term call option agreements with the Operational Management Leaders as permitted under the applicable Hungarian law. The Operational Management Units are fully consolidated with the Company.

The Group's Operational Management Model was developed in 2010 as a pilot program in response to increasing Driver Churn rate and to increase operational efficiency. After a successful managing and operating period, the Operational Management Model generally gives the Operational Management Leaders ownership interests in the operation of the business, aligning the interests of the Operational Management Leaders with that of the Group, thus increasing performance. The first pilot Operational Management Units were formed in 2010 and, following positive feedback and performance, their number was rapidly increased between 2011 and 2016. As of 31 December 2016, the Group operated 39 Operational Management Units with 2,864 trucks and 3,932 drivers. As of the date of this Prospectus, Operational Management Units cover the entire International Transportation Segment with the exception of one subsidiary (see detailed Group structure under the section entitled "*Information About the Company and the Group*").

The Operational Management Model is built up through a collection of legal arrangements between the Company and the Operational Management Units. The Operational Management Model includes a framework transportation agreement between the Company and the Operational Management Units with a one year duration. The agreement is automatically extended for another one year if none of the parties terminate the agreement 30 days before the expiry of the given one year term. Under the framework transportation agreements, the Company orders transportation services from the Operational Management Units and guarantees to the Operational Management Units orders of at least 36,000 kilometres per truck in each calendar quarter, provided that the relevant Operational Management Unit meets prescribed capacity availability requirements (at least 96% in each calendar quarter). Further, the Company provides certain support with respect to accounting, IT, maintenance, electronic fuel cards (which drivers can use to purchase fuel), e-toll services (allowing for the electronic payment for tolls for the use of highways in certain countries) and telecommunication devices (phone cards) to the drivers of the Operational Management Units. Pursuant to separate fuel consumption agreements concluded between the Operational Management Units and the Group, the Operational Management Units are also entitled to use the gas stations at the Group's facilities located at Mosonmagyaróvár and Nagykovácsi Road. With respect to such fuel cards used by the drivers of the Operational Management Units and the e-toll services, although the Operational Management Units enter into separate agreements with fuel retailers for such cards and the relevant e-toll service providers with respect to the e-toll services, the payment obligations under such agreements are guaranteed by the Group in order to allow the Operational Management Units to benefit from the better terms a larger company such as the Group is able to negotiate as a result of scale. The Operational Management Units must take out, generally from the Insurance Company, and maintain the regular insurance, including carrier third party liability insurance policy with coverage of at least EUR 300,000 per year. Since 2014, the insurance coverage of the Operational Management Units has been primarily provided by the Insurance Company.

The Operational Management Units rely exclusively on the orders of the Group and may not take transportation orders from third parties. Sales and marketing are handled centrally by the Group on behalf of the Operational Management Units and client exposure is limited to the delivery of service. Although the Company retains full operational and commercial control of the Operational Management Units, including payroll and financing, Operational Management Units are responsible for driver recruitment and management, transport administration of coordinating drivers and freight documentation, handling of extraordinary events (such as accidents and emergency issues) and managing driving costs. The Operational Management Units rent offices and the necessary vehicles (trucks and trailers) from the Group. Pursuant to another set of agreements, the repair and maintenance of the fleet leased by the Operational Management Units is undertaken centrally by the Group.

The Group ensures a uniform appearance of trucks and trailers in its modern fleet, uniform fleet planning and, since the Operational Management Units use the Group sizeable owned asset fleet, Operational Management Units take advantage of the Group's greater purchasing power (with respect to fleet acquisitions and financing). Furthermore, the Group's Operational Management Model has the added benefit of an increased hiring pool of skilled drivers as well as affording the Group's control of the Operational Management Units as a controlling shareholder. As a result, the Group is able to organise its operations more efficiently and share the success of its business to a higher degree with its personnel. One further key benefit of the Operational Management Model is that it allows for more efficient, hands-on management of drivers, which reduces Driver Churn. The Group is continually improving its Operational Management Model and applies lessons learned in various

Operational Management Units to the other Operational Management Units, with an aim to improve the overall operating efficiency of its Operational Management Model.

Repair and Maintenance

While there generally is a three year guarantee on new trucks, the Group has implemented a comprehensive vehicle maintenance program that fully covers the replacement cycle of its vehicles, minimises vehicle downtime and enhances the resale value of its equipment. The Group performs routine servicing and maintenance of equipment at its service centres located in Budapest and Mosonmagyaróvár. As of 31 December 2016, the Group's own workshops employed 174 persons and operated as a business line as part of the Group. The workshops have separate teams of employees dedicated for servicing the Regional Contract Logistics Segment and the International Transportation Segment, respectively, and are engaged in both vehicle repair and parts retail activities.

The capacity of the Group's workshops are equipped with up-to-date diagnostics technology and complemented by a multi-story parts warehouse based on 1,500 square meters in Budapest and 400 square meters in Mosonmagyaróvár. The workshops allow for the simultaneous repair of 30 tractor-semi-trailers and an average daily repaired trucks and trailers of approximately 100 units. The Group's current policy is to replace most of its trucks approximately 48 to 60 months after purchase. With respect to its International Transportation Segment, the Group's maintenance and repair cost increased by 12.8% per 1,000 kilometres in the period 2014 through 2016, which was mainly due to the fact that the market for spare parts for new trucks with EURO 6 engines was largely undeveloped. With respect to its Regional Contract Logistics Segment, although the older trucks acquired from Szemerey in 2013 increased the repair and maintenance costs compared to the previous period, due in part to the Group's own workshop capacity, repair and maintenance costs of the regional fleet decreased by 11.3% per 1,000 kilometres by 2016 compared to 2014.

The following table sets out the repair and maintenance costs per 1,000 kilometres for the International Transportation Segment and the Regional Contract Logistics Segment in euros for the three months ended 31 March 2017 and 2016 and for the years 2016, 2015 and 2014:

	For the three months ended 31 March		For the year ended 31 December		
	2017	2016	2016	2015	2014
International Transportation Segment	44.8	40.8	44.2	41.4	39.2
Regional Contract Logistics Segment	51.6	65.1	59.1	61.3	66.6

Fuel

With respect to the International Transportation Segment, the Group stores fuel and owns underground storage bulk fuel tanks at its facilities in Budapest and Mosonmagyaróvár. The Group's policy is to satisfy as much of its fuel purchasing needs for its International Transportation Segment through such own fuelling facilities as possible. The Group purchases fuel from several suppliers for these two facilities at a significantly discounted price per litre of diesel compared to market rates in Hungary. Outside of Hungary, the Group purchases fuel from multiple suppliers, such as Shell and Q8, who provide fuel at a significant discount from market rates, which is negotiated by the Group with the respective suppliers directly. Drivers are given payments cards which can be used to purchase fuel.

With respect to the Regional Contract Logistics Segment, the Group stores fuel and owns underground storage bulk fuel tanks at various facilities throughout Hungary. The operation of these facilities is subcontracted for the most part to third parties. Drivers working within the Regional Contract Logistics Segment exclusively refuel their vehicles at the Group's own tank facilities. As with the International Transportation Segment, the Group purchases fuel for these fuel stations from several suppliers, such as the MOL Group or Unipetrol, at a significantly discounted price per litre of diesel compared to market rates in Hungary.

The Group uses its bespoke IT system, which was developed internally in cooperation with external suppliers, in particular WIRE, to significantly reduce fuel costs. With respect to both its International Transportation Segment and its Regional Contract Logistics Segment, the Group has an employee incentive scheme in place to encourage driving which minimises fuel consumption. Drivers receive part

of their pay as a bonus if certain fuel consumption targets are met and other driving habits are maintained. Further, the Group regularly provides training to its drivers on driving in a manner to optimise fuel consumption.

As of the date of this Prospectus, the Group engages in no hedging activities with regards to the risk of increased fuel prices. However, the Group aims to pass on the increases in fuel costs to its clients via fuel price adjustments, which allow the Group to pass such increases in costs onto customers with a delay of one to six months (two to three months on average), while contracts the Group concludes on the spot market, which accounted for 40.7% of the Group's revenue in 2016 (49% in the International Transportation Segment and 4% in the Regional Logistics Segment), enable the Group to immediately pass any increase in costs of fuel onto customers, as the prices on the spot market reflect the current conditions including fuel prices.

The following table sets out the average annual fuel consumption per 100 kilometres of the Group and its segments for the years in the period between 2016 and 2010 and shows that in this period, the average fuel consumption of the Group's fleet decreased by 6.6%.

	For the year ended 31 December						
	2016	2015	2014	2013	2012	2011	2010
Group (litres per 100 kilometres)	29.8	30.0	30.1	30.8	31.8	32.1	31.9
International Transportation Segment (litres per 100 kilometres) ...	30.0	30.1	30.1	30.9	31.8	32.1	32.0
Regional Contract Logistics Segment (litres per 100 kilometres)	28.3	29.3	30.0	29.8	29.8	29.1	28.5

The decrease in fuel consumption in the years 2014, 2013 and 2012 was due to the implementation of new technology, EURO 5 EEV, strict controls and various incentives implemented by the Group. EURO 6 trucks, however, generally consume more or the same amount of fuel than EURO 5 trucks. Management believes that new telematics solutions, driving style analysis and real time fuel control may enable the Group to further decrease fuel consumption in the mid-term period.

The Insurance Company

Background

On 8 April 2016, the Group acquired the Insurance Company, the eighth largest non-life insurer in Hungary, based on gross written premiums in 2016 with a market share of 3.9% of the total non-life insurance market in Hungary according to the Mabisz. Based in Budapest, the Insurance Company is a non-life insurance company offering a broad portfolio of non-life insurance products. Since 1 January 2016, the Insurance Company covered 100% of the vehicle insurance needs of the Group and only 114 units were selectively outsourced to UNIQA on several occasions in the three months ended 31 March 2017. In the three months ended 31 March 2017, insurance costs represented 4.2% of the Group's total costs and in 2016, insurance costs represented 4.2% of the Group's total costs, and the Insurance Company acquisition has positively impacted, and management believes that it will continue to positively impact, the profitability of the Group through, among others, (i) internalising the required insurance services for the transportation and logistics business, thereby reducing the Group's exposure to further premium increases, and (ii) providing it with access to own claims information, allowing the Group to better manage its transportation and logistics business in a manner so as to decrease its cost of insurance generally. The Insurance Company currently operates as a wholly owned subsidiary of the Group and as a separate business from the transport and logistics business. The Insurance Company's results related to services provided to the Group are consolidated in part into the International Transportation Segment and the Regional Contract Logistics Segment, as these businesses comprise the largest clients of the Insurance Company, while its results related to services provided to third parties outside the Group constitute the results of its Other Segment.

For the three months ended 31 March 2017 and for 2016, 67% and 61% of the Insurance Company's revenue (earned gross premiums), respectively, were from premiums paid to the Insurance Company by entities outside the Group. In the same periods, 21% and 33%, respectively, of the Insurance Company's profits were attributable to entities outside the Group. As such, these revenues represent only limited contribution to the results of operations of the Group.

During the period 1 January 2014 through 31 March 2016, the Group did not own or operate the Insurance Company, and it operated as a stand-alone business with significant sales between it and the Group (see section “*Certain Relationships and Related Party Transactions*”). The financial data referred to in this section has consequently not contributed to the financial results of the Group during the entire period 1 January 2013 through 31 March 2016. There is no assurance that, had the Group owned and operated the Insurance Company during such period, the actual financial results would be representative of the financial data presented herein. See section entitled “*Unaudited Pro Forma Financial Information*”.

The Insurance Company was co-founded in 2008 by Mr György Waberer under the initial trade name of WABARD Biztosító Zrt. and subsequently, after Mr Wáberer became the sole shareholder of the Insurance Company, changed its name to the Wáberer Hungária Biztosító Zrt. in October 2012. Mr György Wáberer became the sole owner of the Insurance Company in September 2010. The Insurance Company’s revenues comprise earned premiums from sales directly to customers in Hungary, including the Group, through its single core brand, “Wáberer Hungária”. The Insurance Company’s business is currently limited geographically to Hungary. Main competitors of the Insurance Company in the motor third party liability insurance market in Hungary include Allianz, K&H, UNIQA and Generali. For the three months ended 31 December 2016, the Insurance Company’s share of the non-life insurance market in Hungary was 3.3%, while Allianz’s was 19.6%, Generali’s was 18.1%, Aegon’s was 12.0%, Groupama’s was 11.3%, UNIQA’s was 7.3%, Union’s was 5.6%, K&H’s was 5.2% and the share of other companies was 17.8%, according to the Mabisz.

Insurance Products

The Insurance Company’s product portfolio includes mainly the following non-life insurance products: (a) vehicle insurance products such as motor third party liability insurance and voluntary vehicle insurance: CASCO, which accounted for 95.3% (approximately EUR 65.1 million, CASCO accounted for approximately 5% thereof) of the Insurance Company’s gross written premiums in 2016 and (b) cargo insurance which accounted for 4.1% (approximately EUR 2.8 million) of the Insurance Company’s gross written premiums in 2016. In 2016, approximately 75% of the Insurance Company’s gross written premiums were attributable to fleet insurance, while the remaining 25% to individual insurance. Additionally, the Insurance Company’s product portfolio includes travel insurance, household insurance, property insurance, liability insurance and health insurance and other insurances together (e.g. financial insurances or legal assistance-related insurances), which combined accounted for 0.6% (approximately EUR 351 thousand) of the Insurance Company’s gross written premiums in 2016,

In 2016, 95.3% of the Insurance Company’s gross written premiums resulted from vehicle insurance products provided both to individual retail customers for their private vehicles (personal cars) and to corporate customers, including the Group, to insure individual vehicles or a fleet of vehicles, including trucks, tractors and lorries. Vehicle insurance has represented a predominantly higher portion of the Insurance Company’s gross written premiums from 1 January 2014, largely as a result of a number of its competitors leaving the Hungarian vehicle insurance product market in 2013 and 2014, which in turn resulted in an increase in vehicle insurance premiums. The Insurance Company’s competitors leaving the vehicle insurance product market in Hungary created a market opportunity for the Insurance Company, allowing it to exponentially grow its vehicle insurance business since the beginning of 2014 and to charge higher premiums in this product segment generally. In order to help ensuring that the Insurance Company is not dependent on any one given segment on the non-life insurance market, the Insurance Company’s management will continue to focus on offering a broad range of non-life insurance products in addition to vehicle insurance products.

While the Group’s International Transportation Segment and Regional Contracts Logistics Segment represent the Insurance Company’s biggest customers, 67% and 61% of the Insurance Company’s revenue (earned premiums) for the three months ended 31 March 2017 and for 2016, respectively, came from premiums paid to the Insurance Company by entities outside the Group.

Insurance Sales and Marketing

The Insurance Company sells its products through (i) independent or non-independent, third party brokers acting on behalf of the company; (ii) independent third party brokers acting on behalf of the client; or (iii) direct sales channels. The Insurance Company’s broker network comprises over 370 brokers, currently representing approximately 90% of the total number of brokers operating on the Hungarian market. The Insurance Company maintains strong business relationships with its

broker network which it manages through its key account managers, and does not currently intend to develop its own broker network.

The Insurance Company's top 10 brokers provided a total of 30% of its gross premiums written for the three months ended 31 March 2017, 28% for the year ended 31 December 2016 and 21% of its gross premiums written for the year ended 31 December 2015.

The Insurance Company had 169,440 external customers as of 31 March 2017, in addition to the Group. In addition to the Group, the Insurance Company's diverse customer base in the vehicle insurance market comprises private motorists, car fleet operators as well as many large and small transportation and logistics companies in Hungary.

The Insurance Company has a number of websites which it uses as direct retailer of non-life insurance. The Insurance Company's direct sales channels are supported by its call centre and customer service centre located in Budapest, Hungary. Management currently does not intend to focus on growing the Insurance Company's third party insurance business and does not expect significant margin improvement in this business line of the Group.

Insurance Pricing and Risk Management

The Insurance Company is committed to establishing mid-market rates that appropriately price the underwriting risk and exposure. With respect to its vehicle insurance products, the Insurance Company sets policy rates utilising a number of factors, including vehicle type, driver age, driver record, historical individual claim ratio and type of coverage. Insurance rates are continually monitored and the Insurance Company has internally developed and implemented a risk management IT system which allows the Insurance Company to identify, rate and estimate its risk exposure.

On a day-to-day level, the Insurance Company's risk management is undertaken by the chief risk manager assisted by the chief actuary and the chief controller. Further, the Insurance Company has a risk management committee in place comprising the Insurance Company's chief executive officer, chief risk manager, chief actuary and the chief financial officer (the "**Risk Management Committee**"). Risk management meetings take place at least on a calendar quarterly basis.

Data Analysis and Data Protection

The Insurance Company considers that the pricing of its products is significantly dependent upon obtaining and analysing accurate, comprehensive and up-to-date data from its customers. The Insurance Company maintains an extensive proprietary database containing statistical records with respect to customers and has gained increasing depth of data as its customer base has grown. Using this expanding database, the Insurance Company's management believes that the Insurance Company is able to internally produce a wide range of analytical reports and analyses which help the Insurance Company identify opportunities in the market through better risk selection and pricing. The Insurance Company's management further believes that there is a strong link between the increase in depth of data which the Insurance Company has been able to collate over time and the historic reported claim ratios (defined as the amount of claims paid plus reported but not settled claims, divided by the amount of earned premium for a given period) enjoyed by the Insurance Company. Largely as a result, the Insurance Company's management believes that the Insurance Company's reported claim ratio has been generally better than that enjoyed by the market since 1 January 2014 (which is supported by the decrease in the Insurance Company's reinsurance costs in 2015 and 2016).

In accordance with applicable Hungarian law, the Insurance Company is obligated to comply with personal data protection requirements concerning the scope and manner of the processing of personal data of the affected persons. In Hungary, the processing of personal data may only be conducted by using technical and organisational measures which provide adequate protection to the customer. The Insurance Company has a number of procedures and policies in place to help ensure the protection of the personal data of its customers in accordance with applicable law.

Claims Handling Reserves and Other Technical Provisions

The Insurance Company is required by applicable insurance laws and regulations to establish certain reserves (known as "technical provisions") to cover its underwriting obligations effective as of the balance sheet date, as well as any future liabilities resulting from fluctuation in claims and any losses that arise from its insurance operations. The Insurance Company's technical provisions are subject to regular supervision by the MNB which, in October 2013, took over the regulatory functions for the insurance market previously undertaken by the Hungarian Financial Supervisory Authority. In

accordance with applicable laws, the Insurance Company's technical provisions comprise the following:

- (i) unearned premium reserves, which are balance sheet liabilities that show the total amount of premiums written but not yet earned. This is a technical reserve that balances the difference between premium earned and premium written. The unearned premium reserve is a reflection on the balance sheet of the accrual of premium revenue to the risk taken to earn it (similarly in purpose to deferred income in the accounts of a non-financial company);
- (ii) reserves for benefit payments under liability insurance policies, which constitute an actuarial estimate equal to the actuarial present value of the future cash flows of annuity payments for bodily injured claimants;
- (iii) outstanding claims reserves, which are balance sheet liabilities representing estimates of future amounts required to pay claims (losses) and claims handling expenses for insured claims which have occurred at or before the end of every calendar quarter period, whether already known to the Insurance Company or not yet reported. Accordingly, the outstanding claim reserves include (a) a reserve for claims incurred and reported and (b) a reserve for claims incurred but not reported;
- (iv) reserves for premium rebate independent of profit, which constitute an insurance company's estimate of a resent obligation regarding future premium refund for certain policyholders without claims; and
- (v) policy cancellation reserves, which constitute the actuarial estimate of present liability for future cancellation of insurance policies.

Upon receipt of a notice of claim, the Insurance Company establishes a case reserve for the estimated amount of the ultimate settlement of the claim and associated claims handling expenses. The amount of the reserve is typically calculated by the Insurance Company's employee handling such claim supported by actuarial calculation. Case reserves are adjusted as deemed necessary by the Insurance Company's claim department as additional information become available and as claims are being paid.

According to the Insurance Company's applicable policy, any provision is required to be made at the balance sheet date for the expected ultimate cost of settlement of all claims incurred in respect of events up to such date. The provisions are set at a level such that they should be sufficient at all times to cover any liabilities arising out of insurance contracts so far as can be reasonably foreseen. In setting the provision, consideration is given to the probability and magnitude of future experience being more adverse than assumed.

Reinsurance Strategy

The Insurance Company's reinsurance strategy builds on two types of reinsurance: (i) excess of loss and (ii) quota share reinsurance. In the case of excess of loss reinsurance, the reinsurer indemnifies the Insurance Company for losses that exceed a specified limit agreed between the parties. Excess of loss reinsurance is a form of non-proportional reinsurance whereby the reinsurer has an obligation towards the insurer only if individual losses or aggregated loss amounts exceed the amount set forth in the reinsurance agreement. In the case of quota share reinsurance, the Insurance Company and its reinsurer share premiums and losses according to a fixed percentage. Quota share reinsurance allows the Insurance Company to retain some risk and premium, while sharing the rest with a reinsurer up to a predetermined maximum coverage.

According to the Insurance Company's policy, any risks above HUF 120 million (approximately EUR 380,000) are fully reinsured by the Insurance Company's external reinsurers pursuant to the terms of the underlying reinsurance agreements. The Insurance Company reinsurers comprise "A" or higher rated large, reputable, international reinsurance companies. Accordingly, pursuant to the currently applicable reinsurance arrangements, the Insurance Company's various product categories benefit from the following reinsurance coverage:

- (i) quota share reinsurance by SwissRE with respect to motor third party liability insurance (in the proportion of 50%), by MunichRE with respect to marine insurance (in the proportion of 75%) and by Europe Assistance Re with respect to travel insurance (in the proportion of 50%) and by General Reinsurance AG with respect to motor own damage and property insurance (in the proportion of 50% with certain limitations); and

- (ii) excess of loss reinsurance by SCOR Global, HannoverRe, AspenRe, QBE Re, R+V Versicherung and TrustRe and separately by SwissRE with respect to motor third party liability insurance (for losses exceeding at least HUF 120 million (approximately EUR 380,000)) and by HannoverRe with respect to property insurance (for losses exceeding at least HUF 30 million (approximately EUR 95,000)).

Management's decision to use a 50% quota share reinsurance on the motor third-party liability insurance portfolio commencing on 1 January 2016 helped to increase the solvency capital ratios under Solvency II rules, which became effective as of 1 Jan 2016.

The Insurance Company Employees

The Insurance Company's management team has extensive experience in the direct insurance industry, with the majority of its executive directors having joined the Insurance Company's business in or around 2010. The skills and experience of the senior management play a significant role in motivating personnel. As of 17 March 2017, the Insurance Company had 85 employees.

The Insurance Company seeks to improve the working skills and knowledge of its employees and to develop their individual capabilities as far as possible, by identifying and developing employees with the ability and desire to be promoted to more responsible positions, for example through in-house training. In addition to seeking talent internally where appropriate, the Insurance Company seeks to hire top qualified professionals with extensive experience in the Hungarian insurance market to fill any vacancies in its management positions.

The Insurance Company's Information Technology Infrastructure

The Insurance Company's IT system is designed to support its business with a focus on delivering customer value and serving the business in an effective and efficient manner. The Insurance Company's IT systems have been in place and operated successfully since 2009. The Insurance Company's IT system is based on the "Bruno" software developed and marketed by Uno-Soft Kft. Such software provides for the Insurance Company's core IT system that incorporates its database of customers, policy details, claims and financial transactions.

For business continuity, both in disaster scenarios and for routine maintenance, the Insurance Company maintains, in addition to its main business server, a second server at a separate site which mirrors every transaction on a real-time basis. A business continuity plan is in place to deal with any incident that interrupts or threatens to interrupt normal operations.

Intellectual Property Rights

Company and certain other Group companies have a number of trademarks and utility models (in Hungarian, *használati minta*) registered in their favour. The Company is the registered owner of two figurative coloured trademarks of "WABERER'S OPTIMUM SOLUTION": (i) the figurative coloured trademark containing the "sun" logo of the Group and the text "Waberer's Optimum Solution"; and (ii) the figurative coloured trademark containing the text "Waberer's Optimum Solution". The Company is also the registered owner of the figurative coloured trademark of the "sun" logo of the Group, the figurative coloured trademark "Hungarocamion" and the figurative trademark of "Deltaped". Further, the Group has registered the utility model of cargo monitoring system for transportation vehicles (registered in favour of Waberer's Holding Zrt., which is the legal predecessor of the Company). The Insurance Company is the registered owner of "WÁBERER HUNGÁRIA" word trademark, the core brand under which it operates in the non-life insurance market in Hungary. Waberer's-Szemerey is the registered owner of (i) the figurative coloured trademark of "SZEMEREY TRANSPORT", (ii) the figurative coloured trademark of "WABERER'S-SZEMEREY" and (iii) three utility models, related to lighting devices and reflectors.

Although the Company has duly registered each of such trademarks with the Hungarian Intellectual Property Office, pursuant to the Waberer Trademark Agreement entered into between Mr György Waberer and the Company, beginning on 31 March 2018, Mr György Waberer has the right to request that the Company stop using the "Waberer" name as part of its trade name and trademark, with a three year grace period where the Company can continue to use the "Waberer" name to allow it for adequate time to rebrand. Further, upon the passing away of Mr György Waberer, the Company will lose the right to use the "Waberer" name on the date which falls three years from the date of the passing away of Mr György Waberer but in any event not earlier than 31 March 2021.

In any event, the Company has a right to use the “Waberer” name for a minimum period until 31 March 2021 under the Waberer Trademark Agreement, and management believes that the three year grace period for rebranding provided by the Waberer Trademark Agreement is adequate time to allow for a cost effective rebranding of the Company’s operations. For further details regarding the Group’s rights to use the “Waberer” name as part of its trade name and trademark, please see “*Material Contracts—Waberer Trademark Agreement*”. The Group has registered a number of domain names, including in particular the following material domain names currently used by the Group: “waberers.com”, “waberers.hu”, “waberers.ro”, “wabererslogisztika.hu”, “waberers-szemerey.hu” and “waberers-szemerey.com”.

Both of WIPE and WIRE IT systems were developed internally by the Group in cooperation with an external supplier, which is also responsible for the operation support of the IT systems. Pursuant the software development agreements concluded by the Company and this external supplier, the Group was granted with the exclusive right to use WIPE and WIRE IT systems, including the limited right to copy the software for internal use only, but excluding the right of adaption (in Hungarian, *átdolgozás joga*) for a period of 49 years within the territory of Europe. This license may be withdrawn by the external supplier prior to the expiry of the 49 year period in the event the Group uses the software clearly contrary to the purposes of the agreements or improperly. WIPE matches free truck capacity with orders received from customers thereby maximising loaded ratio, while WIRE optimises the freight carry time and minimises the idle time of each of its owned trucks by calculating the optimal route between given pickup and delivery points.

Facilities

The Group maintains principal executive offices in Budapest, Hungary and operates both owned and leased warehouses throughout Hungary. The Group owns the office space and related business areas dedicated to its International Transportation Segment. The offices and warehouse space dedicated to its Regional Contract Logistics Segment are partially owned and partially leased by the Group. The following table sets out the location, purpose, approximate size and lease term, as applicable, for the most material facilities used by the Group as of 31 March 2016:

Location	Facility	Approximate size of building (m ²)	Approximate size of land (m ²)	Owned/Leased	Usage of Services
Budapest Nagykőrösi str., Hungary	Executive offices and maintenance building	18,490	165,444	Owned	International Transportation Segment
Mosonmagyaróvár Gabonarakpart, Hungary	Maintenance building and parking place	2,404	39,881	Owned	International Transportation Segment
Balatonvilágos Zrínyi str, Hungary	Hotel, recreational area	6,200	15,219	Owned	International Transportation Segment
Miercurea-Ciuc, Romania	Executive offices and service	3,552	29,012	Owned	International Transportation Segment
Miskolc Fonoda str., Hungary	Executive office	2,606	27,540	Owned	Regional Contract Logistics Segment
Budapest BILK, Hungary	Multi-purpose warehouse and offices	91,233	0	Leased	Regional Contract Logistics Segment
Budapest Közdülő str., Hungary (PLK)	Warehouse and office	30,871	97,416	Owned	Regional Contract Logistics Segment
Balatonszárszó Szemes str., Hungary	Refrigerated warehouse	1,035	16,686	Owned	Regional Contract Logistics Segment
Győr Dohány str., Hungary	Dry goods warehouse	1,417	9,504	Owned	Regional Contract Logistics Segment
Pécs Nagyrápádi str., Hungary	Warehouse	2,494	8,916	Owned	Regional Contract Logistics Segment
Százhalombatta Olajmunkás str., Hungary	Warehouse	12,767	0	Leased	Regional Contract Logistics Segment
Budapest Park Prologis Sziget	Warehouse and office	34,844	0	Leased	Regional Contract Logistics Segment
Budapest, 1211 Szállító str. Győr, 9027	Warehouse and office	1,054	50,025	Leased	Other Segment
Körtefa utca 6, Gellénháza, 8981	Warehouse	2,334	0	Leased	Regional Contract Logistics Segment
Új út 1. 3574 Bócs,	Warehouse and office	696	0	Leased	Regional Contract Logistics Segment
Rákóczi utca 105.	Dry goods warehouse and office	640	0	Leased	Regional Contract Logistics Segment

The Group leases certain warehouses and office areas in Budapest, Hungary from BILK Logisztikai Zrt., as lessor. The indirect owner of BILK is Mr György Waberer, the founder, former shareholder and former chief executive officer of the Company. On 21 April 2017, BILK Logisztikai Zrt. as lessor and the Group, through Waberer's-Szemerey as the lessee, concluded a new lease agreement replacing the previous lease agreement relating to the lease of BILK (the "**BILK Lease Agreement**"). Under the BILK Lease Agreement, the parties renewed the lease of the premises including warehouses, office and other areas with a total area of 106,291 square metres for a definite term commencing on 1 May 2017 and expiring on 31 May 2028 with respect to approximately 65% of the leased area, expiring on 31 March 2030 with respect to approximately 15% of the leased area and expiring on 31 December 2030 with respect to approximately 20% of the leased area. The Group has, among others, the following lease term related options under the BILK Lease Agreement: (i) option to extend the lease for a period of five years per extension (exercisable twice), relating to the whole of the leased premises or a specific leased area, with ten months' prior notice; (ii) a break option right to terminate the lease agreement as of the expiration of the fifth year of a lease term, relating to the whole of the leased premises or a specific leased area, with ten months' prior notice; (iii) contraction right – a right

of the lessee to decrease the leased area, exercisable with six months' prior notice, after the third year of a lease term up to 10% of the total area of the leased premises in a given five-year period of a lease term; and (iv) pre-lease right relating to a certain warehouse within BILK. The BILK Lease Agreement may be terminated by the lessor wholly or in respect of a specific leased area only in the termination events specified in the agreement with three months' notice period. These specified events include market standard termination events, such as insolvency of the lessee (the commencement of a liquidation, bankruptcy or forced liquidation procedure is ordered against the lessee), the lessee's failure to pay rent or other charges (and failure to remedy such event within a specified period), the lessee's failure to provide the relevant bank guarantee securing its payments (and failure to remedy such event within a specified period) and the lessee's committing a material breach of contract. In addition, the warehousing capacity at Prologis has been leased to Waberer's-Szemerey until 17 March 2022 in respect of 61.2% of the area and until 17 April 2022 in respect of the remaining 38.8% of the area.

In September 2016, Waberer's-Szemerey concluded a built-to-suit lease agreement with Prologis Hungary Sixteen Kft. for the lease of warehousing and office premises with the overall area of approx. 34,844 square metres. The leased premises are to be handed over to Waberer's-Szemerey in three stages, the first, in respect of 13,727 square metres was concluded in December 2016 and January 2017, the second, in respect of 7,008 square metres, in March 2017, and the third, in respect of the remaining area, in April 2017. The warehousing capacity at Prologis has been leased to Waberer's-Szemerey until 17 March 2022 in respect of 61.2% of the area and until 17 April 2022 in respect of the remaining 38.8% of the area.

Further, the Group controls PLK, comprising warehouses and office buildings located at Közdülő utca 1, 1181 Budapest, as PLK is owned by Közdülő Invest Kft., an entity controlled by the Insurance Company, thus by the Group.

The Group also provides factory outsourcing services in Százhalombatta on 12,358 square meters of warehousing space and 409 square meters of office space in the territory of the Danube Refinery and in-house logistic activities for a multinational oil and gas company since 2003. Since 16 March 2011, the Waberer's-Szemerey has been leasing from this multinational oil and gas company, a warehouse located at Olajmunkás utca 2, 2442 Százhalombatta, topographical lot number 2704/24 (the "**Százhalombatta Warehouse**"), for an indefinite period of time. The lease agreement may be terminated by any of the parties with a six month termination notice period.

The Insurance Company leases 1,054 square metres office and storage area from VBP Logisztikai Zrt. for a definite 3 (three) years term commencing on 1 April 2016.

Legal Proceedings and Disputes

Transportation and Logistics

In the ordinary course of their business, the Company and other members of the Group are typically party to a number of private lawsuits at any given time for damages in transported goods or other damages caused by traffic accidents (together, the "**Damage Claims**"), labour lawsuits over salary payment (the "**Employee Claims**") as well as other ordinary business disputes, and subject to audits and investigations by various regulators and agencies in the various countries where the Group operates.

As of 31 March 2017, the Group (excluding the Insurance Company) was involved in 195 legal proceedings with the total amount claimed against the Group (excluding the Insurance Company) of EUR 4.2 million for which the Group (excluding the Insurance Company) has created provisions in the total amount of EUR 1.4 million. In addition, management believes that a part of these claims in the amount of EUR 1.0 million is covered by insurance and, as such, by reinsurance of the Insurance Company. However, there is no assurance that the Company and the Insurance Company will receive the full amount under the insurance and reinsurance coverage, respectively, or any amount at all. Of this total amount claimed from the Group (excluding the Insurance Company) of EUR 4.2 million, Damage Claims accounted for EUR 2.8 million, for which the Group has created provisions in the total amount of EUR 1,2 million. A part of these claims in the amount of EUR 990 thousand is covered by insurance and, as such, by reinsurance of the Insurance Company. However, there is no assurance that the Company and the Insurance Company will receive the full amount under the insurance and reinsurance coverage, respectively, or any amount at all.

The Employee Claims typically result from dismissals and the drivers' salary structure which consists of a minimum salary supplemented by (i) a daily allowance for international routes and (ii) an additional performance-based amount payable in accordance with internal policy and certain criteria including fuel consumption and mileage ratio of a given driver. Although the drivers' salary structure applied by the Group has been approved by its tax advisors and upheld on several occasions by the Hungarian Supreme Court, drivers regularly misunderstand the criteria established for the performance-based portion of their salary and file claims for unpaid wages. Although the Employee Claims have an average disputed amount of EUR 500 to EUR 3,000 each, due to the number of drivers employed by the Group (over 5,048 professional drivers as of 31 March 2017), the aggregated litigation value of all Employee Claims may be significant for the Group. In order to mitigate the risks relating to Employee Claims, the Group has created provisions in its accounts in the total amount of approximately EUR 70 thousand as of 31 March 2017.

In addition, on 15 June 2017, the Company was informally notified that one of its minority shareholders filed a court petition challenging the resolutions of the annual general meeting of the Company dated 11 May 2017, which, among others, approved the financial statements of the Company as of and for the year ended 31 December 2016. However, the Company has received no formal notice of this challenge and management believes that the challenge is not founded and it is not aware of any defects in the resolutions of the annual general meeting of the Company dated 11 May 2017.

Insurance

The Insurance Company is currently involved in a number of litigation proceedings in Hungary, involving claims against the Insurance Company which arise in the ordinary course of its business in connection with its activities as an insurer. As of 31 March 2017, the Insurance Company's exposure from these proceedings was HUF 1,984 million (approximately EUR 6.4 million), for which the Insurance Company created provisions in the amount of HUF 1,446 million (approximately EUR 4.7 million). All of these proceedings relate to the insurer activity of the Insurance Company. As of 31 March 2017, the Insurance Company had 91 legal cases ongoing in which it was the respondent. In certain of such proceedings, very large or indeterminate amounts are sought, including punitive and other damages. While it is not feasible to predict or determine the ultimate outcome of all pending or threatened proceedings, the Insurance Company believes that the currently ongoing proceedings are not likely to have a significant effect on the financial condition, profitability or reputation of the Insurance Company.

Other proceedings – Penalties imposed by the Home Office of the United Kingdom

For example, several members of the Group active in the International Transportation Segment and the concerned drivers are involved in cases with the U.K. Home Office due to clandestine entrants in their vehicles. In the period from 1 January until 31 March 2017, there were 14 pending cases initiated by the U.K. Home Office against the Group, with the total amount claimed of GBP 93,400, which includes the fine against the relevant company and the driver also under joint and several liability.

Business Plan Outlook

This section provides information on key aspects of the mid-term business plan of the Group, as approved by its management, with regards to revenue drivers and operating cost drivers that the Group aims to achieve as of the date of this Prospectus. The business plan includes data on indicators such as the planned development of the size of the Group's fleet, fuel consumption or repair and maintenance costs. Any of the projections below and other forward-looking statements are not guarantees of future performance and actual results could differ materially from current expectations. Numerous factors could cause or contribute to such differences. Please see "*Risk factors*" and "*Important Information and Cautionary Statement Regarding Forward-Looking Statements*" for more information.

The financial measures presented in this section constitute APMs. See "*Presentation of Financial and Other Information—Alternative Performance Measures*".

Revenue Drivers

In the mid-term, the Group plans to organically (excluding corporate acquisitions) expand the International Transportation Segment's fleet to approximately 3,500 trucks on average and the

Regional Contract Logistics Segment's fleet to approximately 800 trucks on average. In the same period, in its International Transportation Segment, the Group aims to increase the driven kilometres per truck per month by approximately 1% every year and maintain a stable loaded ratio, while in its Regional Contract Logistics Segment, the Group aims to maintain a low double-digit gradual increase of driven kilometres per truck per month and gradually increase the loaded ratio to the level of the International Transportation Segment. Management believes that the theoretic maximum loaded ratio is almost 100% in case of round trips, which mean there is no empty mileage between sites of different customers. However in the current client portfolio of the Group, management aims to achieve a loaded ratio in the range of approximately 92.5% to 94%, which is above market average and which management believes is sustainable.

The Group further aims to increase its revenue per loaded kilometre by 0.6% per annum on average in its International Transportation Segment and to stabilise it at a mid-single digit percentage level lower than 2016, in line with market pricing trends, in its Regional Contract Logistics Segment. The Group also plans to grow its freight forwarding activities, in its International Transportation Segment by approximately 25% in 2017 and then by mid-teen percentage every year in the mid-term, while in its Regional Contract Logistics Segment, the Group plans to grow by slightly above 50% in 2017 and then by mid-to-high single digit percentage every year in the mid-term.

In addition, in the Regional Contract Logistics Segment, the Group plans to achieve back-loaded growth of its warehousing capacity by above 25%, front-loaded growth of revenue per used square meter of warehousing capacity by approximately 30% and finally maintain warehousing utilisation levels achieved in 2015 and 2014. Management currently does not intend to focus on growing the Insurance Company's third party insurance business, does not expect significant margin improvement in this business line of the Group and intends to maintain a stable Combined Ratio of 65% to 70% of premiums attributable to third parties and a run-rate technical expenses of approximately one fifth of premiums.

Operating Cost Drivers

In addition to increasing the size of its fleet and number of driven kilometres per truck per month in both the International Transportation Segment and the Regional Contract Logistics Segment (see "*Business—Business Plan Outlook—Revenue Drivers*"), the Group assumes a stable fuel price in its International Transportation Segment and a stable fuel price at a level approximately 5% below the 2016 level. With regards to fuel consumption, the Group aims to achieve a front-loaded decrease of high single digit percentage in the mid-term in its International Transportation Segment and a front-loaded decrease of mid-single digit percentage in the mid-term in its Regional Contract Logistics Segment.

With regards to repair and maintenance costs, the Group aim to achieve a front-loaded decrease of slightly lower than a fifth in the mid-term in its International Transportation Segment, while in its Regional Contract Logistics Segment the Group expects a one-off increase of around high single-digit growth in the current year, then stable repair and maintenance costs in the mid-term at a mid-single digit percentage level below the 2016 level.

With regards to driver costs, in line with market trends, the Group estimates in the mid-term a gradual increase of these costs by approximately 20% and approximately 25% in its International Transportation Segment and Regional Contract Logistics Segment, respectively.

With regards to insurance fees, the Group aims to achieve a decrease of insurance fees per truck by around 25% in 2017 and maintain this level in its International Transportation Segment and an increase by mid-teen percentage in 2017 and maintain this level in the mid-term in its Regional Contract Logistics Segment.

Finally, with regards to transit costs, the Group, in its International Transportation Segment, expects these to increase by mid-single digit percentage in 2017 and then remain stable in the mid-term and in its Regional Contract Logistics Segment, the Group expects transit costs to decrease by high single digit percentage in 2017 and then remain stable in the mid-term.

Capital Expenditure and Other Group Items

The Group plan to incur gross capital expenditure (including cash capex, lease repayment and fleet buyout) of approximately low teens percentage of revenues in the mid-term. The Group further aims to achieve average revenue from fleet sales of approximately EUR 30 million per year.

Further, the Group, with regards to working capital, aims to maintain stable working capital requirements at a level of mid-single digit percentage of revenues and to decrease the days of receivables outstanding by approximately 1.5 days and to decrease the days of payables outstanding by approximately 3.0 days in the mid-term. The Group also aims to maintain a stable effective tax rate in the mid-term and to decrease its Net Leverage Ratio to a range of approximately 2.0 to 2.5 in the long-term.

MANAGEMENT

The following is a summary of certain information concerning the management of the Company, certain provisions of the articles of association of the Company (the “Articles of Association”) and of Hungarian law regarding corporate governance. This summary is qualified in its entirety by reference to the Articles of Association and Hungarian law.

Overview

In accordance with the relevant provisions of Hungarian law, the Company has a two-tier management and oversight structure comprising of the Board of Directors and the Supervisory Board. The Board of Directors is responsible for the executive management of the Company and represents it vis-à-vis third parties. Effective as of the Admission, the Board of Directors will be assisted by two committees, the Nomination Committee and the Remuneration Committee. The Supervisory Board is responsible for supervising the Board of Directors and the management of the Company and for performing internal controls of the Company. Furthermore, effective as of the Admission, the Company will have established an Audit Committee responsible for overseeing the financial reporting and controlling of the Company, including the process of internal and statutory audit.

Under Hungarian co-determination rules and pursuant to the Articles of Association, a works council operating at the Company has the right to delegate, upon consulting with the trade unions of the Company, one works council representative to the Supervisory Board for every two shareholders’ representatives at the Supervisory Board.

The Company’s corporate bodies are bound in particular by the Articles of Association, the rules of procedure of the Board of Directors and the rules of procedure of the Supervisory Board.

Below is an overview of the Company’s management and supervisory bodies and their powers and composition.

Board of Directors

Competence of the Board of Directors

In accordance with the relevant provisions of Hungarian law, the Board of Directors may decide any and all issues and matters with respect to the Company (including the modification of places of business or branches or the scope of activities not affecting the main activity), unless such decisions belong to the General Meeting’s exclusive competence. In such a case, the Board of Directors makes a proposal concerning the decision to be taken by the General Meeting. The Board of Directors represents the Company vis-à-vis third parties, courts, and other authorities. It is entitled to acquire rights and undertake obligations on behalf of the Company and define the Company’s business activities.

The Board of Directors currently consists of six members who are elected and removed by the General Meeting for an indefinite period of time. Pursuant to the Articles of Association and the rules of procedure of the Board of Directors, the Board of Directors shall have between three and seven members. Re-election of the members of the Board of Directors is permitted.

The Board of Directors is responsible for presenting annual financial reports prepared in accordance with the Hungarian Accounting Act and submitting proposals to the General Meeting regarding the appropriation of after-tax profits. The Board of Directors is further charged with the task of preparing a report on the Company’s management, financial position, business policy as well as its financial and investment plans for the General Meeting once a year, and is obligated to submit a report to the Supervisory Board on a quarterly basis.

The conduct of sessions, powers and decision-making process of the Board of Directors are regulated in the rules of procedure of the Board of Directors. The business address of the Board of Directors is the Company’s business address at 1239 Budapest, Nagykörösi út 351, Hungary.

Members of the Board of Directors

The below table indicates the composition of the Company's Board of Directors as of the date of this Prospectus:

Name	Date of Birth	Position	Commencement of Current Term of Office	Date of Expiration of Current Term of Office
Nikolaus Bethlen	18 June 1977	Chairman	31 May 2011	Elected for an indefinite period of time
Stefan Delacher	8 August 1961	Member	31 May 2011	Elected for an indefinite period of time
Gerard van Kesteren	16 February 1949	Member	29 July 2016	Elected for an indefinite period of time
dr. Péter Tamás Lakatos	11 September 1966	Member	29 July 2016	Elected for an indefinite period of time
Ferenc Lajkó	26 April 1976	Member	21 March 2017	Elected for an indefinite period of time
Barna Erdélyi	8 July 1978	Member	21 March 2017	Elected for an indefinite period of time

Mr Bethlen, as Chairman of the Board of Directors, and Mr Lajkó, as chief executive officer, have individual signatory rights, while Mr Delacher, Mr Lakatos, Mr Kesteren and Mr Erdélyi have joint signatory right.

The following paragraphs set forth biographical information regarding each member of the Board of Directors.

Nikolaus Bethlen

Mr Bethlen has been a member of the Board of Directors since 31 May 2011 and Chairman of the Board of Directors since 1 August 2016. Mr Bethlen is a Partner at Mid Europa Partners and Head of its Budapest office, responsible for deal sourcing, executing and motioning of investments. Previously, Mr Bethlen held positions at Kohlberg, Kravis, Roberts & Co. and Morgan Stanley in London. Mr Bethlen holds a BA degree in Economics from Durham University.

Outside the Group, Mr Bethlen holds the position of Chairman of the Board of Directors of Regina Maria and Profi Rom Food.

Stefan Delacher

Mr Delacher has been a non-executive member of the Board of Directors since 31 May 2011. Prior to joining the Group, Mr Delacher was the owner and the Chief Executive Officer of Delacher Logistics (between 1992 and 2001) and held different positions in Thiel Logistics AG (between 2001 and 2007). Mr Delacher has a BSc degree in economics from Claremont Colleges (California, USA) and a master of business administration degree from the European University, Versailles-Paris, France.

Outside the Group, Mr Delacher holds the position of an advisor at Rothschild GFA (since 2007) and a member of a supervisory board at Raben Logistics (since 2006) and also has an ownership interest in PSP Projektentwicklung GmbH and HPB SA.

Péter Lakatos

Mr Lakatos has been a member of the Board of Directors since 29 July 2016. Mr Lakatos holds the position of the managing partner at Lakatos, Köves and Partners Law Firm, which from time to time acts as legal advisor to the Company and also acts as legal advisor to the Company in connection with the Offering and this Prospectus. Until 2009, Mr Lakatos was the managing partner of the Budapest office of Clifford Chance. Mr Lakatos received in 1991 a degree in law from Eötvös Lóránd Tudományegyetem (Eötvös Lóránd University), Budapest, Hungary. In 1992, he received an LLM degree from the George Washington University, Washington DC, United States.

Gerard van Kesteren

Mr van Kesteren has been a member of the Board of Directors since 29 July 2016. He started his professional career in Sara Lee Corporation in 1972 where he held different positions. Until 2014, he was chief financial officer of Kühne + Nagel International AG. Since 2014, Mr van Kesteren has held the position of an industry advisor at Advent International (UK). Since 2015 Mr van Kesteren has been a member of the supervisory board of the Raben Group NV (Netherlands) and Planzer Holding AG (Switzerland), a member of the board of directors and the chairman of the audit committee of Janel Corporation (USA) and as a senior advisor of Astor Place Holdings (USA). Mr van Kesteren has a degree in economics and accountancy from the Hogeschool van Arnhem in the Netherlands.

Mr van Kesteren is also the founder of a foundation that bears his name which was created with the aim of supporting children in third world countries. Outside the Group, Mr van Kesteren holds the position of a member of the Rotary Club and the chairman of the CFO Circle in Switzerland.

Mr van Kesteren has indicated to the Company that he would like to participate in the Offering and purchase Shares in the equivalent of EUR 50 thousand.

Ferenc Lajkó

Mr Lajkó has been a member of the Board of Directors since 21 March 2017 and the Chief Executive Officer since August 2016. Further, Mr Lajkó has been a member of the board of directors of Waberer's Romania since 2011. He started his professional career in Hungarocamion, a predecessor company of the Company, in 1997, and later worked for Volán Camion and Volán Tefu. Mr Lajkó has joined the Group in 2002 and previously held various positions including the position of a sales representative (between 2001 and 2003), regional manager for the Benelux countries (between 2003 and 2005), chief operating officer (between 2006 and 2008), deputy chief executive officer for road transportation (between 2008 and 2012) and deputy chief executive officer for road transportation and forwarding (between 2012 and 2016). Mr Lajkó has over 20 years of management experience at Hungarian transportation companies. Mr Lajkó has a BSc degree in transportation management from Széchenyi University in Győr and a BSc degree in economics and management (in Hungarian, *gazdálkodási menedzsment*) from Széchenyi University in Győr.

Outside the Group, Mr Lajkó holds no other position.

Barna Erdélyi

Mr Erdélyi has been a member of the Board of Directors of the Company since 21 March 2017, the Chief Financial Officer of the Group since 2014, the Deputy Chief Executive Officer of the Group since 2016 and the Chairman of the Board of the Insurance Company since 2016. He joined the Group in 2013. In the past five years, Mr Erdélyi held the position of the Controlling Director of the Group (between 2013 and 2014). He started his professional career in IFUA Horváth & Partners Kft. as an advisor in 2001. Prior to joining the Group, he held different management positions at Hungarian transport companies, including the position of the Chief Financial Officer at MÁV Zrt. (Hungarian State Railways PLC) (in 2012), and a senior role as a financial consultant at PricewaterhouseCoopers (in 2013). He has over 15 years of experience in finance and the transportation sector. Mr Erdélyi has an Msc degree in economy from the Budapest University of Economics.

Outside the Group, Mr Erdélyi holds no other position.

Compensation of the Board of Directors

Pursuant to a resolution of the General Meeting of the Company held on 31 May 2017, each member of the Board of Directors receives an annual fee in the amount of up to EUR 50,000 (net), depending on the provisions of their respective agreement.

Delacher Bonus

Pursuant to his agreement on activity as board member concluded with the Company on 21 November 2016, Mr Delacher is entitled to a one-off bonus payment of EUR 300,000 if his service agreement is not terminated on the date the Company is listed on a recognised investment exchange, or if the Selling Shareholder transfers its entire shareholding in the Company to a person who is not an affiliate of the Company or any other transaction resulting in the realisation of the Selling Shareholder's investment in the Company ("**Exit Date**") or if his service agreement was terminated without cause before the Exit Date and in each case if CEE Transport LP realises an

amount exceeding 2.5 times its original investment in connection with the sale by the Selling Shareholder of its interest in the Company.

Supervisory Board

Competence of the Supervisory Board

For the purpose of protecting the interests of the shareholders of the Company, the Supervisory Board supervises the Board of Directors and the management of the Company. For the purpose of exercising the foregoing activity, the Supervisory Board may inspect the documents, accounting records and books of the Company, request information from the Board of Directors and the employees of the Company, examine the bank account, petty cash, securities and goods portfolio and contracts of the Company, or have them examined by experts.

The Supervisory Board consists of six members who are elected and removed by the General Meeting for an indefinite term. Although the General Meeting elects each of these members, there is a requirement under the Hungarian Civil Code that the majority of these members shall be independent. In addition, two shall be delegated by the Group's employees (the General Meeting shall follow the employee's delegation and, unless statutory conflict of interest exists, elect the members delegated by the employees).

Independence will be assessed in accordance with the Hungarian Civil Code, pursuant to which a member is not independent if, among others, he or she currently is, or was in the past five years, employed by the Company, he or she currently is an executive officer of the Company or a person retained by the Company to provide consultancy work, a shareholder of the Company having directly or indirectly 30% of the votes, a family member of such shareholder or a family member of a member who is not independent. As a result, to be qualified as independent, a person will need to evidence that he or she is neither dependent on the Company nor under direct or indirect influence and that he or she will be able to act in accordance with his or her statutory duties without any conflict of interest.

The Supervisory Board's responsibilities include reviewing submissions presented to the General Meeting and providing an opinion on the foregoing at the General Meeting. The General Meeting may resolve to approve the annual financial statement prepared in accordance with the Hungarian Accounting Act and the allocation of after-tax profits only in possession of the written report of the Supervisory Board regarding the foregoing.

If the Supervisory Board is of the view that the activity of the Board of Directors and the management is contrary to legal regulations, the Articles of Association or the resolutions of the General Meeting, or such activity otherwise prejudices the interests of the Company or its shareholders, the Supervisory Board is entitled to convene the General Meeting to discuss the issue and adopt the necessary resolutions.

The business address of the Supervisory Board is the Company's business address at 1239 Budapest, Nagykörösi út 351, Hungary.

Members of the Supervisory Board

The below table indicates the composition of the Supervisory Board as of the date when the Budapest Stock Exchange approves the listing of the Shares and the Shares are registered on the Product List of the Budapest Stock Exchange:

Name	Date of Birth	Position	Commencement of Current Term of Office	Date of Expiration of Current Term of Office
Peter Grace	21 June 1963	Chairman, independent	15 July 2016	Elected for an indefinite period of time
Sándor Székely	15 February 1960	Member, employee representative	11 May 2017	Elected for an indefinite period of time
Mária Szalainé Kazuska	10 May 1963	Member, employee representative	31 May 2017	Elected for an indefinite period of time
dr. Zoltán György Bodnár	20 December 1958	Member, independent	31 May 2017	Elected for an indefinite period of time
Philip Marshall	19 April 1970	Member, independent	31 May 2017	Elected for an indefinite period of time
Gábor Béla Nagy	31 January 1967	Member, independent	31 May 2017	Elected for an indefinite period of time

The following paragraphs set forth biographical information regarding each member of the Supervisory Board:

Peter Grace

Mr Grace has been a member and the chairman of the Supervisory Board since 15 July 2016. Mr Grace has over 16 years of operational finance management experience, during which he has focused on growing various international small and medium sized businesses. He started his professional career as a teacher at Daly College. In addition to his membership in the Supervisory Board, Mr Grace currently holds, or in the past five years has held, the position of a director and a company secretary at Iberia Biomass Holding Limited (since 2015 and 2014, respectively), a founder and a director at Salix Limited (since 2006 and 2015, respectively), company secretary at Blue Guides Limited (from 2004 until 2013) and senior vice president at Gilla Inc (in 2016).

Mr Grace is a trained auditor and also a professional investment fund manager. He holds a masters degree in mathematics from the University of Cambridge, he attended Winchester College, the Institute of Chartered Accountants in England and Wales and Chartered Institute of Marketing (Strategic Marketing) and completed the Chartered Financial Analyst Program.

Sándor Székely

Mr Székely has been a member of the Supervisory Board since 1999, being appointed to this position in the Company's predecessor Hungarocamion and carrying on in this position in the Company. In the past five years and currently, Mr Székely hold the position of the president of the Union of European Good Carriers, co-president of the National Association of Transportation Unions, member of the supervisory board of the Social Charity of Waberer's International Zrt., co-president of the sectoral dialogue committee of Public Transportation Service Providers; member of the Public Freight Forwarding Section Committee of the Union of the European Forwarding Employees, co-president at the Association of the Autonomic Sectoral Unions, member of the board of association of the Hungarian Sectoral Unions, executive officer of the Transportation Sector of the Association of the Hungarian Sectoral unions, member of the supervisory board of Erzsébet Utalványforgalmazó Zrt. and member of the supervisory board of Erzsébet Vagyonkezelő Zrt. He started his professional career at Hungarocamion, a predecessor company of the Company in 1978. Mr Székely has held different positions in various trade unions and employee's organisations since 1989. He holds a degree in automotive technology from Ihász Dániel Gépjármű-technikai Szakközépiskola.

Outside the Group, Mr Székely holds the following positions: member of the supervisory board of the Social Charity of Waberer's International Zrt., co-president of the National Association of Transportation Unions, co-president of the Sectoral Dialogue Committee of Public Transportation Service Providers, co-president at the Association of the Autonomic Sectoral Unions, member of the board of association of the Hungarian Sectoral Unions, executive officer of the Transportation Sector

of the Association of the Hungarian Sectoral Unions, and member of the supervisory board of Erzsébet Vagyonkezelő Zrt.

Mária Szalainé Kazuska

Ms Kazuska will become a member of the Supervisory Board as of the Date of Admission. Since 2008, Ms Kazuska has been an associate responsible for business, economic and administrative issues at the European Trade Union of Cargo Carriers and also held the position of the chairman of the supervisory board of the National Association of Transportation Unions (between 2011 and 2016). Previously, she was also the managing director at SZK-Ker Bt, finance manager at Hungaro-Flott Kft, and informatics at Hungarocamion Zrt. Ms Kazuska completed the Teleki Blanka Economic Secondary School, where she specialised in accounting, corporate planning and statistics.

Outside the Group, Ms Kazuska holds the position a member of the supervisory board of the Autonomic Union Association (since 2011). As of the date of this Prospectus, Ms Kazuska owns 351 Shares.

Dr. Zoltán György Bodnár

Mr Bodnár has been a member of the Supervisory Board since 31 May 2017. In addition to his membership in the Supervisory Board, Mr Bodnár has held the position of an Associate Professor at the Financial Law Department of the Law Faculty of Eötvös Loránd University in Budapest since 2010 and also the position of the chairman of the supervisory and audit committees of ALTERA Ltd. (listed on the Budapest Stock Exchange) since 2015. Previously, he worked at Hungarian Export-Import Bank Pte Ltd. as the Chief Executive Officer (between 2005 and 2010). Mr Bodnár holds a PhD in State and Law Sciences from Hungarian Academy of Sciences in Budapest and a Master of State and Law Sciences from Eötvös University in Budapest.

Outside the Group, Mr Bodnár works at the Law Faculty of Eötvös Loránd University in Budapest and ALTERA Ltd.

Philip Marshall

Mr Marshall has been a member of the Supervisory Board since 31 May 2017. Since 2015, Mr Marshall has held the position of the Chief Financial Officer and a board member of Exova Plc. Previously, he worked at Photostar Plc as a non-executive director (between 2013 and 2016), EMEA Consumer & Industrial Solutions as the President and Chief Executive Office (between 2009 and 2013) and at Wood Mackenzie as the Chief Financial Officer and a board member (between 2014 and 2015). Mr Marshall holds a bachelors degree in accounting from University of West London in London and a qualification from the Chartered Institute of Management Accountants.

Outside the Group, Mr Marshall does not hold any position.

Gábor Béla Nagy

Mr Nagy has been a member of the Supervisory Board since 31 May 2017. In the past five years, Mr Nagy has held the position of a partner in Abagan Kft. (since 2007) and also the position of a partner in CFP Kft. (since 2004). Previously, he worked at MFB Invest Zrt. as the Chief Executive Officer (between 2016 and 2017), Start Garancia Zrt. as a member of the board (between 2016 and 2017), HandInScan Kft. as a member of the supervisory board (between 2013 and 2015), Corvinus (Hiventures) Fund Management Zrt. as a member of the board (between 2016 and 2017), Raiffeisen Bank Yrt. as the Head of Corporate Finance (between 2011 and 2015) and at DBH Fund Management Zrt. as a member of the board (between 2012 and 2015). Mr Nagy holds a postgraduate diploma in Business Law from Eötvös Loránd University of Law (Institute for Legal Studies) in Budapest and a diploma in Economics from College for Foreign Trade in Budapest.

Outside the Group, Mr Nagy does not hold any position.

Compensation of the Supervisory Board

The General Meeting of the Company held on 31 May 2017 resolved from the date of the resolution the members of the Supervisory Board set up with a view to the change of the Company's corporate form shall receive an annual fee in the amount of EUR 10,000.

Executive Officers

List of current Executive Officers

The following table sets out an overview of the Company's executive officers ("Executive Officers") as of the date of this Prospectus:

Name	Date of Birth	Position	Commencement of Current Term of Office	Date of Expiration of Current Term of Office
Ferenc Lajkó	26 April 1976	Chief Executive Officer, Chief Operating Officer	29 July 2016	Appointed for an indefinite period of time
Barna Erdélyi	8 July 1978	Deputy Chief Executive Officer and chief financial officer	22 May 2014	Appointed for an indefinite period of time
Zsolt Barna	29 July 1975	Head of Regional Contract Logistics Segment	28 April 2008	Appointed for an indefinite period of time
Szabolcs Tóth	25 April 1978	Strategic Development Director	1 April 2016	Appointed for an indefinite period of time
László Barits	23 October 1979	Director of Commerce	1 April 2016	Appointed for an indefinite period of time
Csaba Kiss	28 June 1974	Director of Transportation	1 May 2016	Appointed for an indefinite period of time
Levente Böröndy .	11 May 1976	Director of Freight Forwarding	1 October 2016	Appointed for an indefinite period of time
Bence Nyilasy	23 September 1977	Director of the Insurance Company	12 September 2016	Appointed for an indefinite period of time

The business address of the Executive Officers is the Company's business address at 1239 Budapest, Nagykörösi út 351, Hungary.

Mr Lajkó and Mr Erdélyi are also members of the Board of Directors. Mr Lajkó as the Chief Executive Officer has individual signatory right, while Mr Erdélyi has joint signatory right.

As both Mr Lajkó and Mr Erdélyi are also members of the Board of Directors, their biographical information can be found under "*Management—Board of Directors—Members of the Board of Directors*"

Zsolt Barna

Mr Barna has been the Managing Director of the Group's Regional Contract Logistics Segment since 18 April 2008. He joined the Group in 1996 and has over 20 years of experience in the transportation industry. Prior to joining the Group, Mr Barna held various operative management positions in warehousing and distribution. Mr Barna holds a BSc degree in transportation management from István Széchenyi Egyetem and a BSc degree in economics/management from Budapest Business School.

Outside the Group, Mr Barna does not hold any position.

Szabolcs Tóth

Mr Tóth has been the Group's Strategic Development Director since 1 August 2016 and a member of the board of directors of the Insurance Company. He joined the Group in 2014 and has over 14 years of experience in transportation controlling. In the past five years, Mr Tóth held the positions of the Investor Relations and Strategic Controlling Director of the Group (in 2016), the Controlling Leader of the Group (between 2014 and 2016), the Deputy Chief Financial Officer of MÁV-START Zrt. (in 2014) and the Controlling Director of MÁV-START Zrt. (between 2013 and 2014). Mr Tóth holds an MSc degree in economics and an MBA degree, both from the Corvinus University of Budapest, and a BSc degree in economics from the Budapest Business School.

Outside the Group, Mr Tóth does not hold any position.

László Barits

Mr Barits has been the Group's Director of Commerce since 1 April 2016. He joined the Group in 2009 and has 12 years of experience in transportation management. In the past five years, Mr Barits also held the position of a key account team leader of the Company (between 2015 and 2016). Prior to joining the Group, Mr Barits held the positions of a key account manager at CVR GmbH, a traffic manager at Transped Europe GmbH and a procurement specialist of AL-Ko Kft. Mr Barits holds an MSc degree in international business from the Anglia Polytechnic University, Cambridge, and a BA degree in commerce from the College of Commerce Catering and Tourism in Budapest.

Outside the Group, Mr Barits does not hold any position.

Csaba Kiss

Mr Kiss has been the Group's Director of Transportation since October 2016. He joined the Group in 1996 and has over 20 years of experience in transportation management. In the past 5 years, Mr Kiss held the position of Operative Director of the Group (between 2013 and 2016) and the Operational Commercial Director of the Group (between 2010 and 2012). Prior to that, Mr Kiss held various positions at Volán Tefu and VBP VIA Budapest. Mr Kiss holds an MSc degree in transportation engineering and an MSc degree in transportation engineering teaching from the Technical University of Budapest and a BSc degree in economics engineering from Corvinus University.

Outside the Group, Mr Kiss does not hold any position.

Levente Böröndy

Mr Böröndy has been the Group's Director of Freight Forwarding since 2016. He joined the Group in 2003 and has 20 years of experience in logistic services. In the past 5 years, Mr Böröndy held the position of the Regional Commercial Director of the Company (between 2013 and 2016) and of the Regional Leader of the Company (between 2010 and 2013). Prior to joining the Group, Mr Böröndy worked for seven years in sport commercial management in Germany and Italy and also held various positions at VBP Via Budapest, Volán Tefu and Hungarocamion. Mr Böröndy holds a BSc degree in logistics and a BSc degree in economics, management and finance, both degrees from the Széchenyi István University.

Outside the Group, Mr Böröndy does not hold any position.

Bence Nyilasy

Mr Nyilasy has been the Director of the Insurance Company since 2016. He joined the Insurance Company in 2010 and has 15 years of professional experience in the insurance business, including in multinational environment. In the past 5 years, Mr Nyilasy also held positions of the chief executive officer and a member of the board of directors of the Insurance Company (since 2016 and 2014 respectively). Mr Nyilasy holds an MSc degree in economics from the University of Debrecen and a degree in law from the University of Debrecen.

Outside the Group, Mr Nyilasy does not hold any position.

Compensation of the Executive Officers

The Group maintains written employment agreements with its Executive Officers. The employment agreements of the Executive Officers contain provisions standard for a company in the Company's industry regarding non-competition and confidentiality of information.

A number of the Company's managers are entitled to substantial annual bonuses amounting typically up to 75% of such manager's annual salaries (in certain cases such annual bonus can be up to 100% of a manager's annual salary).

The chief executive officer, Ferenc Lajkó, is eligible for an annual bonus of up to HUF 40,000,000 (87.5% of his annual salary). Previously, as part of his agreement with the Company, Mr Lajkó was entitled to buy treasury shares held by the Group in the Company and currently holds 11,559 Shares (representing 0.08% ownership interest in the Company).

Board Committees

Audit Committee

The General Meeting of the Company dated 31 May 2017 decided to establish an audit committee in accordance with the relevant provisions of Hungarian law. The term of office of the members of the audit committee shall commence on the date of Admission.

The Audit Committee's responsibilities include the overseeing of (i) the integrity of the Company's financial statements, (ii) the Company's compliance with legal and regulatory requirements, (iii) the independence, qualifications and performance of the Company's independent registered public accounting firm and (iv) the performance of the Company's internal audit function.

The Audit Committee operates in accordance with its own working plan that should be prepared at the beginning of the year but may be amended during the year as required. The Audit Committee holds its meetings at the dates as determined in its working plan prior to the meeting of the Supervisory Board, however no less than four times a year. The Audit Committee has a quorum if two-thirds of its members, but at least three members are present.

The Audit Committee consists of three members who are elected and removed by the General Meeting for an indefinite term from among the independent members of the Supervisory Board. The members of the Audit Committee shall act personally, no representation shall be permitted. The business address of the Audit Committee is the Company's business address at 1239 Budapest, Nagykörösi út 351, Hungary. One member of the Audit Committee must have expertise in accounting or be a certified auditor.

The members of the Audit Committee are entitled to request information from the members of the Board of Directors and executive employees of the Company on any issues that fall within the scope of authority of the Audit Committee, and to inspect the books, files and documents of the Company. Members of the Audit Committee are entitled to participate in the General Meeting of the Company with the right of consultation.

The below table indicates the composition of the Audit Committee as of the date of this Prospectus:

Name	Position	Commencement of Current Term of Office	Date of Expiration of Current Term of Office
Peter Grace	Chairman	Date of Admission	Elected for an indefinite period of time
dr. Zoltán György Bodnár	Member	Date of Admission	Elected for an indefinite period of time
Philip Marshall	Member	Date of Admission	Elected for an indefinite period of time

Compensation of the Audit Committee

The General Meeting of the Company held on 31 May 2017 resolved that from the date of Admission, the members of the Audit Committee set up with a view to the change of the Company's corporate form shall receive an annual fee in the amount of EUR 5,000.

Remuneration Committee and Nomination Committee

Pursuant to the resolution of the General Meeting of the Company held on 31 May 2017, the Board of Directors, effective as of the Admission, will be entitled to establish a Remuneration Committee and a Nomination Committee assisting the Board of Directors in its work.

Effective as of the Admission, both the Remuneration Committee and a Nomination Committee will each consist of three members appointed by the Board of Directors for an indefinite term. One member will be appointed from amongst the independent members of the Board of Directors and two from the independent members of the Supervisory Board. It is currently proposed by the Board of Directors that the Remuneration Committee shall be composed of Mr Van Kesteren, Mr Peter Grace and Mr Gábor Nagy and that the Nomination Committee shall be composed of Mr Van Kesteren, Mr Peter Grace and Mr Gábor Nagy.

Conflicts of interest

As of the date of this Prospectus, for at least the previous five years, no member of the Board of Directors, Supervisory Board and Audit Committee and none of the Executive Officers:

- has been convicted in relation to fraudulent offences;
- has held an executive function in the form of a senior executive officer or a member of the administrative, management or supervisory bodies of any company at the time of or preceding any bankruptcy, receivership or liquidation;
- has been officially and publicly incriminated and/or sanctioned by statutory or regulatory authorities (including designated professional bodies); or
- has been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer.

Except as described below, there are no existing and/or potential conflicts of interest between any duties owed to the Company by the above members of the Company's Board of Directors, the Supervisory Board, the Audit Committee and the Executive Officers and their private interests and/or other duties.

Certain members of the Board of Directors hold similar management positions in international transportation companies and may have to determine how to allocate an opportunity between the Group and such other ventures. Accordingly, in addition to their membership of the Board of Directors, (i) Mr van Kesteren holds the position a member of the supervisory board of the Raben Group NV (Netherlands) and Planzer Holding AG (Switzerland), a member of the board of directors and chairman of the audit committee of Janel Corporation (USA), senior/industry advisor of Astor Place Holdings (USA) and Advent International (UK) and the chairman of CFO Circle Switzerland, (ii) Mr Stefan Delacher holds the position of member of the board of directors of Raben Poland and (iii) Dr Péter Lakatos is the managing partner of Lakatos, Köves and Partners Ügyvédi Iroda, which from time to time acts as legal advisor to the Company and also acts as legal advisor to the Company in connection with the Offering and this Prospectus.

There are no family relationships between the above members of the Company's Board of Directors, Supervisory Board, Audit Committee and the Executive Officers.

Remuneration and Benefits in Kind

The below table indicates the amount of remuneration paid (including any contingent or deferred compensation) and benefits in kind by the Company and its subsidiaries to the members of the Board of Directors, Supervisory Board, Audit Committee and Executive Officers in the year ended 31 December 2016:

	Year ended 31 December 2016				Total
	Remuneration Received from		Benefits in Kind Received from		
	The Company	The Company's Subsidiaries	The Company	The Company's Subsidiaries	
	<i>(in EUR thousands)⁽¹⁾</i>				
Members of the Board of Directors	67	—	—	—	67
Members of the Supervisory Board	15	0	—	—	15
Executive Officers ⁽²⁾	1,972	—	— ⁽³⁾	—	1,972

Notes:

(1) Amounts provided in HUF converted using an EUR/HUF exchange rate of EUR 1.00 = HUF 311.

(2) Includes all compensation provide to Mr Lajkó and Mr Erdélyi.

(3) Please see also "Management—Management Incentive Program" for a description of the Management Incentive Program including benefits in kind for several Executive Officers.

In addition, the Company established the Management Incentive Program in relation to the Offering (see "Management—Management Incentive Program" for further information).

Pension Retirement, Termination and Similar Benefits

No amounts were set aside or accrued by the Company or its subsidiaries to provide pension, retirement or similar benefits.

Other than set out by Hungarian labour law and except for a 12 months' severance pay in case of Mr Lajkó and a 6 months' severance pay in case of Mr Tóth and Mr Erdélyi, there are no agreements between the Company or any of its subsidiaries with any members of the Board of Directors, Supervisory Board and Audit Committee or any Executive Officer providing for benefits upon termination of employment.

Corporate Governance Principles

With a view to the fact that the Company is expected to be operating as a public company limited by shares, the Board of Directors prepared and submitted to the General Meeting for approval a corporate governance report in accordance with the Corporate Governance Recommendations of the Budapest Stock Exchange (the "CGR"). Such corporate governance report was approved by the General Meeting of the Company held on 31 May 2017.

The fundamental document regulating the operation of the Company is the Articles of Association approved by the general meeting of the Company's shareholders held on 31 May 2017 and dated the same day. According to Clause 3:211 (3) of the Hungarian Civil Code, the Articles of Association will enter into effect on the date when the series "A" ordinary shares issued by the Company have become listed on the Budapest Stock Exchange, together with other changes approved by the general meeting of the Company's shareholders held on 31 May 2017. Until such date, the Company will be operating in accordance with its former articles of association as a private company limited by shares.

According to the decision of the general meeting of the Company's shareholders held on 31 May 2017, the Company is fully committed to implementing a corporate governance practice, which complies to the fullest extent possible with the recommendations contained in the CGR. With a view to the foregoing the General Meeting approved the Articles of Association, elected the Supervisory Board complying with the requirement of independence and comprising more members, set up the audit committee and approved the long term remuneration/incentive scheme for the members of the Board of Directors, members of the Supervisory Board members and executive employees, which measures will ensure that the Company complies with the recommendations set out in the CGR as of the commencement of its public operation. In order to comply with the stock exchange regulations (including the CGR), the Board of Directors provided for the engagement of a "compliance officer" and an "investment relations manager".

Employee Share Ownership Programme

In 2016, the Company as founder established Waberer's Employee Share Ownership Programme Organisation (in Hungarian, *Waberer's Munkavállalói Résztulajdonosi Program Szervezet*) ("ESOP"). ESOP is a legal entity which is established in accordance with the provisions of Act XLIV of 1992 on Employee Share Ownership Programmes ("Act on ESOP") and its aim is to reward the employees and the managers of the Group (together, the "Participants"). As of 31 March 2017, ESOP had 21 Participants from the Group (namely Zoltán Barcza, László Barits, Zsolt Barna, József Berta, Levente Böröndy, Gergely Csikós, Barna Erdélyi, Roland Hegyesi, Csaba Kiss, Ferenc Lajkó, Zoltán Márton, Károly Megyeri, Judit Palicska, Péter Sándor, Péter Szalona, Szabolcs Tóth, Tímea Tóth, József Kranyik, Lóránd Szemerey, Zoltán Pap and Glória Garamvölgyi) under two remuneration policies approved as of 2 September 2016 and modified on 29 November 2016. After the evaluation and settlement under the remuneration policy for the period from 1 July 2016 until 31 December 2016, the number of participants decreased to 16 in the ESOP as of 21 April 2017. In addition to the provisions of the Act on ESOP, the provisions of the Civil Code regulating legal entities apply to the ESOP. As follows, the ESOP has a main body (according to the Act on ESOP, the main body shall be one or more proxies who are appointed initially by the founder) and a representative (manager). The responsibilities of the main body of ESOP as a legal entity are currently handled by Lakatos, Köves and Partners law firm, while the ESOP's manager performing the day-to-day operational tasks is Mr Péter Tóth. Lakatos, Köves and Partners, as a law firm, can be represented by its partners. The Participants of ESOP held no Shares as of the date of this Prospectus, except for Mr Lajkó and Mr Kiss who had, as of the date of this Prospectus, 11,559 Shares and 2,449 Shares, respectively, which together represent 0.098% of the Company's total share capital.

According to the deed of foundation of the ESOP, the main body has the exclusive right to decide on:

- the approval of the financial statements of the ESOP, including the decision on the utilisation of the after tax profits and acceptance of the interim balance sheet;
- the amendment of the deed of foundation of the ESOP (with the consent of the Founder);
- any company transformation with the consent of the Founder (for example dissolution);
- appointment and revocation of the manager;
- the partial or complete withdrawal of the shares of the Founder;
- the setting up of the supervisory board, the election and the revocation of the members, the determination of the remuneration of the members;
- the election and the revocation of the auditor, and the assessment of its remuneration;
- the review of audit of the financial statement, the directing, the management of the ESOP Organisation by the auditor;
- the prior authorisation of the charging and the providing as collateral of the securities available for purchase within the framework of the remuneration policy; and
- according to the proposal of the manager, the decision on the payment of advance to the participants of the ESOP.

The manager has the right to decide on any other matter concerning ESOP, within the confines of the Hungarian Civil Code.

In accordance with the ESOP's deed of foundation, the Participants receive participation in the ESOP for a nominal consideration and they are entitled, within the framework of the applicable remuneration policy of the Group, to obtain financial assets (securities or rights in respect of the securities, such as call options) issued by the Company (or by other Group entities) without consideration or at a discount. This right of the Participants is conditional upon the achievement of the performance goals as laid down by the applicable remuneration policy. By obtaining the financial assets, the Participants acquire further participation in ESOP which acquires and handles the financial assets themselves on behalf of the Participants. The proceeds of the financial assets are paid out to the Participants once these withdraw their participation in ESOP. To a limited extent, ESOP may also pay dividend to the Participants.

The income realised by the Participants is subject to preferential taxation under the Hungarian tax laws as opposed to regular employment income. For example, the sum paid by ESOP to the Participants, arising on the sale, or other method of converting the financial assets into cash, is subject to a 15% personal income tax, but not subject to social security contribution, social contribution tax or training contribution (healthcare contribution, normally 14%, is payable to a limited extent only). This can represent saving of around 30% when compared to other payments to a Participant.

The Company submitted a binding ruling request to the Ministry for National Economy in order to get confirmation on the personal income tax treatment of the remuneration provided through this ESOP structure. The Ministry for National Economy has not yet issued its resolution on the Company's binding ruling request.

The funds required by ESOP for its operation are provided by the Company in form of a cash and in-kind contribution. According ESOP's deed of foundation, the Company as ESOP's founder undertook to provide it with EUR 1,675,000 under the first remuneration policy and with EUR 843,600 under the second remuneration policy. ESOP operates independently from the Company in the interest of the Participants.

One of the remuneration policies handled by the ESOP requires the concerned participant manager, in addition to the achievement of his or her personal performance goals, to stay with the Company for at least one or two years to receive 50% or 100% of their bonuses respectively (*retention bonus*).

Management Incentive Program

In case the Selling Shareholder, following a successful Offering, sells more than 50% of its Shares held as of the date of the Prospectus in the Company, or alternatively, if the Offering does not occur and the Selling Shareholder sells its entire shareholding held in the Company, a total of 15 employees, including several executive officers, shall be entitled to receive from the Company (i) in the

case of 11 employees a bonus payment between EUR 52,258 and EUR 100,000 and (ii) in the case of the following executive officers in the form of treasury shares issued by the Company: Zsolt Barna (23,650 treasury shares), Ferenc Lajkó (63,065 treasury shares), Barna Erdélyi (47,300 treasury shares), Szabolcs Tóth (11,825 treasury shares) and Csaba Kiss (11,825 treasury shares), which would be subject to customary lock-up arrangement for a period of one year following the date of completion of the Offering (the “**Management Incentive Program**”).

Furthermore, in the event the Selling Shareholder sells all Shares in the Company, four executive officers of the Company, including Barna Erdélyi and Ferenc Lajkó, may be entitled to additional bonus payments from the Company, varying between EUR 100,000 to EUR 3 million.

The Management Incentive Program is served under the ESOP structure according to the Deed of Foundation and the third remuneration policy of the ESOP Entity, which was approved on 29 May 2017.

SELLING SHAREHOLDER

As of the date of this Prospectus, 14,241,190 shares representing approximately 97.18% of the registered capital of the Company are held by CEE Transport Holding B.V., with its registered office at Herikerbergweg 238, Luna ArenA, 1101CM Amsterdam, the Netherlands, as the Selling Shareholder, a portfolio investment company ultimately owned and controlled by Mid Europa. Accordingly, the Selling Shareholder directly exercises ultimate control over the Company as of the date of this Prospectus. The control of the Selling Shareholder over the Company is based on the ownership of approximately 97% of its shares and voting rights. In order to prevent the abuse of such control over the Company unanimous resolution of all shareholders is required for an amendment of the Articles of Association which would adversely affect the rights of the minority shareholders or which would make their situation more burdensome.

The Shares held by the Selling Shareholder have the same voting rights as the voting rights of the Shares.

The Selling Shareholder and Mid Europa Partners

The Selling Shareholder has been the portfolio investment company of Mid Europa since its initial investment in the Company in 2011, when Mid Europa acquired through the Selling Shareholder a 57.54% ownership interest in the Company by way of a share acquisition and capital increase. On 1 March 2012, this holding was decreased to 56.77% as a result of a group restructuring and in July 2016 increased to its current level of approximately 97% as a result of to a share purchase agreement dated 25 July 2016 entered into between Mr György Waberer as seller and the Selling Shareholder as buyer. Pursuant to the agreement, the Selling Shareholder purchased all shares Mr György Waberer held directly or indirectly in the Company.

Mid Europa III Management Limited acting in its capacity as the ultimate general partner of Mid Europa Fund III LP is a company established under the laws of Guernsey. Mid Europa together with other funds form a part of the private equity group known as Mid Europa Partners. Mid Europa Partners is a leading financial investor, focused on the growth markets of Central and Eastern Europe and Turkey with approximately EUR 4 billion of funds raised and managed since inception. Established in 1999, Mid Europa Partners has pioneered private equity in the region with offices in Budapest, Istanbul, London and Warsaw. Mid Europa Partners has applied a pan-regional approach since inception and has a history of acquiring market leading companies, principally in domestic-focused growth industries, in the region's mid-market, including the Group. As of the date of this Prospectus, Mid Europa Partners has completed 35 investments across 18 countries, including landmark transactions and notable financings in the region.

The Selling Shareholder is 100% owned by CEE Holding Coöperatief U.A., with its registered seat at Herikerbergweg 238, Luna ArenA 1101CM Amsterdam, Netherlands, which, in turn, is 100% owned by CEE Transport LP, with its registered seat at 2nd floor, Tudor House, Le Bordage, St Peter Port, Island of Guernsey, GY1 1BT, which is ultimately owned and controlled by Mid Europa. Mid Europa III Management Limited, with its registered seat at 2nd floor, Tudor House, Le Bordage, St Peter Port, Island of Guernsey, GY1 1BT, is 100% owned by Mid Europa Holdings Limited, with its registered seat at 2nd floor, Tudor House, Le Bordage, St Peter Port, Island of Guernsey, GY1 1BT, in which no single shareholder directly or indirectly owns 25% or more of the shares.

MATERIAL CONTRACTS

The Group's material contracts generally relate to the following: (i) key customer agreements; (ii) financing agreements; (iii) facility lease agreements; and (iv) fuel and toll fee purchase agreements. The Group's material contracts with its two largest customers, the Group's financing agreements, selected material facility lease agreements, the agreement for the purchase of shares of the Insurance Company, the Waberer Trademark Agreement and the Group's telecommunications agreements are described in further detail below.

Framework transportation agreements with one of the Group's largest multinational customer

The Company has two framework transportation agreements regarding transportation and logistics services in place with one of its largest multinational customers relating to the shipment of products from sites in Slovakia, Hungary and Romania, with strict transport security requirements. The Company typically enters into one year agreements with this partner, with an option to extend the term of the agreement upon mutual consent of the parties for one additional year. The Company has recently extended the contract. The agreement will be effective retrospectively from 1 May 2017, and some provisions of the new agreement are already effective (such as allocation and transportation fees).

Either party may terminate this agreements if, among others, (i) the other party breaches the agreement and such breach is not remedied within 30 days, or (ii) the other party goes under bankruptcy or similar procedures. The agreements may also be terminated by such business partner with immediate effect if the Company fails to meet certain pre-determined performance indicators for two consecutive months or the Company fails to maintain the insurance policies required by the framework agreements. This business partner may also terminate the agreement with immediate effect in the case of a change of control event, whereby more than 50% of the shares, assets or voting rights in the Company are sold either directly or indirectly. Management believes that this business partner would not terminate the agreement based upon the change of control resulting from the Offering and the Company is currently in the process of obtaining a written consent of its business partner confirming the same. The transportation agreements are non-exclusive and the partner did not undertake to guarantee that a particular business activity level would be maintained during the term of the agreements. The partner is to pay a fixed price for the services of the Company varying upon the destination of each shipment, which may be adjusted if the change in the fuel price reaches a certain threshold specified in the agreement.

Non-exclusive framework transportation agreement with one of the Group's largest multinational customer

The Company has a long term, non-exclusive framework transportation agreement with one of its largest multinational customers. The Company usually enters into a three year agreement with this business partner, which can only be terminated in certain specified circumstances (including, but not limited to, the case of material breach where such breach is not remedied within 30 days, or the bankruptcy of either party). The current agreement expires on 31 March 2018, unless extended. Further, if there is a change in ownership of any of the parties, the other party is entitled to terminate the agreement. Management believes that this business partner would not terminate the agreement based upon the change of control resulting from the Offering and the Company is currently in the process of obtaining a written consent of its business partner confirming the same.

The framework agreement provides that (i) any of the business partner's group companies in Europe, the Middle East and Africa is entitled to place shipment orders under the terms of such agreement, and (ii) the business partner guarantees a yearly agreed allocation percentage of shipments specified in the agreement. The Group offers this business partner stand-by trailers in certain plant locations in Hungary, as well as collection and delivery points throughout Europe (including Germany, Romania, Italy and Poland) enabling flexibility for the Company's business partner, a faster loading process (no waiting times at the loading point), warehousing support for the business partner and generally more efficient logistics planning. Currently, this business partner pays a fixed FTL price for the Company's services. As from 1 April 2016, such fixed FTL price may be adjusted on a monthly basis due to a certain level of increase in fuel prices and toll charges. In addition, a general freight rate reduction is also applicable which reduces the agreed rates by 1.5% from 1 April 2017 until the expiry of the current agreement on 31 March 2018.

Financing Agreements

The Group finances its trucks and trailers largely through financial lease agreements entered into with a variety of financing providers. As of 28 February 2017, the Group's financing arrangements primarily included (i) loan facilities in the outstanding aggregate amount of EUR 68 million at an interest rate range of 1.13-1.90% (the "**Loan Facilities**") and (ii) financial lease facilities in the outstanding aggregate amount of EUR 163 million at an average interest rate of 1.53% (the "**Leasing Facilities**"). The Group concluded the Loan Facilities and Leasing Facilities with various financing institutions, including major Hungarian banks and leasing companies. Some of the Loan Facilities were provided in the framework of the export-financing scheme of the Hungarian export credit agency, Hungarian Export-Import Bank Plc. The Hungarian export credit agency provides, in the form of refinancing facilities, funds for commercial banks on preferential terms, based on which such commercial banks provide long-term funding to Hungarian companies involved in export activities. Since the Group does not require any financing for its business operations in the ordinary course, the Group uses the Loan Facilities and the Leasing Facilities to finance the continuous upgrade of its fleet and purchase assets necessary for its business activities. The Group renegotiated a substantial part of the Leasing Facilities in the years 2016 and 2015. Approximately 70% of interest payments are fixed. Management believes that the Loan Facilities and the Leasing Facilities are generally on market terms.

Certain of the trucks and trailers used by the Group are provided to the Group by third party companies ("**Financing Companies**") through financial lease agreements (whereby such Financing Companies lease the relevant trucks to the Group). These Financing Companies have entered into loan agreements with third party financing parties with respect to the trucks and trailers which are leased to the Group. The principal amount of such loan agreements of the Financing Companies which are guaranteed by the Group amounted to EUR 0.9 million as of 31 December 2016. The trucks and trailers which are provided to the Group by Financing Companies through the arrangement described above, as well as the debt used to finance such trucks and trailers, are consolidated at the Company pursuant to IFRS rule IFRIC 4.

The financing agreements entered into by the Group's usually contain change-of-control or similar provisions. Management believes that the providers of the Loan Facilities, Leasing Facilities and the Financing Companies would not terminate the agreement based upon the change of control resulting from the Offering and the Company is currently in the process of obtaining a written consent of its business partner confirming the same. For further information regarding such change-of-control or similar provisions, please see the risk factor "*Change-of-control provisions in the Group's financing agreements may trigger in connection with the potential future sale of shares which may lead to adverse consequences*".

There are no restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the Group's operations.

Overdraft Facilities

The Company concluded two unsecured overdraft facility agreements for general and working capital financing purposes: (i) an overdraft facility agreement up to EUR 4 million with a major Hungarian bank ("**Overdraft Facility 1**") and (ii) an overdraft facility agreement up to EUR 19 million with another major Hungarian bank ("**Overdraft Facility 2**").

Overdraft Facility 1 is for general purposes and its final repayment date is 31 October 2017. It contains standard change of control provisions under which the Company is required to notify the bank of any contemplated changes in the Company's shareholder structure – failure to notify may lead to termination of the agreement (triggering a prompt repayment obligation) by the bank. Management believes that the bank would not terminate the agreement based upon the change of control resulting from the Offering and the Company is currently in the process of obtaining a written consent of its business partner confirming the same. For further information regarding such change-of-control or similar provisions, please see "*Risk Factors—Change-of-control provisions in the Group's financing agreements may trigger in connection with the potential future sale of shares which may lead to adverse consequences*".

The events of default under the Overdraft Facility 1, which may trigger a prompt repayment obligation, include, among others, (a) breach by the Company of any of its contractual obligations vis-à-vis the bank (including the above notification obligations), (b) the default of the Company in respect of any of its other monetary obligations (cross-default) and (c) if the Company undertook any

other payment obligation (e.g. guarantee, suretyship; except for guarantees/suretyships undertaken in respect of obligations of (i) another Group member or any third parties up to the aggregate amount of EUR 1.5 million) which could threaten the repayment of its obligations under the Overdraft Facility 1.

Overdraft Facility 2 is for the purpose of financing working capital needs of the Company and its final repayment date is 10 August 2017. It contains standard change of control provisions under which the Company is required to notify the bank on any change of control or contemplated change of control. The bank is entitled to terminate the facility with 5 days' notice after a change of control, while failure to notify may lead to termination of the agreement (triggering a prompt repayment obligation) by the bank. It also contains a general notification obligation under which the Company is required to promptly notify the bank of any significant changes or circumstances which could affect the parties' relationship, including without limitation any change in the shareholder structure or management. Management believes that the bank would not terminate the agreement based upon the change of control resulting from the Offering and the Company is currently in the process of obtaining a written consent of its business partner confirming the same. The Company is currently in the process of obtaining a written consent of the bank confirming the same, which management believes the Company will receive after the date of the Prospectus. For further information regarding such change-of-control or similar provisions, please see "*Risk Factors—Change-of-control provisions in the Group's financing agreements may trigger in connection with the potential future sale of shares which may lead to adverse consequences*".

The events of default under the Overdraft Facility 2, which may trigger a prompt repayment obligation, include, among others, (a) any default of any Group member in respect of any of their financial indebtedness (cross-default); (b) the bank's prior written consent is required to implement any merger, demerger, capital decrease or corporate transformation of the Company (e.g. conversion from private company limited by shares to a public company limited by shares (i.e. listing)) failure to obtain consent may lead to termination of the agreement by the bank; and (c) neither the Company, nor any other Group member may grant any security interest or other encumbrance over any of their real properties without the prior written consent of the bank (certain exemptions apply, e.g. granting security in favour of the bank is permitted) – failure to obtain consent may lead to termination of the agreement by the bank.

The term 'change of control' as used in this sub-section means any change resulting in Mid Europa Partners LLP ceasing to be in direct or indirect control of the Company, whereas 'control' means the right to (i) appoint, dismiss or instruct the majority of the members of the board of directors or supervisory board of the Company, either through agreement or casting votes, and/or (ii) control the operation of the Company.

Factoring Arrangements

The Company entered into a framework factoring cooperation agreement with a major Hungarian bank. Under the agreement, the bank purchases receivables of the Company vis-à-vis its customers based on invoices submitted to the bank (the identity of the eligible customer is specified in the agreement). The agreement was concluded for an indefinite period and may be terminated with 30 days' notice by either party (the Company may only do so if at the time it has no outstanding payment obligations vis-à-vis the bank). In addition, the bank may terminate the agreement with immediate effect in case of certain events of default, including payment default or insolvency of the Company. The agreement contains standard change of control provisions: the Company is required to notify the bank of any contemplated changes in the shareholder structure during the preparatory/negotiation stage – failure to notify may lead to termination of the agreement (triggering a prompt repayment obligation) by the bank. Management believes that the bank would not terminate the agreement based upon the change of control resulting from the Offering and the Company is currently in the process of obtaining a written consent of its business partner confirming the same. The Company is currently in the process of obtaining a written consent of the bank confirming the same, which management believes the Company will receive after the date of the Prospectus. For further information regarding such change-of-control or similar provisions, please see "*Risk Factors—Change-of-control provisions in the Group's financing agreements may trigger in connection with the potential future sale of shares which may lead to adverse consequences*".

The events of default, which may trigger a prompt repayment obligation, include, among others, (a) the default of the Company in respect of any of its other monetary obligations whatsoever (cross-

default) and (b) if the Company undertook any other payment obligation (e.g. guarantee, suretyship) which could threaten the repayment of its obligations under the factoring agreement.

In addition, the Company entered into a reverse factoring agreement with another major Hungarian bank. Under the agreement, the bank undertook to enter into purchase agreements with suppliers of the Company in respect of the receivables of those suppliers vis-à-vis the Company.

The agreement is effective until 30 November 2018. Any party may terminate the agreement with a 90 days' notice without cause and with 8 days' notice upon a material breach. The agreement does not contain any change of control provisions.

Facility leases

The Group's Regional Contract Logistics Segment has one of the largest warehousing capacities in Hungary as measured by total square meters of warehousing space, with 182,399 square meters of warehouse capacity in Budapest as of 31 March 2017. The Group owns a warehousing facility at PLK, however the most significant portion of the Group's warehouse capacity is leased from BILK and Prologis. The BILK logistics centre is partially-owned by BILK Logisztikai Zrt., an entity controlled by Mr György Waberer, the former chief executive officer and former shareholder of the Company. BILK Logisztikai Zrt. deals with the property development and management services at BILK and rents out warehouses and offices to its clients, including the Group. The Group provides logistics services in nine warehouses with a total warehouse capacity of approximately 182,399 square meters, which, in turn comprises approximately 40.0% of the BILK logistics centre.

Pursuant to the BILK Lease Agreements, the Group leases certain warehouses and office areas in Budapest, Hungary from BILK Logisztikai Zrt., as lessor. The indirect owner of BILK is Mr György Waberer, the founder, former shareholder and former chief executive officer of the Company. On 21 April 2017, BILK Logisztikai Zrt. as lessor and the Group, through Waberer's-Szemerey as the lessee, concluded a new lease agreement replacing the previous lease agreement relating to the lease of BILK, the BILK Lease Agreement. Under the BILK Lease Agreement, the parties renewed the lease of the premises including warehouses, office and other areas with a total area of 106,291 square metres for a definite term commencing on 1 May 2017 and expiring on 31 May 2028 with respect to approximately 65% of the leased area, expiring on 31 March 2030 with respect to approximately 15% of the leased area and expiring on 31 December 2030 with respect to approximately 20% of the leased area. The Group has, among others, the following lease term related options under the BILK Lease Agreement: (i) option to extend the lease for a period of five years per extension (exercisable twice), relating to the whole of the leased premises or a specific leased area, with ten months' prior notice; (ii) a break option right to terminate the lease agreement as of the expiration of the fifth year of a lease term, relating to the whole of the leased premises or a specific leased area, with ten months' prior notice; (iii) contraction right – a right of the lessee to decrease the leased area, exercisable with six months' prior notice, after the third year of a lease term up to 10% of the total area of the leased premises in a given five-year period of a lease term; and (iv) pre-lease right relating to a certain warehouse within BILK. The BILK Lease Agreement may be terminated by the lessor wholly or in respect of a specific leased area only in the termination events specified in the agreement with three months' notice period. These specified events include market standard termination events, such as insolvency of the lessee (the commencement of a liquidation, bankruptcy or forced liquidation procedure is ordered against the lessee), the lessee's failure to pay rent or other charges (and failure to remedy such event within a specified period), the lessee's failure to provide the relevant bank guarantee securing its payments (and failure to remedy such event within a specified period) and the lessee's committing a material breach of contract. Under the BILK Lease Agreement, BILK Logisztikai Zrt. undertook to develop several existing warehouses, thus adding further 6,370 and 1,690 square metres to the area leased by the Group, until 1 August 2018 and 1 August 2020, respectively.

In addition to the rental fee, the Group also covers the utility costs of the premises leased at BILK. The leased premises may be subleased to a third party with the lessor's prior written consent, and may be subleased subject to prior notification of BILK Logisztikai Zrt to: (i) any current or prospective business partner of Waberer's-Szemerey, or (ii) an affiliate of Waberer's-Szemerey (included in the annual consolidated financial report of the tenant provided that the ownership share of Waberer's-Szemerey in such affiliate exceeds 60% and further provided that such affiliate does not own or operate trucks, trailers or lorries); or (iii) the Company, Waberer's Network Kft., Simon Intertrans Kft., or DELTA-RENT Kft. The BILK Lease Agreement may be assigned or novated by

Waberer's-Szemerey to a third party subject to prior consent of BILK Logisztikai Zrt., and to a tenant affiliate subject to prior notification.

Finally, under the BILK Lease Agreement, in case of direct or indirect change of ownership of BILK Logisztikai Zrt. that would result in the acquisition of the BILK Logisztikai Zrt. by a tenant competitor (as defined in the BILK Lease Agreement), BILK Logisztikai Zrt. must obtain the prior written consent of Waberer's-Szemerey prior to the transaction. In addition, Waberer's-Szemerey has the right of first offer in case BILK Logisztikai Zrt. intends to sell the leased premises or the underlying land.

In September 2016, Waberer's-Szemerey concluded a built-to-suit lease agreement with Prologis Hungary Sixteen Kft. for the lease of warehousing and office premises with the overall area of approx. 34,844 square metres. The leased premises are to be handed over to Waberer's-Szemerey in three stages, the first, in respect of 13,873 square metres was concluded in December 2016 and January 2017, the second, in respect of 7,008 square metres, in March 2017, and the third, in respect of the remaining area, in April 2017. The warehousing capacity at Prologis has been leased to Waberer's-Szemerey until 17 March 2022 in respect of 61.2% of the area and until 17 April 2022 in respect of the remaining 38.8% of the area.

Agreement for the purchase of shares of the Insurance Company

On 28 December 2015, the Company as purchaser and WHV-Invest Kft., VKH Vagyonkezelő Kft. and W-New Holding Kft. all of whom are beneficially owned by Mr György Waberer as sellers concluded a sale and purchase agreement for the shares of the Insurance Company ("WHB SPA"). After all necessary regulatory approvals, such as the approval of the MNB, the transaction closed on 8 April 2016 and was approved by the Company's General Meeting on 18 April 2016. Pursuant to the WHB SPA, the Company agreed to pay HUF 4 billion as a financial consideration for the shares. Pursuant to the WHB SPA, payment of the second half of the purchase price was conditional upon a successful initial public offering of the Company. As the initial public offering of the Company did not occur before the date set out in the WHB SPA, the Company was not required to pay the second half. Subsequently, when the Selling Shareholder acquired the stake of Mr György Waberer, the offer price reflected the original Group and the Insurance Company together, which was accepted by Mr György Waberer.

The WHB SPA contains standard warranties such as a one year protection for general warranties, unlimited protection against title related warranties and seven years for taxation related warranties and representations and certain other protections to the Company. The WHB SPA also contains certain limitations on the sellers' liability for breach, including a relatively high de minimis threshold of HUF 100 million. Management is not aware of any grounds under the WHB SPA to enforce any claims by the Company against the sellers. There are no outstanding purchase price instalments or other residual payment obligations to the sellers under the WHB SPA.

Waberer Trademark Agreement

The Company's name and logo are protected by trademarks registered in the name of the Company. Mr György Waberer, the former chief executive officer and former shareholder of the Company, and the Company entered into a trademark agreement with Mr György Waberer's regulating the use of Mr György Waberer's name by the Company (i) as the Company's name and (ii) in the Company logos protected by the trademarks, for an indefinite period and without any consideration (the "Waberer Trademark Agreement"). The Waberer Trademark Agreement (and all rights and obligations thereof) applies also to the Company's consolidated subsidiaries that use the name of "Waberer" in their company name or trademarks.

Beginning from 31 March 2018, Mr György Waberer has the right to request that the Company stops using the "Waberer" name as part of its trade name and trademark, with a three year grace period starting with such request but in any case no earlier than on 31 March 2018, during which the Company can continue to use the "Waberer" name allowing the Company adequate time to rebrand. Further, upon the passing away of Mr György Waberer, the Company will lose the right to use the "Waberer" name on the date which falls three years from the date of the passing away of Mr György Waberer, but in any event not earlier than 31 March 2021. In any event of termination, the Company shall cease the use of the name "Waberer". As the Company has a right to use the "Waberer" name at least until 31 March 2021, management believes that the three year grace period provided by the Waberer Trademark Agreement is adequate time to allow for a cost effective

rebranding of the Company's operations. Furthermore, the management is of the view that the relatives of Mr György Waberer shall be entitled to use the name "Waberer" during the relevant grace period as the prohibition set out in the Waberer Trademark Agreement in respect of using the name "Waberer" by the relatives may not be enforceable as per the provisions of Hungarian law.

Telecommunications agreement

The Group's IT system is provided by a leading Hungarian information and telecommunication company. The Group has a number of service agreements in place with this provider regarding cable, voice, and information forwarding, helpdesk, server hosting and operation, and other services. The current service agreements were entered into at various dates in the first half of 2015 for a definite term of five years. The aggregate amount of fees paid by the Group was EUR 16 thousand for the three months ended 31 March 2017, EUR 65 thousand for the year ended 31 December 2016, EUR 65 thousand for the year ended 31 December 2015 and EUR 466 thousand for the year ended 31 December 2014.

Material agreements of the Insurance Company

The Insurance Company has the following material agreements: (i) deposit, bank account, conversion, bankcard agreements with a major Hungarian bank; (ii) foreign currency, overdraft, own-account, bank account agreements with the Hungarian branch of a large multinational banking group; (iii) office lease agreements; (iv) delivery and services agreement with a Hungarian postal service provider and (v) portfolio management agreements with OTP Alapkezelő Zrt., AEGON Magyarország Befektetési Alapkezelő Zrt and Pioneer Befektetési Alapkezelő Zrt.

Agreement relating to the acquisition of LINK

On 26 May 2017, the Company as purchaser and Aleksandra Ellert as seller concluded a preliminary share sale agreement for the shares of LINK and Link Services sp. z o.o. Closing of the transaction is conditional upon (i) obtaining an unconditional approval of the completion of the transaction from the relevant Polish and German competition authorities and (ii) commencement of trading in the Shares on the Budapest Stock Exchange. If these conditions are not satisfied or waived on or before 31 October 2017, either party may terminate the agreement. The preliminary share sale agreement includes customary warranties and interim period covenants. The price for the shares in LINK and Link Services sp. z o.o. is a locked box price based on the financial statements (audited in the case of LINK) for 2016, and subject to indexation. The acquisition of LINK and Link Services sp. z o.o. is to be fully funded by the Company from its net proceeds from the Offering (see "*Use of Proceeds*").

RELATED PARTY TRANSACTIONS

The following is a summary of transactions with related parties as defined in IAS 24 “Related Parties Disclosure”, in accordance with IFRS. Transactions between related parties are effected on the same terms, conditions and amounts as transactions between unrelated parties. The Group is, and has been, a party to various agreements and other arrangements with certain related parties, the most significant of which are described below.

Overview

Following the Offering, the Selling Shareholder will continue to hold a majority of the Company’s share capital. The Company and its subsidiaries engage in several transactions with related parties or their affiliates from time to time and in the ordinary course of business. The Company, from time to time, receives advisory services from Projektentwicklung GmbH, a company controlled by Mr Delacher, a member of the Board of Directors, and from Lakatos, Köves and Partners, a law firm controlled by Mr Lakatos, a member of the Board of Directors, which also acts as legal advisor to the Company in connection with the Offering and this Prospectus. Before the date of the Prospectus, these transactions with related parties or their affiliates included mainly transactions with parties controlled by Mid Europa or their affiliates and were primarily related to a management and oversight advisory service from entities controlled by Mid Europa, which were terminated upon the listing of the Shares on the Budapest Stock Exchange.

The Company’s policy is to enter into transactions with related parties on terms that are generally no more favourable, or no less favourable, than those available from unaffiliated third parties. Such transactions are subject to approval of the Board of Directors and based on the Company’s experience in the businesses in which it operates and the terms of transactions with unaffiliated third parties, management believes that all related party transactions met this standard at the time they occurred and were carried out on arms’ length terms.

The Company did not receive any material revenues from related parties in any of the three months ended 31 March 2017 and in any of the years ended 31 December 2016, 2015 and 2014.

As of and in the three months ended 31 March 2017 and 2016 and years ended 31 December 2016, 2015 and 2014, the Company received the following services (and incurred the following costs payable) resulting from related party transactions with entities affiliated with Mid Europa, including the Selling Shareholder:

	For the three months ended 31 March		For the Year ended 31 December			
	2017	2016	2016	2015	2014	
	<i>(in EUR thousands)</i>					
Services received by the Company:...	413	—	1,650			
Management services.....	413	—	1,650			
Other services	—	33	33	432	466	
		As of 31 March	As of 31 December			
		2017	2016	2015	2014	
		<i>(in EUR thousands)</i>				
Total costs payable.....		413	1,683	432	466	

Relationship Agreement

On or about the date of this Prospectus, the Company and the Selling Shareholder intend to enter into a relationship agreement (the “**Relationship Agreement**”) which will come into force on Trading Date. The principal purpose of the Relationship Agreement is to ensure that the Group is capable at all times of carrying on its business independently of the Selling Shareholder and its affiliates and that all transactions and relationships between the Selling Shareholder and the Company and/or its subsidiaries will be carried out at arm’s length and on normal commercial terms.

The Relationship Agreement will continue until the earlier of (i) the Shares ceasing to be listed and traded on the Budapest Stock Exchange; (ii) the Selling Shareholder (together with any of its affiliates) ceasing to be entitled to exercise or control the exercise in aggregate of 5% or more of the votes able to be cast on all or substantially all matters falling into the competence of the general meeting of the Company; or (iii) the Admission not being completed by 6 July 2017, or such later date as may be agreed in writing by the Selling Shareholder and the Company.

Under the Relationship Agreement, the Selling Shareholder will undertake to the Company to ensure that:

- it will not act in any way or omit to act in any way which shall prejudice the ability of the Group to carry on its business independently of the Selling Shareholder and its affiliates;
- it will not, and will procure that its affiliates will not, take or authorise any action that would have the effect of preventing the Company from complying with its obligations under applicable law or which would prejudice the Company's suitability for listing or, following Admission, its status as a listed Company;
- it will not influence the day-to-day running of the Company at an operational level or hold or acquire a material shareholding in one or more material members of the Company;
- it will not, and will procure that its affiliates will not, propose or procure the proposal of any Shareholder resolution which is intended or appears to be intended to circumvent the proper application of any applicable law; and
- it will not, and will procure that its affiliates will not, conduct any transactions and arrangements between the Selling Shareholder or any of its affiliates on the one hand and any member of the Group on the other hand on an arm's length basis and on normal commercial terms, in particular:
 - no amendments to any agreements or arrangements without the approval of the Board of Directors, including the affirmative vote of at least one Independent Director;
 - no waiver of any terms without the approval of a majority of the independent Directors; and
 - in the event of a matter giving rise to a conflict of interest between (i) any member of the Group and (ii) any affiliate of the Selling Shareholder, only the independent Directors may, on behalf of the relevant member of the Group, vote in relation to that matter.

In addition, under the Relationship Agreement, the Selling Shareholder will not, and will procure that its affiliates will not, vote in relation to the Offer Shares held by it or its affiliates on any resolution of the Company in relation to contracts, arrangements or transactions intended to be entered into, varied, amended, novated, terminated, enforced or abrogated by and between any member of the Group and the Selling Shareholder or any of its affiliates where a majority of the independent Directors determines that there is an actual or potential conflict of interest between any member of the Group and the Selling Shareholder or any of its affiliates that is material to the Group.

For so long as the Selling Shareholder and its affiliates exercise or control the exercise of 5% or more of the votes able to be cast on all matters at general meetings of the Company, the Selling Shareholder will be entitled to nominate for appointment to the Board of Directors one Selling Shareholder director and to remove from office any such person so appointed and nominate for appointment another person in that person's place.

REGULATION

Transportation and Logistics

Licences

The Group's main operations are regulated and licensed by the Hungarian National Transport Authority ("HNTA") within Hungary and by the EU and local governmental transportation agencies outside of Hungary. The HNTA issues the operating licenses required by both the Group's domestic operations in Hungary (the "**Domestic License**") and its international operations throughout the EU (the "**EU License**"). The Domestic License is issued separately for each truck and trailer (separately for each vehicle registration number), whereas the EU License is issued in the name of the Company and generally covers the entire own-asset fleet. The Group's own-asset fleet only carries out international road transportation within the geographical area of the EU and any road transportation outside of the EU is carried out through the Group's sub-contractors who are responsible for procuring their own licenses and permits for providing road transportation services. Through the monitoring process of subcontractors, the Group verifies that each sub-contractor holds the licenses and permits required by applicable law.

Additionally, the Group has a number of permits, authorisations and licences issued by various bodies, regarding other aspects of its operations such as permits to use its premises, operate fuel stations at its premises or certain specific permits to transport live animals or hazardous materials.

EU Law and International Treaties

The Convention on the Contract for the International Carriage of Goods by Road (the "**CMR Convention**") is a United Nations convention signed in Geneva on 19 May 1956. The CMR Convention entered into force on 2 July 1961 and currently has 55 parties, including all EU Member States. The CMR Convention applies to every contract for the carriage of goods by road in vehicles for reward, when the place of taking over the goods and the place of delivery of the goods is situated in two different countries, at least one of which is a party to the CMR Convention. The CMR Convention sets forth rules governing the respective obligations and responsibilities of the carrier and the sender, liability, burden of proof, the conclusion of contracts for carriage, the performance thereof and jurisdiction. Among others, the CMR Convention also states that contractual stipulations which directly or indirectly derogate from the provisions of the CMR Convention shall be null and void.

The Group is further required to comply with road safety requirements resulting from international treaties concluded among member states of the United Nations. Accordingly, the Group's trucks and trailers are subject to the technical requirements set forth by the United Nations Convention on Road Traffic concluded in Vienna on 13 November 1997 on the worthiness tests for motor vehicles and their trailers (the "**Vienna Convention**"), subsequently implemented into the Hungarian legislation in 2001. Upon fulfilment of the technical requirements set forth in the Vienna Convention, the HNTA issues a so-called "international permanent certificate" to carry out international goods transport. Further, the Group operations are subject to the European Agreement concerning the International Carriage of Dangerous Goods by Road (ADR) concluded in Geneva on 30 September 1957 under the auspices of the United Nations Economic Commission for Europe, which entered into force on 29 January 1968.

In terms of regional road safety policies, the Group's operations within the territory of the EU are subject to several regulations adopted by the European Parliament and the Council, which impose various fitness, weight, dimensional, safety, and security requirements and provisions relating to the drivers' working hours. Regulation No 561/2006 of the European Parliament and of the Council of 15 March 2006 on the harmonisation of certain social legislation to road transport (the "**ECC**") imposes rules on drivers transporting goods by vehicles exceeding 3.5 tons, requires drivers to take breaks more frequently and provides for improved and simplified checking and penalty measures. The ECC requires all carriers to install and use electronic on-board recording devices (the so called "digital tachograph") in their trucks to electronically monitor truck kilometres and enforce hours-of-service. Regulation No 78/2009 of the European Parliament and the Council of 14 January 2009 on the type-approval of motor vehicles with regard to the protection of pedestrians and other vulnerable road users (i) sets forth requirements for the construction and functioning of frontal protection systems in the event of a head-on collision with another vehicle, (ii) requires enhanced technology to avoid collisions with cyclists and pedestrians, and (iii) sets forth requirements for type-approved brake assist systems (BAS) to be fitted on trucks and trailers. Pursuant to the Rome I Regulation (EC) No

593/2008 of the European Parliament and of the Council of 17 June 2008 on the law applicable to contractual obligations) which governs the choice of law in the EU, if a worker performs his employment duties in several member states of the EU, the law of the member state where the worker habitually works for his employer should apply. However, the EU Posted Workers Directive (Directive 96/71/EC of the European Parliament and of the Council of 16 December 1996 concerning the posting of workers in the framework of the provision of services) which is concerned with the free movement of workers within the EU, ensures that minimum terms and conditions of employment in place in a member state must also apply to workers posted to such member state.

Regulation (EC) No 561/2006 of the European Parliament and of the Council of 15 March 2006 provides a common set of EU rules for maximum daily and fortnightly driving times, as well as daily and weekly minimum rest periods for all truck drivers. This regulation imposes, among others, certain mandatory requirements that:

- daily driving periods for drivers do not exceed nine hours in a day generally, although for two days in a given week such periods may be extended to ten hours;
- total weekly driving time for a driver may not exceed 56 hours and the total driving time per fortnight may not exceed 90 hours;
- daily rest periods generally be at least 11 hours, although the rest time can be reduced to nine hours in a given day no more than three times a week; this daily rest can be split into two parts, a three hours rest followed by a nine hours rest to make a total of a 12 daily rest period;
- there be a weekly rest for drivers of 45 continuous hours, which can be reduced every second week to 24 hours; and
- breaks of at least 45 minutes every four and a half hours of driving.

The Group is required to observe various international and national regulations governing the management of hazardous wastes, discharge of pollutants into the air and surface and underground waters, and the disposal of certain substances. In particular, the Group is subject to technical requirements including, but not limited to, exhaust and noise emissions and safety measures on trucks which are deemed to be completed through the use of EURO 5 and EURO 6 categories of vehicles in its International Transportation Segment. Further, the Group is subject to environmental regulations resulting from the underground storage of fuel on its real estate. The Group complies with all technical and environmental requirements and does not believe that compliance with any of such regulations has a material effect on its capital expenditures, earnings, and competitive position.

The Company has operated a system compliant with the standard EN ISO14001:2004 and ISO14001:2009. In accordance with the provisions of the standard, the Company has constantly monitored and analysed its environmental burden and endeavoured to ensure that the impact of its activity on the environment is appropriate. In addition, the Group also operates an ISO 50001:2011 compliant system.

Hungarian Law

The Group is obligated to comply with applicable local and regional road safety policies and regulations regarding the performance of its vehicles and drivers. Act I of 1988 on road transport (the “**Hungarian Road Transport Act**”) provides the applicable measures and evaluation criteria for the on-road safety performance of trucks and trailers as well as drivers in Hungary. Any violation under the Hungarian Road Transport Act may result in a penalty amounting up to HUF 800,000. In accordance with the provisions of the Directive 2002/15/EC of 11 March 2002 on the organisation of the working time of persons performing mobile road transportation activities, the Hungarian Road Transport Act and Act of 2012 on the Labour Code (the “**Hungarian Labour Code**”) set forth several requirements in relation to working time of drivers. In Hungary, the average weekly working time is 48 hours which may be increased to 60 hours provided that an average of 48 hours per week is not exceeded in any four-month period. Furthermore, the Hungarian Government Decree No 261/2011 implementing the European Regulation No 1071/2009 also requires the Group to evidence that (i) it is able to meet its financial obligations and has at its disposal, every year, capital and reserves totalling at least EUR 9,000 for the first vehicle and EUR 5,000 for each subsequent one by either presenting certified annual accounts or a certified opening bank balance or a financial guarantee; (ii) it has a good reputation on the market; and (iii) it is professionally competent in the field of road transportation. Any violations by the Group of such requirements or any other technical, personal, operational, safety and environmental requirements imposed on carriers may lead to the limitation, suspension or withdrawal of the EU License granted by the HNTA. Further, the Hungarian

Government Decree No 120/2016 on road transport contracts establishes the framework for road transportation contracts provided that the transportation activity is carried out in the territory of Hungary. This government decree determines the minimum requirements for a transportation contract and stipulates that the payment term cannot be longer than 30 days from the receipt of the invoice. Compliance with the rules contained in the government decree may result in the invalidity of the relevant transportation contract.

In 2015, an Electronic Road Transport Controlling System (“EKÁER”) was introduced in Hungary. The purpose of EKÁER is to strengthen the market position of compliant economic organisations, make the transport of goods more transparent, fight fraud related to food products, which often endanger human health, and eliminate tax evasions. Due to the usage of EKÁER system, the actual route of the goods may be tracked as the transport related data (such as name and quantity of the goods or the registration number of the vehicle) have to be registered in a central electronic system before the commencement of the transport. The obligation to submit data applies to all road transport of goods performed by using vehicles subject to road toll payment (vehicles exceeding 3.5 tons of maximum gross weight). Unreported goods shall be deemed of unconfirmed origin, upon which a default penalty amounting up to 40% of the value of the unreported goods may be imposed and the National Tax and Customs Administration of Hungary may seize the goods to the extent of the amount of the default penalty.

Minimum wages and working conditions of drivers

Certain Member States have recently enacted further protective measures to improve driver working environment and road safety conditions. It can be generally expected that the national and European trends introducing protective measures to improve driver working environment and road safety conditions will continue in the future with a potential threat that the Group will need to further invest in additional technology to monitor driver rest periods and driving habits and otherwise, could cause higher labour and operating costs.

Below is an overview of such regulation in the countries of the Group’s International Transportation Segment.

Germany

As of 1 January 2015, Germany introduced the MILOG Act, which imposes an obligation on employers to pay the German minimum wage (EUR 8.84/hour as of 1 January 2017) to all employees who have no German employment contract, but conduct work activities within the territory of Germany. Although no experience is available as yet on the application and interpretation of the new law, its scope includes all employees, irrespective of their citizenship and the country where they have an employment relationship. Pursuant to the MILOG Act, the activity of lorry drivers conducted within the territory of Germany qualifies as work performed in Germany, notwithstanding whether the purpose of transport within the territory of Germany is loading and unloading or simply transit. As of the date of this Prospectus, the application of the regulation for transit operations is suspended due to the infringement procedure against Germany. The stipulated minimum wage as would be required to be applied by the MILOG Act is many times (typically four or five times) in excess of the wages paid in the CEE region, including in Hungary. The German authorities have started to conduct checks with respect to the compliance of operators with the MILOG Act. Any failure to comply with the new German minimum wage requirements may result in a penalty of up to EUR 500,000 in case of non-compliance with respect to financial terms and up to EUR 30,000 in case of non-compliance with administrative terms. For a description of the impacts of the MILOG Act and the risk related thereto, please see “*Risk Factors—Risks Related to Regulatory Matters—Adoption of regulation regarding minimum wages in the European truckload industry by the Members States in which the Group operates could adversely affect the Group’s business, financial condition, results of operations and prospects*”.

As of 25 May 2017, Germany introduced a law prohibiting drivers from spending their regular mandatory 45 hours weekly rest in the cabin of the vehicle (*Fahrpersonalgesetzes* 8a.§). If a driver spends the regular weekly rest in the cabin of the vehicle, both the haulier company and the driver breach this regulation and could face fines in the amount of EUR 500 in case of the driver and EUR 1,500 in case of the haulier company).

France

As of 1 July 2016, France introduced the Loi Macron Act, which imposes on employers the obligation to pay at least EUR 9.71/hour to all employees conducting work activities within the territory of France, which was increased to EUR 9.76/hour as of 1 January, 2017. The French sectoral collective agreement lays down specific amounts of payments regarding the board, lodging and (where applicable) travel expenses of the drivers. The Loi Macron Act requires, among other factors, that transportation companies comply with certain administrative burdens such as filing of travel orders, providing the drivers with adequate paperwork translated into French evidencing compliance with the Loi Macron Act or engaging a person who is in contact with the French authorities and appointing a contact person or company in the territory of France. The French authorities have started to conduct checks with respect to the compliance of operators with the Loi Macron Act. Any failure to comply with the new French minimum wage requirements may result in a penalty of up to EUR 2,000 per employee, in case of repeated breach up to EUR 4,000 per employee per year up to a maximum of EUR 500,000 per year. For a description of the impacts of the Loi Macron Act and the risks related thereto, please see “*Risk Factors—Risks Related to Regulatory Matters—Adoption of regulation regarding minimum wages in the European truckload industry by the Member States in which the Group operates could adversely affect the Group’s business, financial condition, results of operations and prospects*”.

In addition, French Law no. 2014-790 of 10 July 2014 on combating unfair labour competition, supplemented the existing scheme aimed at regulating the conditions in which foreign workers are temporarily posted in France and, in particular, prohibited drivers from taking their regular weekly rest (45 hours) in the vehicle. Where an infringement is detected, French authorities are entitled to impose severe sanctions including a year in prison and a fine of EUR 30,000.

Italy

As of 23 July 2016, a new law on the posting of workers covering also the transport sector entered into force in Italy (its implementing decree entered into force on 10 August 2016 and the ministerial decree which specified that the regulation only apply to cabotage operations entered into force on 22 December 2016). The main aim of the law is to grant the posted workers the same working and employment conditions applicable in the country where the posting takes place. Before each posting, the posting company must send to the Italian Ministry of Labour information, including the number of workers involved, the date of beginning and end of the posting, the place of performance of the service. Specifically, the enterprise posting workers in Italy is obliged to communicate the posting details before 24:00 of the day preceding the beginning of the posting and to communicate all subsequent modifications within five days. During the period of posting and up to two years after its termination, the posting company is obliged to store (with a copy in Italian) the employment contract, the payslips, the statements about the start, the end and the duration of working time, the documentation proving the payment of salaries, the public communication concerning the establishment of the employment relationship, and the certificate related to the applicable social security legislation (A1 document). It is also mandatory to have an Italian representative of the undertaking on the national territory. This representative must be able to respond to requests from the enforcement services and must be in possession of a certain number of documents of the undertaking. Any failure to comply with the new Italian requirements may result in a penalty of up to EUR 50,000 per employee. For a description of the impacts of the Italian Minimum Wage Act and the risk related thereto, please see “*Risk Factors—Risks Related to Regulatory Matters—Adoption of regulation regarding minimum wages in the European truckload industry by the Member States in which the Group operates could adversely affect the Group’s business, financial condition, results of operations and prospects*”.

Austria

As of 1 January 2017, Austria introduced the Austrian Minimum Wage Act. The scope of the regulation is cabotage and bilateral point-to-point international transport operations. The Austrian Minimum Wage Act is not as specific as the MILOG Act or the Loi Macron Act and its actual interpretation is uncertain and yet to be determined. However, the Group is obliged to comply with minimum wage requirements prescribed in collective agreements which carry a certain level of uncertainty as these collective agreements usually require to apply a different minimum wage depending on, among others, age, education or work experience. The Austrian Minimum Wage Act also requires the drivers to carry with them paper-based and electronic documents (A1, ZKO3), other

supporting documentation such as the employment contract, proof of payment, bank transfer or payroll records in German language evidencing compliance with the laws. The Austrian authorities have started to conduct checks with respect to the compliance of operators with the Austrian Minimum Wage Act. Any failure to comply with the new Austrian minimum wage requirements may result in a penalty of up to EUR 1,000 to 10,000 per employee (EUR 2,000 to 20,000 per employee in case of repeated breaches) and EUR 500 to 5,000 per employee in case of missing required documents regarding wages (EUR 1,000 to 10,000 in case of repeated breaches). For a description of the impact of the Austrian Minimum Wage Act on the Group and risks related thereto, please see *“Risk Factors—Risks Related to Regulatory Matters—Adoption of regulation regarding minimum wages in the European truckload industry by the Members States in which the Group operates could adversely affect the Group’s business, financial condition, results of operations and prospects”*.

Belgium

As of 1 April 2017, Belgium introduced a mandatory minimum wage for drivers of non-Belgian transport companies performing cabotage operations in Belgium. Belgium thus aims to create a more attractive environment for the processing of posted workers and pays particular attention to their rights and working conditions. If a foreign driver is to perform cabotage operation in Belgium the Belgian authorities must be notified prior to the operation through the website: www.limosa.be. The following minimum wage requirements apply to drivers performing cabotage operations in Belgium: (i) for drivers of vehicles up to 7 tons: EUR 10.8865 per hour in case of a 38 hour week and EUR 10.6075 per hour in case of a 39 hour week with six days of paid compensation; (ii) for drivers of vehicles between seven and 15 tons: EUR 11.1310 per hour in case of a 38 hour week and EUR 10.8455 per hour in case of a 39 hour week with six days of paid compensation; and (iii) for drivers of vehicles over 15 tons, articulated vehicles, ADR vehicles and refrigerated trucks: EUR 11.5210 per hour in case of a 38 hour week and EUR 11.2250 per hour in case of a 39 hour week with six days of paid compensation. For a description of the impacts of the mandatory minimum wage in Belgium on the Group and risks related thereto, please see *“Risk Factors—Risks Related to Regulatory Matters—Adoption of regulation regarding minimum wages in the European truckload industry by the Members States in which the Group operates could adversely affect the Group’s business, financial condition, results of operations and prospects”*.

Further, the Belgian Royal Decree of 19 April 2014 (amending the Royal Decree of 19 June 2000) relating to the collection and payment of fines for certain infringement in road transport, increased the penalty for lack of CMR insurance in transport applicable to both Belgian and foreign carriers and introduced a new fine for drivers resting in the cabin of the truck when taking their regular 45-hour weekly rest. Where an infringement is detected regarding the resting in the cabin of the truck, the on-the-spot fine is EUR 1,800 and in case there is no immediate payment, the authorities are entitled to block the vehicle, request a refundable deposit or if the fine is not paid within 96 hours, the vehicle can be confiscated. The case can also be presented to a judge where, in case of a guilty verdict, the fine can reach EUR 60,000.

Hungarian National Action Plan for Transportation

On 7 August 2015, the Hungarian Government issued Government Decision no 1560/2015 regarding measures aiming to enhance the competitiveness of logistics, road freight transportation and passenger transportation companies (the **“Transportation Action Plan”**). As a general matter, the government decision is a rule of law issued by the Hungarian Government in order to regulate its organisation and operation, activity and action plan. The government decision constitutes secondary legislation and the provisions thereof are only mandatory vis-à-vis the members of the Hungarian Government.

According to the Transportation Action Plan, in order to increase financial results in the Hungarian road transportation sector, improve employment rates and enhance taxation conditions in the industry, among other measures, the Hungarian Government intended to focus on the following:

- Protection of the domestic road transportation industry by (i) enhancing the surveillance of the legitimacy of foreign enterprises competing in the Hungarian market; (ii) increasing the level of penalties and reducing illegal activities; and (iii) pursuing active diplomacy in order to represent and defend Hungarian interests and increasing efforts to harmonise the legislation of domestic tax-free cost allowance and EU minimum wage regulation;
- Promotion of continuous labour supply and resolving driver shortages by (i) improving professional driver education in “C”, “D”, “C+D”, “D+E” and GKI categories with the necessary state financing; (ii) reconsidering the minimum age of 18 years for employees in the

domestic transportation sector; (iii) amending the regulation on travel allowance to provide for higher flat rate reimbursements for domestic drivers abroad; (iv) reconsidering the current education system and driver examination processes; (v) simplifying the regulation applicable to employing heavy vehicle drivers from other EU nations; and (vi) issuing new laws regulating the conditions of the transportation sector;

- Development of domestic fleet and infrastructure by (i) renewing the national vehicle fleet by allowing exemptions from onerous asset transfer duty payments concerning heavy trucks and transportation vehicles; (ii) increasing the number of parking lots for trucks and also improving the equipment and security at such parking lots; (iii) establishing a network of service stations for trucks; (iv) further improving the new electronic road fee system based on practical experience and lessons learnt since the introduction of such new system; and (v) establishing and developing the so called “city-logistic system” in order to mitigate the environmental burden of road transportation; and
- Improvement of the regulatory environment by (i) taking administrative actions to allow for on-the-spot penalties; (ii) lowering the administrative burden concerning trucks and heavy vehicles; (iii) reconsidering the vehicle taxation system and adjusting taxes towards the minimum levels set in the EU legislation; (iv) amending regulations which cannot be complied with due to the special nature of the drivers’ activity and establishing a new regulatory framework to comply with the special EU regulations in the field and harmonising the domestic labour legislation to related EU norms; (v) reconsidering traffic regulations in case of violations of special rules that are valid for heavy duty vehicles and applying the same requirements for both domestic drivers and foreign drivers; and (vi) amending applicable regulations so that high-speed permission for buses shall be based on the vehicle’s condition instead of its age.

On 13 June 2016, the Hungarian Government issued Government Decision No. 1291/2016 relating to the Transportation Action Plan, in which the Government reinforces its intentions described in the Transportation Action Plan and takes further steps towards establishing a special control group which would exercise roadside controls at a national level. Since the adoption of the Transportation Action Plan in August 2015, the Hungarian Government adopted a number of measures with a view of implementing such Transportation Action Plan. Recently adopted measures include in particular the following: (i) pursuant to a regulation on travel allowance, the flat rate reimbursements were increased from HUF 500 to HUF 3000 per day for domestic drivers abroad, (ii) provisions were made for the exemption from expenses of trucks purchased after 1 January 2016; (iii) 7.5% of the road tolls paid abroad may be deducted from the a transportation company’s business tax (previously this was only possible in respect of road use within the country); (iv) since 1 January 2016, the Hungarian Taxation Authority is entitled to inspect permits at the transportation business operator’s premises and transit sites and may impose administrative penalties without a prior administrative ruling in order to reduce illegal activities resulting from unlicensed road transportation activities; (v) increase of the subsidisation of driver education in the “C”, “CE” and “GKI ” categories by HUF 5 billion; and (vi) simplified administrative procedures (for example, in order to ensure timely processing and to allow the goods to be moved on, in the case of supervision of the road transportation operators, if no offence is found by the Hungarian Taxation Authority, an official report will only need to be filed upon request of the person concerned).

Insurance

The regulatory framework for the European insurance industry is laid down in the Solvency II Directive that came into effect on 1 January 2016. Solvency II Directive encourages a deeper single insurance services market that enables companies registered in the EU to operate with a single license throughout member countries by setting up a unified legal framework for all insurance and reinsurance entities operating in the EU. Compared to the Solvency I Directive (73/239/EEC) introduced in 1973, the Solvency II Directive has a wider scope and reflects new risk management practices to define required capital and manage risks. The Solvency II Directive codifies and harmonises the EU insurance regulation and primarily concerns the amount of capital that EU insurance companies must hold to reduce the risk of insolvency. The provisions of the Solvency II Directive have been implemented into Hungarian law by the Hungarian Insurance Act which sets forth directly applicable rules creating the regulatory environment for the Insurance Company’s operation in the insurance segment. Management believes that as of the date of this Prospectus, the Insurance Company is in compliance with the Solvency II Directive’s solvency requirements.

the Insurance Company's operations in the insurance sector are currently supervised and licensed by the MNB. The MNB issues the foundation license as well as the operating licenses for all insurance companies registered in Hungary. The Insurance Company's foundation license was issued on 9 September 2008 (license no. E-II-273/2008) and is valid for an indefinite period of time (until revoked), while its operating licenses were issued on 27 October 2008 (license no. E-II-396/2008), 17 February 2011 (license no. EN-II-35/2011), 11 June 2011 (license no. EN-II-125/2011) and 30 May 2016 (license no. H-EN-II-86/2016) and are valid for an indefinite period of time (until revoked).

The Insurance Company also employs an internal compliance specialist who annually reviews the internal compliance of the Insurance Company in relation to certain areas including its relevant policies with respect to, among others, conflict of interest, data protection or money laundering.

Regulatory Procedure

In 2015 and 2016, the Insurance Company was subject to a regulatory audit by the MNB (and before March 2015, by its predecessor, the Hungarian Financial Supervisory Authority) in its capacity as the regulator of the insurance market in Hungary. The audit is a regular review process undertaken by the MNB of all insurers every three years, and is focused on all aspects of the Insurance Company's operations. Following field work and management interviews, the MNB issued a number of resolutions in which it established the non-compliance of the Insurance Company with certain provisions of the Hungarian Insurance Act and imposed fines of HUF 400,000 in 2017, HUF 14,000,000 in 2016. The shortcomings established by MNB in 2016 were the following:

- the Insurance Company's outsourcing agreements did not comply with the statutory provisions of the Hungarian Insurance Act, for instance by failing to include insurance secret related obligations or termination rules;
- the Insurance Company's insurance agreements did not comply with the statutory provisions of insurance law, for instance by using incorrect or ambiguous wordings, failing to determine important obligations, and by using unlawful definitions;
- the Insurance Company did not comply with its customer information obligations. For instance, it did not send relevant documents to its customer, its agreement included ineffective or incorrect references, it did not draw the attention of the customers to certain points of the agreements;
- the Insurance Company did not operate its complaint handling systems properly. For instance, complaints were not registered or not answered in time, its complaint handling rules did not comply with the applicable laws, its call centres were unavailable for certain periods;
- the Insurance Company did not inform in due course the competent registries, bodies, bond issuers of the damages occurred and did not register its documents in timely manner;
- the Insurance Company did not set up its internal risk management system and applicable internal procedures, the supervisory board of the Insurance Company did not approve the inspection plan of the IT security appointee, and the supervision of the implementation of the recommendation of the internal supervisory team did not occur;
- the Insurance Company did not take into consideration the expiry of its obligation with respect to the outstanding claims reserves between second quarter of 2013 and third quarter of 2015;
- certain committees of the Insurance Company were not properly included in its organisational rules;
- the call centre of the Insurance Company did not record the incoming calls between 1 and 10 April 2015 and did not conduct the statutory inspection being applicable in such cases;
- the invoicing system order (in Hungarian, *számlarend*) of the Insurance Company did not include every main invoice of the company, even though these invoices were included in the chart of accounts; and
- the capital reserves ratio of the Insurance Company in 2015 and 2014 did not comply with the applicable Solvency II rules.

Management believes that the Insurance Company has rectified the identified discrepancies and implemented the required measures. The Insurance Company has also paid the fines imposed until 31 December 2016 and implemented the required measures. As of the date of this Prospectus, the MNB is in the process of reviewing the answers of the Insurance Company to the inquiries of the abovementioned investigation conducted by MNB from May 2016.

DESCRIPTION OF SHARE CAPITAL AND SUMMARY OF ARTICLES OF ASSOCIATION

This section of the Prospectus includes a description of the Company's share capital, of the material terms of its Articles of Association effective upon the Offering and of applicable Hungarian law. The following description is intended to be a summary only and does not constitute legal advice regarding those matters and should not be regarded as such. This summary contains only material information concerning the corporate status and the share capital of the Company and does not purport to be complete and should be read in conjunction with the Company's full Articles of Association and applicable Hungarian legislation.

The rights and obligations relating to the Shares are specifically regulated under the Hungarian Civil Code, the Hungarian Capital Markets Act and the Company's Articles of Association. The following information regarding the share capital of the Company is based on the audited consolidated financial statements of the Company as of the year ended 31 December 2016.

General

The Company is a private company limited by shares, and, with effect as of the date of Admission, a public company limited by shares, incorporated under Hungarian law, with registered seat in H-1239 Budapest, Nagykörösi út 351, Hungary. The Company is duly registered with the Court of Registration of the Metropolitan Court.

The Company's Articles of Association does not set out the Company's objects and purposes.

Registered Share Capital

The Company's registered share capital was increased from HUF 1,372,280,000 to HUF 1,465,402,800 during the Company's corporate transformation on 30 November 2011. On 1 January 2013, the Company started using EUR-based bookkeeping and financial reporting and its registered share capital was exchanged to EUR 5,128,909.80. There has been no change in the Company's registered share capital in the years ended 31 December 2016, 2015 and 2014. The Company's registered share capital is comprised of cash and in-kind contribution.

The shareholders of the Company and that of its legal predecessors have carried out several capital increases and corporate transformations since the establishment of the Company in 1948. Since 1948, there have been varying legal requirements applicable to the Company, and documentation regarding certain past capital increases and corporate transformations (in particular relating to the history of the Company prior to 1990) no longer exists. Based on information currently available to it, the Company's management believes that approximately 70% of the registered share capital of the Company is comprised of in-kind contributions while the remaining 30% comprises of cash contributions.

The Shares are representing holding in the share capital denominated in EUR. As of the date of this Prospectus, the Company's registered share capital of EUR 5,128,909.80 consists of 14,654,028 dematerialised, series "A" ordinary registered shares with a nominal value of EUR 0.35 each. As of 31 December 2016, the Company's registered share capital of EUR 5,128,909.80 consisted of 14,654,028 dematerialised, series "A" ordinary registered shares with a nominal value of EUR 0.35. The book value of each of the Shares was EUR 7.59 and EUR 7.34 as of 30 April 2017 and as of 31 December 2016, respectively, calculating with the total equity attributable to the equity holders of the parent company. All Existing Shares have been fully paid up. All Shares provide equal rights to the shareholders. The number of ordinary registered shares issued by the Company as of 1 January 2016 was 14,654,028 which equals to the number of ordinary registered shares issued by the Company as of 31 December 2016.

The Company has not issued any convertible securities, exchangeable securities or securities with warrants regarding the registered share capital of the Company.

As of 31 December 2016, the Company itself held 103,949 Shares, which represented approximately 0.71% of the Company's registered share capital. In addition, the Company also held, through Delta-Rent Kft. additional 157,665 Shares, which represented approximately 1.07% of the Company's registered share capital and which are also considered under the applicable law as treasury shares. As of 31 December 2016, the nominal value of such Shares was EUR 0.35 each and the book value of such Shares was EUR 7.21 each calculating with the total equity attributable to the equity holders of the parent company. Further, as of 31 December 2016, Delta-Rent Kft., a wholly-owned subsidiary of the Company, held 157,665 Shares, which represented approximately 1.07% of the Company's

registered share capital. On 1 June, Delta-Rent Kft. transferred the 157,665 Shares in the form of treasury shares to the Company, which, in turn, transferred these Shares to ESOP. As a result, the Company, as of 1 June 2017, held 261,614 Shares in the form of treasury shares in the amount corresponding to approximately 1.785% of the Company's total share capital, of which 157,665 treasury shares in the amount corresponding to approximately 1.07% were held by ESOP.

According to the individual quotaholders' agreements entered into by the Company and the individual quotaholders of the Operational Management Units, the Company has been granted call options to purchase the quotas of the individual quotaholders upon the termination of the mandate of the respective quotaholder as managing director (see "*Business—Operational Management Model*" for more information about and terms of the Operational Management Units and the call option scheme). Furthermore, the Company has been granted a call option based on the share exchange agreement entered into among Mr Lóránd Szemerey, Waberer's Logisztika Kft. (currently Waberer's-Szemerey Logisztika Kft.) and the Company on 26 October 2012 to purchase the minority shares (40%) of Waberer's Logisztika Kft. (currently Waberer's-Szemerey Logisztika Kft.) held by Mr Lóránd Szemerey (see "*Business—Our business—Background*" for more information about and terms of this call option arrangement).

Form of Shares

Pursuant to the Articles of Association, the Shares are registered and dematerialised shares. All Shares were issued under Hungarian law. The Shares are created in dematerialised form and are registered at the central register of securities kept by KELER Központi Értéktár Zártkörűen Működő Részvénytársaság (registered seat: H-1074 Budapest, Rákóczi út 70-72). The ISIN identification code of the Shares is: HU0000120720.

The share certificate relating to the Shares has been deposited with the Hungarian Central Clearing House and Depository (in Hungarian, *Központi Elszámolóház és Értéktár (Budapest) Zrt.*) ("KELER") and will be updated to reflect the change of the legal form of the Company and the amount of the registered capital and number of shares.

Shareholders' Register

The shareholders may exercise their rights *vis-à-vis* the Company only if they are registered in the shareholders' register. The absence of registration does not affect the shareholder's title of ownership over the Shares. The share register is kept by KELER. The registration may be denied only in the case the shareholder acquired the respective Shares in breach of the applicable laws or the Articles of Association.

Transfer of Shares

The Articles of Association do not contain any restriction on the transfer of shares.

With effect from the date of the Admission, the Articles of Association provide that, as the Insurance Company is a wholly-owned subsidiary of the Company, the acquisition of 10% or more of the shares in the Company is subject to the prior approval of the MNB. This limitation may also be reflected in the text of the dematerialized share certificate. This provision applies in addition to the general limitations set out in the Hungarian Capital Markets Act in relation to the acquisition of shares in a company whose shares have been offered to the public.

General Meeting

The Company's supreme body is the General Meeting. The General Meeting may be ordinary (convened annually) or extraordinary. The General Meetings is held in Budapest or at the place designated by the Board of Directors.

Pursuant to the Articles of Association, the following belong to the exclusive competence of the General Meeting:

- (a) reduction of share capital;
- (b) adoption and amendment of the Articles of Association;
- (c) change of the Company's form of operation;

- (d) transformation of the Company or the termination of the Company without legal successor (including the initiation of bankruptcy or liquidation proceedings or voluntary winding up) as well as its merger with a third person;
- (e) increase of the share capital or issuance of any equity security including any options, warrants or rights relating to the Shares or convertible or equity bonds;
- (f) initiation of the action to exclude the shareholders of the Company;
- (g) appointment and removal of the members of the Board of Directors, the Supervisory Board and the auditor and approval of their remuneration;
- (h) approval of the financial statements prepared in compliance with the Hungarian Accounting Act and decision on the use of after-tax profit (dividend distribution);
- (i) authorisation of the Board of Directors to decide on payment of interim dividend, acquisition of treasury shares and increase of the registered share capital;
- (j) change of the rights attaching to certain categories, classes or series of shares and transforming certain categories or classes of shares;
- (k) approval of the acts of the Board of Directors or the Supervisory Board and subsequently giving discharge of liability to the members of the Board of Directors or the Supervisory Board;
- (l) in the event of issuance of new shares, based on the proposal of the Board of Directors, exclusion of the existing shareholders' priority right to subscribe for or acquire such new shares; and
- (m) any other issues which may belong to the exclusive competence of the General Meeting on an ad-hoc basis under the relevant legislation or the provisions of the Articles of Association.

With effect as of the date of Admission, the following belong to the exclusive competence of the General Meeting:

- (a) reduction of share capital;
- (b) adoption and amendment of the Articles of Association;
- (c) change of the Company's form of operation;
- (d) transformation of the Company or the termination of the Company without legal successor (including the initiation of bankruptcy or liquidation proceedings or voluntary winding up) as well as its merger with a third person;
- (e) increase of the share capital or issuance of any equity security including any options, warrants or rights relating to the Shares or convertible or equity bonds;
- (f) appointment and removal of the members of the Board of Directors, the Supervisory Board, the Audit Committee and the auditor and approval of their remuneration;
- (g) establishment of the long-term remuneration and incentive policy of the members of the Board of Directors, the Supervisory Board and the executive employees;
- (h) approval of the financial statements prepared in compliance with the Hungarian Accounting Act and decision on the use of after-tax profit (dividend distribution);
- (i) authorisation of the Board of Directors to decide on payment of interim dividend, acquisition of treasury shares and increase of the registered share capital;
- (j) change of the rights attaching to certain categories, classes or series of shares and transforming certain categories or classes of shares;
- (k) approval of the acts of the Board of Directors or the Supervisory Board and subsequently giving discharge of liability to the members of the Board of Directors or the Supervisory Board;
- (l) in the event of issuance of new shares, based on the proposal of the Board of Directors, exclusion of the existing shareholders' priority right to subscribe for or acquire such new shares; and
- (m) adoption of the corporate governance report prepared by the Board of Directors in line with the rules of the stock exchanges where the Shares are admitted to trading, and submitted to the annual ordinary General Meeting; and

- (n) any other issues which may belong to the exclusive competence of the General Meeting on an ad-hoc basis under the relevant legislation or the provisions of the Articles of Association.

The General Meeting may pass its resolutions by a simple majority of votes except for the matters (a)-(f), with effect as of the date of Admission (a)-(d), above which require 75% majority of the votes of the Shareholders.

Any resolution of the General Meeting which impairs the rights attached to certain series of shares may only be passed if the shareholders of the series of shares in question grant their explicit consent. Prior to the adoption of the resolution of the General Meeting, the shareholders of the series of shares concerned present at the General Meeting shall pass a decision in respect of each series of shares by the simple majority of the votes represented by the shares pertaining to a particular series. In the course thereof, the provisions on the restriction or exclusion of the exercise of the voting rights attached to such shares shall not apply, not including the prohibition of exercising voting rights attached to treasury shares.

The annual General Meeting must be convened before 30 April of each year. The General Meeting is convened by way of an invitation sent to the shareholders at least 15 days prior to the date of the General Meeting, with effect as of the date of Admission, by way of an invitation published at the website of the Company and, following the initial public offering also on the website of the Budapest Stock Exchange, thirty days prior to the first day of the General Meeting. The invitation must contain the Company's name and registered office, the date and venue of the General Meeting, the method of holding the General Meeting, the planned items of the agenda, the provisions of the Articles of Association regarding the exercise of voting rights, the venue and date of a reconvened General Meeting in case the General Meeting does not have a quorum, the provisions regarding the quorum, the right to add items to the agenda and the availability of the documents referred to the General Meeting.

The Board of Directors must convene the General Meeting within eight days to take the necessary measures in the event it becomes aware that (i) the Company's equity falls below two-thirds of its share capital, (ii) its equity falls below HUF 20 million, (iii) insolvency is threatened and the Company has suspended its payments, or (iv) its assets no longer cover its liabilities. Furthermore, the General Meeting must be convened in the event that the Supervisory Board, the Chairperson of the Supervisory Board, the auditor or the registering court finds it necessary in cases specified by law, or the Board of Directors finds it reasonable or the previous General Meeting has so decided. The General Meeting must be convened also in case the number of the Audit Committee members falls below three or the number of the Supervisory Board members falls below the number set out in the Articles of Association.

The shareholders controlling at least 5%, and, with effect as of the date of Admission, at least 1% of the votes altogether may, at any time, request that the General Meeting be convened, indicating the reason and the purpose thereof. If the Board of Directors fails to convene the meeting of the General Meeting at the earliest possible date, the court of registry convenes the General Meeting at the request of the shareholders making the proposal, or empowers the requesting shareholders to convene the General Meeting.

The General Meeting has a quorum if it was properly convened and the shareholders representing more than 50% of the votes granted by the voting Shares are present. In the event the General Meeting fails to have a quorum, one hour after the planned start time thereof, the Chairperson of the General Meeting must announce the time of the reconvened General Meeting as indicated in the invitation. The reconvened General Meeting must be held within 3, with effect as of the date of Admission, 10 to 21 business days after the date of the General Meeting at the same venue or at any other venue as specified in the invitation. The reconvened General Meeting must be deemed to have a quorum in respect of the original agenda regardless of the votes present.

Shareholder's Rights

Right to Participate at the General Meeting and Voting Right

All shareholders registered in the shareholders' register at least on the second business day preceding the date of the General Meeting have the right to participate at the General Meeting, request information, make observations and proposals, and vote.

The shareholder may exercise their rights personally or through an authorised representative. The shareholder may authorise the representative by way of granting a power of attorney in notarial deed

or authentic form. Members of the Board of Directors, Supervisory Board members and the auditor may not be authorised representatives of a shareholder. Pursuant to the Hungarian Civil Code, the shareholder may also appoint a nominee who is registered in the shareholders' register, to exercise some or all rights of the respective shareholder *vis-à-vis* the Company in his own name and for the benefit of the shareholder.

Each Share having a nominal value of EUR 0.35 entitles its shareholder to cast one vote. One shareholder may vote only in one way.

Pursuant to the Articles of Association, the shareholders may participate at the General Meeting by way of using electronic means of communication such as telephone conferencing or videoconferencing. The shareholders or their authorised representatives may freely decide whether to take part at a General Meeting in person or via electronic means of communication. The Board of Directors must be informed of such method of participation at least five days prior to the date of the General Meeting. The Board of Directors issues an identification code consisting of letters and/or numbers to each shareholder participating at a General Meeting via electronic means of communication. The shareholders attending the General Meeting via electronic means of communication cast their votes via the electronic means of communication.

It is the responsibility of the Board of Directors to compile the agenda of the General Meeting. If the shareholders collectively holding at least 5% or, with effect as of the date of Admission, 1% of the votes propose any additions to the agenda in accordance with the provisions on setting the items of the agenda the matter proposed shall be construed to have been placed on the agenda if such proposal is delivered to the members and the management board within eight days of receipt of the invitation to the General Meeting, with effect as of the date of Admission, within eight days of the publication of the notice on the convocation of the General Meeting

Right to Information

The Board of Directors must provide information to the shareholders concerning the Company as well as grant access to documents and records relating to the Company provided that the shareholder requesting access to such documents has made a written declaration of confidentiality. The Board of Directors may refuse to provide such information or deny access to documents if this violates the Company's trade secrets or if the requesting shareholder abuses his right or fail to make a declaration of confidentiality despite being called to do so. If the requesting shareholder considers the refusal of information unjustified, he may request the court of registry to order the Company to provide access to the information.

Right to Dividend

Shareholders shall be entitled to receive a share from the Company's profit that is available and has been ordered for distribution by the General Meeting in the percentage consistent with the nominal value of their shares. Dividends shall be paid to the shareholders that are listed in the register of shareholders at the date of the General Meeting relating to the dividend payment, with effect as of the date of Admission, at the date of the shareholder identification, where the date of the shareholder identification cannot be earlier than five trading day following the General Meeting resolving on the dividend payment. Dividends may be paid by means other than cash. Shareholders shall be entitled to receive dividends based on the capital contributions they have already paid up.

The Company shall pay dividend to the shareholders by way of bank transfer as of the date specified by the relevant resolution of the General Meeting. The dividend payment period shall commence on the date determined in the resolution of the General Meeting on the approval of the annual financial statement prepared in accordance with the Hungarian Accounting Act and the utilisation of after tax profit. However, at least ten business days shall expire between the date of the resolution of the General Meeting on the amount of dividend to be paid and the date of commencement of dividend payment and the date of commencement of the distribution of dividend, with effect as of the date of Admission, between the date of the first publication of the communication containing the resolution of the General Meeting on the amount of dividend to be paid and the date of commencement of dividend payment and the date of commencement of the distribution of dividend.

Shareholders may claim the dividend as from the date of commencement of dividend payment until the expiry of the limitation period specified by law (five years). Thereafter any claim for dividend shall lapse.

The General Meeting, and pursuant to Section 3:263 (3) of the Hungarian Civil Code, the Board of Directors shall also be entitled to adopt a decision on the payment of interim dividends between the approval of two consecutive financial statements if

- (i) according to the interim balance sheet, the Company has funds sufficient to cover such interim dividends;
- (ii) the amount distributed does not exceed the amount of profits earned after the closing of the books of the financial year to which the last financial report pertains, and/or the amount supplemented with the available profit reserves; and
- (iii) the payment of such interim dividends may not result in that the Company's adjusted equity capital falls below its share capital.

Interim dividends may be paid upon the recommendation of the Board of Directors. The prior consent of the Supervisory Board is required for the recommendation of the Board of Directors.

If according to the annual financial statements prepared after the distribution of interim dividends there was no justification for the payment of dividends, such distribution must be returned by the shareholder when so requested by the Company.

Dividends payable in respect of treasury shares shall be considered as distributions due to the shareholders entitled to receive dividends in proportion to the nominal value of their shares.

The Company shall not be subject to any interest payment obligation in respect of dividends.

The shareholders may claim the dividend payment within five years from the commencement date of the dividend payment. After the lapse of such statute of limitation the shareholders may not claim the dividend.

Capital Increase and Priority Right

The registered share capital may be increased by way of (i) issuance of new shares, (ii) contribution of capital in excess of the share capital, (iii) issuance of employee shares, and (iv) issuance of convertible bonds as conditional capital increase. The increase of the registered share capital may be resolved by the General Meeting, however, the General Meeting may authorise the Board of Directors to increase the share capital, determining the maximum amount of the capital increase and the maximum period of authorisation not exceeding five years. In the case that the Board of Directors is authorised to increase the registered capital, the Board of Directors shall also adopt decisions relating to the increase of the registered capital, which otherwise fall within the competence of the General Meeting under the Hungarian Civil Code or these Articles of Association.

In the case of a capital increase by way of cash contribution, the shareholders have a preferential right to subscribe for the newly issued shares. If the registered capital is increased in consideration for cash contribution, the shareholders of the Company, and in the first place, the holders of shares belonging to the same series of shares as the shares being issued, and then the holders of convertible bonds and bonds with subscription rights shall (in this order) have preferential right for the subscription of the newly issued shares. The Company shall allow at least fifteen days for the exercise of preferential rights. The Board of Directors of the Company shall inform the shareholders and the holders of convertible bonds with subscription rights by way of notice about the nominal value or issue price of the shares available for subscription, the first and last days of the period during which the preferential right can be exercised and the method of exercising such right.

Nevertheless, the General Meeting may exclude the exercise of such preferential right with the simple majority of the votes.

Capital Decrease

The General Meeting may decide to decrease the registered share capital with the purpose of divestment, loss reorganisation or reorganisation of the capital structure. The capital reduction may be effected by way of reduction of the number of Shares or the nominal value of the Shares or the combination thereof.

Liquidation

In the event of the Company's liquidation, each shareholder is entitled to participate in the distribution of excess assets in proportion to their nominal shareholding after the Company's creditors have been satisfied in accordance with applicable law.

Redemption and Exchange

The Shares may not be subject to redemption or exchange.

Hungarian Takeover and Squeeze-out Regulations

In the event of (i) an acquisition in excess of 25% of the Shares or voting rights, where no person other than the acquiring shareholder disposes of their holdings exceeding 10% of voting rights, or (ii) an acquisition greater than 33% of the Shares, a mandatory public tender offer approved by the MNB must be submitted.

According to Section 76/D (1) of the Hungarian Capital Markets Act, an offeror may acquire all remaining Shares of the Company within three months following the completion of a mandatory public tender offer or voluntary offer, provided that the offeror (i) declares the intention to exercise its squeeze-out rights in accordance with Section 69 (6) of the Hungarian Capital Markets Act, (ii) will own at least 90% of the Shares or possess at least 90% of the voting rights within the Company within three months following the completion of a mandatory public tender offer or voluntary offer, and (iii) demonstrates its access to the necessary funds needed to acquire the remaining Shares subject to the squeeze-out right. Offerors who exceed the 90% threshold must purchase any remaining Shares at the written request of the holders (submitted within 90 days) of the remaining Shares.

The consideration of the shares of the Company being acquired through the exercise of the squeeze-out right or put option right, is the higher of the purchase price offered in the mandatory public tender offer or voluntary offer or equity value per Share. Equity value per share corresponds to the last equity value per share given in the Company's most recent audited financial statements.

No public tender offer has ever been made for the Shares.

The Articles of Association do not include any provisions with the effect of delaying or preventing a change in control of the Company.

Pursuant to the Hungarian Capital Markets Act and the disclosure policy of the Company, the shareholders of a public company shall notify the Company and the MNB at the time of reaching or exceeding five, ten, fifteen, twenty, twenty-five, thirty, thirty-five, forty, forty-five, fifty, seventy-five, eighty, eighty-five, ninety, ninety-one, ninety-two, ninety-three, ninety-four, ninety-five, ninety-six, ninety-seven, ninety-eight and ninety-nine% of the voting rights.

The Company shall publish the notification relating to voting rights without delay, within two calendar days at the latest, and simultaneously notify the MNB thereof.

Insurance Regulatory Control Thresholds Disclosure

Pursuant to the Hungarian Insurance Act, the acquisition of a so-called 'qualifying interest' (as defined below) or 20%, 33% or 50% in an insurance company such as the Insurance Company is subject to the prior approval of the MNB in its capacity as the regulator of the insurance sector. A qualifying interest is defined as (i) the direct or indirect acquisition of 10% of the voting rights or capital of an insurance company, (ii) the acquisition of power to appoint or remove 20% or more of the members of an insurance company's decision making, management, supervisory or other similar bodies, or (iii) the acquisition of power to exercise significant influence over the management of an insurance company (either through the articles or by-laws of such insurance company or through a contract). Prior to the consent of the MNB, the acquiring party may not exercise any shareholders' rights attached to the acquired shares.

Because the Insurance Company is wholly-owned subsidiary of the Company, the acquisition of 10% or more of the Shares would be subject to MNB's approval. If the MNB does not approve the acquisition, the shareholder who acquired the Shares may not acquire 10% or more of the Shares in the Company.

PLAN OF DISTRIBUTION

General

The Offering consists of an offering of: (i) up to 7,160,973 existing ordinary registered shares of the Company, each fully paid up with a nominal value of EUR 0.35 per share (the “**Existing Offer Shares**”) and, in addition, up to 1,485,876 existing ordinary registered shares of the Company, each fully paid up with a nominal value of EUR 0.35 per share, from the holdings of the Selling Shareholder (the “**Over-Allotment Shares**”), and (ii) up to 3,088,236 ordinary registered shares to be issued by the Company, with a nominal value of EUR 0.35 per share (the “**New Shares**”) and, together with the Existing Offer Shares and the Over-Allotment Shares, the “**Offer Shares**”). The Offering is structured as:

- (i) a public offering of up to 1,379,718 Existing Offer Shares, up to 297,175 Over-Allotment Shares and up to 617,647 New Shares to investors other than Eligible Institutional Investors (as defined below) in Hungary (the “**Public Offering**”);
- (ii) an offering of up to 1,465,402 Offer Shares to eligible employees and executive officers of the Group (subject to limitations set out below) (the “**Employee Offering**”), which is structured as an offer under Section 22(1)(e) of the Hungarian Capital Markets Act, which provides that there is no requirement to publish a prospectus, if the Company or its affiliated companies sell or provide securities to their eligible employees, provided that information concerning the number and type of securities and the reasons and circumstances in which such securities have been sold or provided are available, as is the case of the Employee Offering; and
- (iii) a private placement of the Offer Shares to eligible institutional investors in Hungary and in other jurisdictions, which is structured as a private placement in the United States to certain QIBs as defined in, and in reliance on, Rule 144A, and in Hungary and in other jurisdictions outside the United States to institutional investors who comply with the requirements set forth in Article 5(1) point 92 of the Hungarian Capital Markets Act or who are Qualified Investors (together, the “**Eligible Institutional Investors**”), in offshore transactions in reliance on Regulation S (the “**Institutional Offering**”).

The shareholders’ meeting of the Company held on 31 May 2017 resolved in resolution No 6/31.05.2017, among others, to change the legal form of the Company from the existing private company limited by shares to a public company limited by shares, as well as, resolved in resolution No 29/31.05.2017, the necessary amendments of its articles of association, approval of the listing of the New Shares and all ordinary registered shares issued by the Company comprising 100% of the registered capital of the Company as of the date hereof (the “**Existing Shares**”) and other matters closely related to the Offering. Based on the authorisation given by the shareholders’ meeting of the Company No 24/31.05.2017, the Board of Directors of the Company will resolve to increase the registered capital of the Company up to an amount of EUR 10 million and will appoint Citigroup Global Markets Limited as the subscription agent, acting on behalf of the Managers, to subscribe for and to pay the full issue amount of the New Shares and will also approve the listing of the New Shares on the Budapest Stock Exchange. The preferential right of the Company’s existing shareholders to subscribe for the New Shares will be excluded by the Board of Directors pursuant to the authorisation given to the Board of Directors by the extraordinary general meeting of the Company dated 31 May 2017. In the authorisation, the extraordinary general meeting set out the reasons for this exclusion, particularly to allow the Offering to reach an appropriate market size and ensure the highest proceeds for, among others, the Company (see also “Use of Proceeds” for more information), thus, for the shareholders. The beneficiaries of this exclusion are the investors participating in the Offering who will subscribe for the New Shares. At the same time, the exclusion of the exercise of preferential rights will not adversely affect the rights of the minority shareholders of the Company, considering the fact that the minority shareholders will be entitled to subscribe the shares on the same conditions, as determined under this Prospectus, as other investors in the course of the Public Offering. Furthermore, in the event the minority shareholders do not intend to exercise their preferential rights, it will not dilute the shareholders’ ownership ratio in such an extent that would affect their right to exercise their minority rights.

Immediately prior to the Offering, the Selling Shareholder has an approximately 97.18% direct holding in the Company’s share capital (see “*Selling Shareholder*” for additional information relating to the Company’s shareholders). Following the completion of the Offering (assuming the maximum number of Offer Shares is sold and the Greenshoe Option (as defined below) is fully exercised), the Selling Shareholder will hold a minimum 31.53% of the Shares.

The following table sets out the amount and percentage of the maximum dilution of the Company's Shares immediately upon completion of the Offering, assuming issuance of the maximum number of New Shares:

	Prior to the Offering		Immediately after the Offering	
	No. of Shares	%	No. of Shares	%
Existing Shares.....	14,654,028	100.0	14,654,028	82.59
New Shares	n/a	n/a	3,088,236	17.41
Total.....	14,654,028	100.0	17,742,264	100.0

The Selling Shareholder will receive the net proceeds from the sale of the Existing Offer Shares and the Option Shares (as defined below in “*Plan of Distribution—Over-Allotment and Stabilisation*”), if any, and the Company will receive the net proceeds from the sale of the New Shares. The Company and the Selling Shareholder bear all costs in connection with the Offering, including fees and costs of the Managers and reasonable legal fees and costs. The estimated total amount of such costs that is payable by the Company and the Selling Shareholder depending on the final size of the Offering and the final offer price, shall be between approximately EUR 10.0 million to EUR 12.0 million, assuming all of the Offer Shares are placed for an Offer Price (as defined below) at the mid-point of the Offer Price Range.

Erste Group Bank AG fulfils the role of distributor pursuant to Section 23(1) of the Hungarian Capital Markets Act and its mandated agent Erste Befektetési Zrt. is acting as sub-distributor. Erste Befektetési Zrt. is a mandated agent (in Hungarian, *megbízott*) of Erste Group Bank AG to act as sub-distributor in the Offering. With regard to the placement service provided by Erste Group Bank AG to the Company and the Selling Shareholder as per Section 5(1)(g) of Act CXXXVIII of 2007 on investment firms and commodity dealers, and on the regulations governing their activities (the “**Hungarian Investment Services Act**”), Erste Befektetési Zrt. is an intermediary agent (in Hungarian, *közvetítő*) of Erste Group Bank AG as per Section 111 of the Hungarian Investment Services Act. Erste Befektetési Zrt. will perform the distribution activity under its own investment service licence and investors may provide their purchase orders directly to Erste Befektetési Zrt. Erste Bank Hungary Zrt. is not an intermediary agent of Erste Group Bank AG and there is no direct legal relationship between Erste Group Bank AG and Erste Bank Hungary Zrt. Erste Bank Hungary Zrt. is the intermediary agent of Erste Befektetési Zrt. under the Hungarian Investment Services Act, which allows Erste Befektetési Zrt. to use Erste Bank Hungary Zrt.’s branch network.

Offer price range, offer period, offer price and allotment

General rules applicable for the Public Offering, the Employee Offering and the Institutional Offering

The price range within which offers to purchase may be submitted is HUF 5,100 to HUF 6,300 per Offer Share (the “**Offer Price Range**”). The final offer price (the “**Offer Price**”) will be determined by the Selling Shareholder, the Company and the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering on the basis of the book-building process within the Offer Price Range. The Offer Price is expected to be published in the form of a pricing statement (the “**Pricing Statement**”) on or about 29 June 2017 on the Company’s website www.waberers.com, the website of the Budapest Stock Exchange www.bet.hu and the website operated by MNB for publications www.kozzetetelek.hu and, upon request, will be made available in printed form at no cost at the registered seat of the Company (together, the “**Publication Places**”). The Offer Price shall be within the Offer Price Range and in no event above the upper end of the Offer Price Range (the “**Maximum Price**”). The Offer Price for the Offer Shares will be the same for the investors participating in the Public Offering, the Employee Offering and the Institutional Offering. Upon expiration of the Offer Period (as defined below), the Offer Price and the final number of Offer Shares to be sold will be determined on the basis of the order book established in a book-building process in the Offering by the Selling Shareholder, the Company and the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering that may be followed by the execution of the pricing agreement between the Selling Shareholder, the Company and the Managers (the “**Pricing Agreement**”).

The offer period, during which investors may submit purchase orders for the Offer Shares, commences on 19 June 2017 and is expected to end on 29 June 2017, at 12:00 CET (Central European Time) for investors participating in the Public Offering (the “**Public Offer Period**”), commences on 19 June 2017 and is expected to end on 27 June 2017, at 17:00 CET (Central European Time) for investors participating in the Employee Offering (the “**Employee Offer Period**”) and commences on 19 June 2017 and is expected to end on 29 June 2017, at 17:00 CET (Central European Time) for investors participating in the Institutional Offering (the “**Institutional Offer Period**”) and together with the Public Offer Period and Employee Offer Period, the “**Offer Period**”) (see timeline on page 297).

Changes to the Offering

Subject to the publication of a supplement to the Prospectus, if such supplement is required under Section 32 of the Hungarian Capital Market Act, the Selling Shareholder and the Company, together with the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering, reserve the right to reduce or increase the number of Offer Shares, to lower or raise the lower and/or upper limit of the Offer Price Range and/or to extend or shorten the Offer Period. If the number of Offer Shares, the Offer Price Range and/or the Offer Period (together, the “**Offering Terms**”) is or are, as the case may be, changed, the change will be announced and published, respectively, on the Publication Places. However, the Offer Period must last at least three (3) business days according to the Hungarian Capital Market Act. To the extent required under the Hungarian Capital Market Act, a supplement to the Prospectus will be submitted to the MNB for approval and published, after being approved by the MNB, on the website of the Company (<http://www.waberers.com/>). Any changes of the Offering Terms will also be published by way of an ad-hoc announcement, if required under Art. 17 of Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse (“**Market Abuse Regulation**”). Investors will not be notified individually. Changes to the Offering Terms will not invalidate purchase orders already submitted. Under the Hungarian Capital Market Act, investors participating in the Public Offering and the Employee Offering that have submitted a purchase order before a supplement is published have the right to revoke their purchase order within two business days after publication of the supplement. The revocation does not require any statement of grounds and is to be declared in text form to the person designated in the supplement as recipient of the revocation.

Determination of the Offer Price and the final number of Offer Shares to be placed

The Selling Shareholder, the Company and the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering have set the following criteria for and method for determining the Offer Price and the final number of Offer Shares to be placed in the Public Offering, the Employee Offering and in the Institutional Offering. Upon expiration of the Offer Period, the Offer Price and the final number of Offer Shares to be sold will be determined on the basis of the order book established in a book-building process in the Offering by the Selling Shareholder, the Company and the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering that may be followed by the execution of the Pricing Agreement.

After the end of the Offer Period, all purchase orders will be evaluated according to the prices offered and qualitative criteria such as the time of purchase order, the investor type and investment horizons of the respective Eligible Institutional Investors as well as the amount of the total demand, including the total demand from investors participating in the Public Offering and the Employee Offering in relation to the total demand from investors participating in the Institutional Offering. This method of setting the number of Offer Shares that will be sold at the Offer Price is, in principle, aimed at optimising proceeds and the Company’s future shareholder structure. Consideration will also be given to whether the Offer Price and the number of Offer Shares to be sold allow for the reasonable expectation that the share price will demonstrate steady performance in the secondary market given the demand for the Offer Shares recorded in the order book. Attention will be paid not only to the prices offered by investors and the number of investors wanting Offer Shares at a particular price, but also to the composition of the group of shareholders in the Company that would result at a given price, and expected investor behaviour.

The Selling Shareholder, the Company, the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will consider the foregoing criteria and conditions upon which the Offer Price and the final number of Offer Shares will be determined and will allocate

the Offer Shares: (i) pursuant to the round-robin allocation method (in Hungarian, *kártyaleosztás*) among investors participating in the Public Offering; (ii) full allocation among investors participating in the Employee Offering or, if the purchase orders from investors participating in the Employee Offering exceed the amount of 1,465,402 Offer Shares, pursuant to the round-robin allocation method (in Hungarian, *kártyaleosztás*); and (iii) at their absolute discretion among investors participating in the Institutional Offering. Orders of investors participating in the Public Offering are only valid up to HUF 300 million. Accordingly, no Offer Shares will be allocated to investors participating in the Public Offering whose orders exceed HUF 300 million with respect to the amount exceeding HUF 300 million.

The Joint Bookrunner and Lead Manager of the Hungarian Public Offering will, when allocating Offer Shares pursuant to the round-robin allocation method, through its agent and subject to the terms set out in this Prospectus, allocate the Offer Shares separately to investors participating in the Public Offering and separately to investors participating in the Employee Offering in rounds, in each round allocating one Offer Share to each purchase order submitted in the Public Offering or the Employee Offering, as applicable, from the top to the bottom of a list of the purchase orders until the given purchase orders are fully satisfied or there are no further Offer Shares to be allocated in the Public Offering or the Employee Offering. The list of the purchase orders submitted in the Public Offering and the list of the purchase orders submitted in the Employee Offering will each be ordered pursuant to decreasing size so that it shall start with the largest purchase order and finish with the smallest order.

After the end of the Offer Period, the Company's Board of Directors will render a decision on the increase of the Company's registered share capital and the number of New Shares to be issued and will appoint Citigroup Global Markets Limited as the subscription agent to subscribe for the New Shares which is expected to take place on or around 29 June 2017. After the increase of the share capital of the Company has been registered by the court of registration and the New Shares have been created by KELER, which is expected to take place on or around 5 July 2017, the New Shares will be subsequently transferred by the Joint Bookrunner and Lead Manager of the Hungarian Public Offering to the respective investors against payment of the Offer Price.

Publication of the Offer Price and the final number of Offer Shares

The Offer Price and the final number of Offer Shares to be sold will be announced and published on the Publication Places on or about 29 June 2017 in accordance with Section 34 (3) of the Hungarian Capital Market Act. If not all of the Offer Shares are placed due to insufficient demand, New Shares will be placed as a matter of priority over Existing Offer Shares. No expenses or taxes will be charged to the investors as a part of the Offering, except for customary banking and/or brokerage fees. Prospective Eligible Institutional Investors are advised to inform themselves about these costs. Eligible Institutional Investors who have placed orders to purchase Offer Shares with one of the Managers are expected to be informed about the number of Offer Shares allocated to them on or about the business day following the expiration of the Offer Period. Investors participating in the Public Offering and the Employee Offering will receive all information according to the agreement with their service provider.

Public Offering

Private individuals with full legal capacity and legal entities (with or without legal personality), excluding Eligible Institutional Investors, may participate in the Public Offering in Hungary. In order to participate in the Public Offering, each such investor is required to (i) have a Hungarian Tax Registration Number, (ii) submit a purchase order for the Offer Shares to the mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering during the Public Offer Period, (iii) open and maintain a securities account in the name of the investor with Erste Befektetési Zrt. and (iv) pass the applicable tests under the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) performed by Erste Befektetési Zrt. The purchase order must be submitted by the investors participating in the Public Offering through the purchase order form attached as Appendix 1 of this Prospectus (i) personally or under a power of attorney, an example of which is attached as Appendix 2 of this Prospectus (the English language version is for information purposes only) at the branch offices of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering's mandated agent (sub-distributor) or its agents (intermediaries) listed in Appendix 3 of this Prospectus, (ii) through the online trading systems of the

mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering provided that the respective investor has access to such system and provided the respective investor satisfies the criteria set forth in the general terms of business of the mandated agent (sub-distributor). Orders of investors participating in the Public Offering are only valid up to HUF 300 million. Accordingly, no Offer Shares will be allocated to investors participating in the Public Offering whose orders exceed HUF 300 million with respect to the amount exceeding HUF 300 million. If multiple purchase orders are made by an investor participating in the Public Offering, these purchase orders will be treated as one purchase order for the sum of Offer Shares of the individual purchase orders. Subject to the applicable exceptions set out in the Hungarian Capital Markets Act, purchase orders for the Offer Shares in the Public Offering are unconditional and irrevocable.

The mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will block funds on the money accounts (client accounts as set forth in Article 147 of the Hungarian Capital Market Act) of the investors participating in the Public Offering in the amount of the Maximum Price multiplied by the number of Offer Shares specified in the respective purchase order before 12:00 CET on the last day of the Public Offer Period. Further, according to Article 47 (7) of the Hungarian Capital Market Act, the mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will keep such funds at an escrow account opened at Erste Bank Hungary Zrt. The mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering shall terminate the blocking of the difference between the Maximum Price and the Offer Price, for each Offer Share to be acquired by such investor in accordance with the allotment, and also of any excess funds remaining after allocation, if any, on the account of the investor participating in the Public Offering, simultaneously with the delivery of the Offer Shares to the respective accounts of the respective investors indicated on the purchase order form and without any interest being payable for the period for which funds were blocked. No fractions of the Offer Shares will be allocated.

If any material fact or circumstance arises which requires the publication of a supplement to this Prospectus according to the Hungarian Capital Markets Act, investors participating in the Public Offering who submitted purchase orders before such supplement may be published shall have the right under the Hungarian Capital Markets Act to withdraw these purchase orders within two business days following the publication of the supplement.

Employee Offering

The Company offers to full-time and part-time employees including employees on maternity leave, on child care leave without pay pursuant to Section 128 and Section 130 of Act I of 2012 on the Labour Code with valid employment contracts and executive officers with valid mandate agreements who have been employed by the Company or any other Eligible Company (as defined below) since 27 March 2017 or earlier, however excluding employees and executive officers whose employment or mandate at an Eligible Company ends for any reason before the last day of the Holding Period (as defined below), unless it is replaced by a new employment or mandate with an Eligible Company (the “**Eligible Employees**”), the opportunity to participate in the Employee Offering. Each Eligible Employee is entitled to participate in the Employee Offering only once, even if the Eligible Employee has a valid employment contract or mandate agreement with more than one Eligible Company. Eligible Employees are also allowed to participate in the Public Offering.

For the purposes of the Employee Offering, “**Eligible Companies**” are:

- the Company;
- Simon Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Cseri Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Molnár S Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Kovács Ádám Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Molnár Norbert Intersped Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Vágenhoffer Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Réthi Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Pálinkás Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- VT Intertrans Korlátolt Felelősségű Társaság;

- Székely Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Szabó Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Kerekes Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Veres Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Zsemlye Zalán Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Bódi Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- S. Tóth Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Waberer's Network Korlátolt Felelősségű Társaság;
- Rapid Teherautó Szervíz Korlátolt Felelősségű Társaság;
- Vándor Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Waberer's Romania SA;
- Waberer's Slovakia s.r.o.;
- Transpont Hungária Korlátolt Felelősségű Társaság;
- Kanczler Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- TT Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Euro-Unió Trans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- Waberer's-Szemerey Logisztika Korlátolt Felelősségű Társaság;
- DELTA-RENT Gépjármű-hasznosító Korlátolt Felelősségű Társaság;
- Waberer's Polska sp.z.o.o.;
- MIS Transport Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- GERVIN TRANS Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság;
- MOJO TRANS Korlátolt Felelősségű Társaság;
- TRACKING TRANSPORT Korlátolt Felelősségű Társaság;
- WM Log Korlátolt Felelősségű Társaság;
- Cargo Hungária Korlátolt Felelősségű Társaság;
- SZ-M Cargo Korlátolt Felelősségű Társaság;
- Solid Transport Korlátolt Felelősségű Társaság;
- JIT Euro Trans Korlátolt Felelősségű Társaság;
- VB-Transport Fuvarozási Korlátolt Felelősségű Társaság;
- Return Transport Korlátolt Felelősségű Társaság;
- PM Intersped Korlátolt Felelősségű Társaság;
- Del af Europa Transport Korlátolt Felelősségű Társaság;
- COSMOS-Transport Korlátolt Felelősségű Társaság;
- Crossroad Transport Korlátolt Felelősségű Társaság;
- Lean Logistics Korlátolt Felelősségű Társaság;
- Waberer's Benelux B.V.;
- Szala Transport Korlátolt Felelősségű Társaság;
- TMT International Korlátolt Felelősségű Társaság;
- Wáberer Hungária Biztosító Zártkörűen Működő Részvénytársaság; and
- Közdülő-Invest Ingatlan- és Vagyongazdálkodó Korlátolt Felelősségű Társaság.

Within the Employee Offering, each Eligible Employee is entitled to purchase Offer Shares at the Offer Price (“**Eligible Shares**”) up to the maximum of Offer Shares corresponding to a total amount calculated as HUF 2,000,000 divided by the Maximum Price, rounded down to the nearest full number (the “**Employee Offering Limit**”). If the Eligible Employee submits a purchase order exceeding the Employee Offering Limit, such purchase order will be divided, with its part within the Employee Offering Limit to be treated as a purchase order made within the Employee Offering and its part

exceeding the Employee Offering Limit to be treated as a purchase order made within the Public Offering. If an Eligible Employee places more than one purchase order, only the largest purchase order will be treated as an order made within the Employee Offering, subject to the Employee Offering Limit, while the remaining purchase orders will be treated as purchase orders made within the Public Offering.

In order to participate in the Employee Offering, each Eligible Employee is required to (i) have a Hungarian Tax Registration Number, (ii) submit a purchase order within the Employee Offer Period through the purchase order form attached as Appendix 1 of this Prospectus (the English language version is for information purposes only), personally or under a power of attorney, an example of which is attached as Appendix 2 of this Prospectus (the English language version is for information purposes only), at the branch offices of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering's mandated agent (sub-distributor) or its agents (intermediaries) listed in Appendix 3 of this Prospectus or through the online trading systems of the agent of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering provided that the respective Eligible Employee has access to such system and provided the respective Eligible Employee satisfies the criteria set forth in the general terms of business of the agent, (iii) open a securities account in the name of the Eligible Employee with Erste Befektetési Zrt. until 27 June 2017 and maintain it throughout the Holding Period, (iv) have his or her employment/mandate status checked and confirmed by the Company, (v) pass the applicable tests under the Directive 2014/65/EU of the European Parliament and of the Council of 15 May 2014 on markets in financial instruments and amending Directive 2002/92/EC and Directive 2011/61/EU (recast) performed by Erste Befektetési Zrt. and (vi) have funds corresponding to the number of Offer Shares ordered by the Eligible Employee multiplied by the Maximum Price in the respective Eligible Employee's money account on 27 June 2017 at 17:00 CET at the latest. Subject to the applicable exceptions set out in the Hungarian Capital Markets Act, purchase orders for the Offer Shares in the Employee Offering are unconditional and irrevocable. All investors who are Eligible Employees and submit a purchase order through the purchase order form attached as Appendix 1 of this Prospectus participate in the Employee Offering, subject to the terms of the Employee Offering, the Joint Bookrunner and Lead Manager of the Hungarian Public Offering or Erste Befektetési Zrt.

The Company shall bear expenses related to the opening and maintaining of the securities account of each Eligible Employees incurred prior to the settlement of the Bonus Shares in relation to holding the Eligible Shares. Should the securities account of the Eligible Employee be closed for any reason before the Bonus Shares are credited to such securities account, the investors shall cease to be an Eligible Employee and have no right to any compensation or indemnification from the Company, the Joint Bookrunner and Lead Manager of the Hungarian Public Offering or Erste Befektetési Zrt.

The mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will block funds on the money accounts (client accounts as set forth in Article 147 of the Hungarian Capital Market Act) of the Eligible Employees participating in the Employee Offering in the amount of the Maximum Price multiplied by the number of Offer Shares specified in the respective purchase order before 17:00 CET on the last day of the Employee Offer Period. Further, according to Article 47 (7) of the Hungarian Capital Market Act, the mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will keep such funds at an escrow account opened at Erste Bank Hungary Zrt. The mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering shall terminate the blocking of the difference between the Maximum Price and the Offer Price, for each Offer Share to be acquired by such investor in accordance with the allotment, and also of any excess funds remaining after allocation, if any, on the account of the investor participating in the Employee Offering, simultaneously with the delivery of the Offer Shares to the respective accounts of the respective investors indicated on the purchase order form and without any interest being payable for the period for which funds were blocked. No fractions of the Offer Shares will be allocated.

If any material fact or circumstance arises which requires the publication of a supplement to this Prospectus according to the Hungarian Capital Markets Act, investors participating in the Employee Offering who submitted purchase orders before such supplement may be published shall have the right under the Hungarian Capital Markets Act to withdraw these purchase orders within two business days following the publication of the supplement.

After the period of one year (365 days) commencing on the settlement date (the "**Holding Period**") (see "*Plan of Distribution—Timeline*"), the Company will provide each Eligible Employee with one bonus Share at no cost for every ten Eligible Shares held by the Eligible Employee throughout the

Holding Period (the “**Bonus Shares**”). No fractions of Bonus Shares will be provided and in case the Eligible Employee holds on the last day of the Holding Period a number of Eligible Shares which when divided by ten does not produce a whole number, such number shall be rounded down to the nearest full number. The expected settlement date with respect to the Bonus Shares is approximately two weeks after the expiration of the Holding Period. The Eligible Employee loses the right to receive the Bonus Shares from the Company in case (i) the Eligible Employee sells or transfers the Eligible Shares prior to the expiration of the Holding Period or (ii) the employment or mandate of the Eligible Employee by the Eligible Company is terminated prior to the expiration of the Holding Period. Should the Shares be delisted from the Budapest Stock Exchange during the Holding Period, this does not affect the right of Eligible Employees to receive Bonus Shares in accordance with this paragraph.

The Company reserves a maximum of 1,465,402 Offer Shares for purchase orders received from Eligible Employees participating in the Employee Offering. The Employee Offering is a one-time benefit, is subject to the settlement of the Offering occurring before 31 December 2017 and may be revoked by the Company on 5 July 2017 at the latest, but no later than after the allocation of the Offer Shares is completed.

Institutional Offering

Eligible Institutional Investors may submit orders for Offer Shares to the Managers or their agents via means of communication as agreed between the Eligible Institutional Investors and the respective Manager or its agents. Eligible Institutional Investors may submit their purchase orders also in EUR. Eligible Institutional Investors may submit their purchase orders within the Offer Price Range during the Institutional Offer Period. Limits for purchase orders made in EUR must be denominated in integral EUR amounts or euro cent figures of 25, 50, or 75 cents. Orders which are settled in EUR will be converted into HUF using the latest available reference exchange rate published by the MNB on the date of the Pricing Agreement. Multiple purchase orders are permitted.

Should the placement volume prove insufficient to satisfy all orders placed at the Offer Price, the Selling Shareholder, the Company and the Managers reserve the right to allot orders only in part or not at all.

Termination of the Offering

The Offering is terminated and no Offer Share will be sold to the investors nor credited to their respective securities accounts if the placement agreement to be entered into by the Company, the Selling Shareholder and the Managers on or about the date of this Prospectus (the “**Placement Agreement**”) is terminated at any time prior to 5 July 2017 (the “**Closing Date**”), being the closing date of the Offering.

The Placement Agreement provides that the obligations of the Managers to use best efforts to procure purchasers for the Offer Shares set forth in the Pricing Agreement, are subject to certain customary conditions including, among others: (i) the absence of any material adverse change in the Company’s business; (ii) the receipt of opinions on certain legal matters from counsel; (iii) the delivery of an officer’s certificate on behalf of the Company and the Selling Shareholder as to, among others, the accuracy of the representations and warranties of the Company and the Selling Shareholder; (iv) the execution of lock-up deeds by members of the Company’s Board of Directors, Supervisory Board and certain members of management, (v) the execution of the share purchase agreement relating to the acquisition of LINK; (vi) the approval of this Prospectus by the MNB being in full force and effect; (iv) the admission of the Shares to listing on the Budapest Stock Exchange; (vii) the eligibility of the Offer Shares for clearance and settlement through the book-entry systems of KELER; (viii) receipt by the Managers of comfort letters from the Company’s independent auditors; and (ix) execution of the Pricing Agreement between the Company, the Selling Shareholder and the Managers. The Joint Global Coordinators, acting on behalf of the Managers, will have the right to waive the satisfaction of any such conditions or part thereof.

The conditions precedent are to be met at various stages, but in any case no later than the Closing Date. If any of the foregoing conditions precedent shall not have been fully met or waived by the Joint Global Coordinators at their discretion (acting on behalf of the Managers), the Joint Global Coordinators (acting on behalf of the Managers) have the right to terminate the Placement Agreement.

The Placement Agreement contains customary termination provisions, pursuant to which, by the Closing Date, the Joint Global Coordinators, acting jointly on behalf of the Managers, may elect to terminate their several commitments under the Placement Agreement in the event of, among others: (i) subject to the terms and conditions of the Placement Agreement, if any event occurs or condition exists as a result of which it is necessary to amend or supplement this Prospectus or the Pricing Statement in order that they do not include any untrue statements of a material fact or omit to state a material fact necessary in order to make the statements therein not misleading; (ii) the Joint Global Coordinators, acting in good faith, determine that there has been a material adverse change, or any development likely to give rise to a material adverse change, in the condition (financial, operational, regulatory, legal or otherwise) or in the earnings, financial and trading position, business affairs or prospects of the Company and its subsidiaries considered as one enterprise, whether or not arising in the ordinary course of business or any development likely to result in an adverse effect on the Company's ability to perform its obligations; (iii) there has occurred any material adverse change in the financial markets in Hungary, the United Kingdom, the United States, in any other member state of the EEA, or the international financial markets, any outbreak of hostilities or escalation thereof or other calamity or crisis or any change or development involving a prospective change in national or international political, financial or economic conditions, or currency exchange rates, in each case the effect of which is such as to make it, in the judgment of the Joint Global Coordinators, impracticable or inadvisable to market the Offer Shares or to enforce contracts for the sale of the Offer Shares; (iv) admission of the Shares to listing and trading on Budapest Stock Exchange has been withdrawn, or trading in any shares of the Company has been suspended or limited by the Budapest Stock Exchange, or if trading generally on the Budapest Stock Exchange, the London Stock Exchange, the New York Stock Exchange has been suspended or limited, or minimum or maximum prices for trading have been fixed, or maximum ranges for prices have been required, by any of said exchanges or by such system or by order of the regulatory authorities of Hungary, the United States, the United Kingdom or any other governmental or self-regulatory authority, or a material disruption has occurred in commercial banking or shares settlement or clearance services in Hungary, the United Kingdom, the United States or in any other member state of the EEA; (v) if a banking moratorium has been declared by the authorities of any of the United Kingdom, the United States, Hungary or the State of New York or any other member state of the EEA; or (vi) any new law or regulation or any change in existing law or regulation, or any change in the interpretation or application thereof by any court or other competent authority in or affecting Hungary, any relevant member state of the EEA and/or the United States and which, in the *bona fide* judgment of the Joint Global Coordinators, (a) is materially adverse to, or is likely to materially and prejudicially affect, the business or financial or trading position or prospects of the Company or the Group as a whole; or (b) makes, or is likely to make it, impracticable or inadvisable to proceed with the Offering or the delivery of Offer Shares; or (c) is likely to result in the unsuccessful completion of the Offering. All dealings in the Offer Shares prior to settlement will be at the sole risk of the parties concerned.

In the event of the termination of the Placement Agreement as described in the previous paragraph the mandate of the Managers to act as coordinators of the Offering shall terminate and, thus, the Offering will be terminated. In such a case a notice on the termination of the Offering shall be placed on the Publication Places immediately but not later than one (1) business day from the date of the termination of the Offering and any payment made for the Offer Shares will be returned to the investors without interest within seven (7) calendar days following the publication of the termination of the Offering on the Publication Places. Claims with respect to any fees already paid and costs incurred by an investor in connection with the Offering will be governed solely by the legal relationship between the investor and its respective service provider through which it submitted its order or the Manager to which the investor submitted its purchase order.

If an investor has sold Offer Shares to a third party prior to the delivery of such Offer Shares in book-entry form and is unable to meet its obligations to deliver the Offer Shares to such a third party due to the termination of the Placement Agreement or the termination of the Managers' obligation to procure investors and act as a manager in the Offering, any legal recourse will arise exclusively from and be limited to the contractual relationship between the investor and such third party. In case of short sales in the Offer Shares by investors, the selling investor bears the risk of being unable to fulfil its delivery obligation.

Over-Allotment and Stabilisation

In connection with the Offering of the Shares and in accordance with all applicable laws and rules, Erste Group Bank AG, as the Stabilisation Manager (or persons acting on its behalf) acting for the account of the Managers, may (but will be under no obligation to) over-allot Shares or effect stabilisation transactions with a view to supporting the market price of the Shares during the Stabilisation Period at a level higher than that which might otherwise prevail (provided that the aggregate principal amount of Shares allotted does not exceed 115% of the aggregate principal amount of the Offer Shares). However, stabilisation action may not necessarily occur and may cease at any time, the Stabilisation Manager is not required to enter into such transactions and such transactions may be effected on any securities market, over-the-counter market, stock exchange or otherwise. Any stabilisation action may begin on or after the date of commencement of trading of the Shares on the Budapest Stock Exchange and, if begun, may be ended at any time, but it must end no later than 30 days after that date. Any stabilisation action or over-allotment must be conducted by the Stabilisation Manager (or persons acting on its behalf) in accordance with all applicable laws and rules and will be undertaken at the offices of the Stabilisation Manager (or persons acting on its behalf) and on the Budapest Stock Exchange. Stabilisation may result in an exchange or market price of the Shares that is higher than might otherwise prevail, and the exchange or market price may reach a level that cannot be maintained on a permanent basis.

With regard to potential stabilisation measures and to the extent permitted by law, investors may, in addition to the New Shares and the Existing Offer Shares, be allocated up to 1,485,876 additional Existing Shares in the Offering (the “**Over-Allotment Shares**”). In connection with a potential over-allotment, Erste Group Bank AG, as settlement agent, acting for the account of the Managers, will, pursuant to the terms of a share lending agreement with the Selling Shareholder, be provided in the form of a securities loan with up to 1,485,876 Over-Allotment Shares from the holdings of the Selling Shareholder without charge; this number of Over-Allotment Shares may not exceed 115% of the sum of the Existing Offer Shares and the New Shares.

In this context, the Selling Shareholder has granted to the Managers an option to acquire up to 1,485,876 Existing Shares (the “**Option Shares**”) (corresponding to 15% of the sum of Existing Offer Shares and the New Shares) from the Selling Shareholder at the Offer Price (the “**Greenshoe Option**”). The Greenshoe Option shall be exercisable by Erste Group Bank AG, acting as Stabilisation Manager for the account of the Managers during the Stabilisation Period and may only be exercised to the extent that Over-Allotment Shares have been placed.

Within one week after the end of the Stabilisation Period, an announcement will be made on the Publication Places as to whether or not stabilisation was undertaken, the date on which stabilisation started, the date on which stabilisation last occurred, the price range within which stabilisation was carried out for each of the dates during which stabilisation transactions were carried out and the trading venue on which the stabilisation transactions were carried out. The exercise, if any, of over-allotments as well as the exercise, if any, of the Greenshoe Option, the date thereof and the number of the Existing Shares concerned will also be published in the manner and by the deadline as previously stated.

Erste Befektetési Zrt. as the mandated agent (sub-distributor) of the Joint Bookrunner and Lead Manager of the Hungarian Public Offering will act as the central point under Art (6)5 of Commission Delegated Regulation (EU) 2016/1052 of 8 March 2016 supplementing regulation (EU) No 596/2014 of the European Parliament and of the Council with regard to regulatory technical standards for the conditions applicable to buy-back programmes and stabilisation measures.

Form, Delivery and Payment

It is expected that the Offer Shares, assigned and allotted in the Offering, shall be transferred to the investors in book-entry form through the facilities of KELER, Euroclear Bank S.A./N.V. as operator of the Euroclear System (“**Euroclear**”), Clearstream Banking, société anonyme (“**Clearstream**”) and the banks and investment firms managing the investors’ securities accounts, against payment of the Offer Price, on or about 5 July 2017.

Admission to the Budapest Stock Exchange and Commencement of Trading

The Company will apply for admission of the Existing Shares on the Budapest Stock Exchange on or about 19 June 2017 and for admission of the New Shares on the Budapest Stock Exchange on or about 3 July 2017. The listing approvals regarding the Existing Share and the New Shares are

expected to be announced on or about 20 June 2017 and 5 July 2017, respectively. Trading of the Shares on the Budapest Stock Exchange is expected to commence on or about 6 July 2017. However, the MNB does not have authority to issue any approval in relation to the listing of the Shares and the category of listing, which is subject to fulfilling the listing criteria and the approval of the Budapest Stock Exchange.

As of the date of this Prospectus, no agreement with a market-maker has been signed. The Company is not considering the execution of such agreement at a later date, such as after the admission of the Shares to listing on the Budapest Stock Exchange.

Timeline

The following is an indicative timeline of the Offering from the beginning of the Offer Period to the start of trading of the Offer Shares on the Budapest Stock Exchange. Subject to the publication of a supplement to the Prospectus, if such supplement is required under Section 32 of the Hungarian Capital Market Act, the Selling Shareholder and the Company, together with the Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering, reserve the right to extend or shorten the Offer Period. If the Offer Period is changed, the change will be announced and published, respectively, on the Publication Places.

19 June 2017	Publication of the Prospectus including the Offer Price Range and the related notice
19 June 2017	Start of Offer Period
27 June 2017 17:00 CET	End of the Employee Offer Period
29 June 2017 12:00 noon CET	End of the Public Offer Period
29 June 2017 17:00 CET	End of the Institutional Offer Period
29 June 2017 after 17:00 CET	Signing of the Pricing Agreement
29 June 2017	Allocation
29 June 2017	Publication of the Offer Price and the final number of Offer Shares on the Publication Places
4 July 2017	Registration of the capital increase
5 July 2017	Creation of the New Shares at KELER
5 July 2017	Settlement date, delivery of the Offer Shares to investors
6 July 2017	Expected start of trading of the Shares on the Budapest Stock Exchange

Placement

General

The Company, the Selling Shareholder and the Managers entered into the Placement Agreement dated the date of this Prospectus relating to the offer and sale of the Offer Shares in connection with the Offering and expect to enter into the Pricing Agreement on or around the date when the book-building is completed.

Each of the Managers shall undertake to procure investors for the Offer Shares on a best efforts basis with no obligation to underwrite any portion of the Offer Shares or being under any obligation to purchase any Offer Shares in the Offering before the Pricing Agreement.

Placement Agreement

Pursuant to the Placement Agreement:

- (a) the Company has agreed, subject to certain conditions, to allot and issue, subject to the Pricing Agreement the New Shares to be issued in connection with the Offering;
- (b) the Selling Shareholder has agreed, subject to certain conditions, to sell, subject to the Pricing Agreement, the Existing Offer Shares and Over-Allotment Shares to be sold in connection with the Offering;

- (c) the Managers have agreed, subject to certain conditions, and subject to the signing of the Pricing Agreement (which is expected to be signed after the end of the Offer Period), to procure investors for the Offer Shares on a best efforts basis; and
- (d) the quotas agreed between the Managers with respect to the Offer Shares are as follows: Citi: 40%; Berenberg: 25%; Erste Group: 25%; and Renaissance Securities (Cyprus) Limited: 10%.

In addition,

- (a) the number of Offer Shares to be offered in the Offering, the Offer Price and certain other information as may be agreed between the Company, the Selling Shareholder and the Managers shall be set out in the Pricing Agreement;
- (b) the Company and the Selling Shareholder have agreed that the Managers may deduct from the proceeds of the Offering aggregate fees and commissions of 2.0% of the aggregate gross proceeds of all of the Offer Shares. A further discretionary incentive fee of up to 1.5% of the aggregate gross proceeds of all of the Offer Shares may also be payable at the absolute discretion of the Company and the Selling Shareholder;
- (c) the obligations of the Managers to procure investors for the Offer Shares on the terms of the Placement Agreement are subject to certain conditions that are customary for an agreement of this nature. These conditions include, amongst other things, delivery of customary comfort packages, the absence of a material adverse change in relation to the Company and approval of various offering documents having been received. These conditions, as well as the termination provisions of the Placement Agreement, are further described in “*Plan of Distribution—Termination of the Offering*”.
- (d) the Managers have been granted a Greenshoe Option, as described in “*Plan of Distribution—Over-Allotment and Stabilisation*”, which shall be exercisable by Erste Group Bank AG, acting as Stabilisation Manager for the account of the Managers during the Stabilisation Period and may only be exercised to the extent that Over-Allotment Shares have been placed;
- (e) the Company and the Selling Shareholder have agreed to pay or cause to be paid (together with any applicable VAT) all costs, charges, fees and expenses (as described therein) of or arising in connection with, or incidental to, the Offering, according to a pre-agreed split in expenses between the Company and the Selling Shareholder;
- (f) the Company and the Selling Shareholder have given customary representations, warranties, undertakings and indemnities to the Managers; and
- (g) the parties to the Placement Agreement have given certain covenants to each other regarding compliance with laws and regulations, including affecting the making of the Offering in relevant jurisdictions.

Indemnification

The Placement Agreement provides that the Company and the Selling Shareholder will indemnify the Managers against certain losses and liabilities arising out of or in connection with the Offering, including liabilities under the U.S. Securities Act and losses and liabilities based upon any actual or alleged breach by the Company or the Selling Shareholder of any of their respective representations and obligations under the Placement Agreement.

Relationships with the Managers

In connection with the Offering and the admission to trading of the Shares, the Managers have formed a contractual relationship with the Company and the Selling Shareholder. The Managers act for the Company and the Selling Shareholder in the Offering and coordinate the structuring and execution of the Offering. The bank fees and commissions in connection with the Offering are expected to be approximately 75% to 80% of the total commissions, fees and expenses in connection with the Offering and shall be divided between the Company and the Selling Shareholder in the proportion of the placed New Shares to the placed Existing Offer Shares.

The Managers are acting exclusively for the Company and the Selling Shareholders (in their selling capacity) and for no one else and will not regard any other person (whether or not a recipient of this Prospectus) as their respective clients in relation to the Offering and will not be responsible to anyone other than to the Company and/or the Selling Shareholders for giving advice in relation to the

Offering and for the listing and trading of the Ordinary Shares and/or any other transaction or arrangement referred to in this Prospectus.

The Managers, severally, engage in investment, consulting and financial transactions with the Company or the Selling Shareholder from time to time in the ordinary course of their businesses and may continue to do so in the future. All investment, consulting and financial transactions with the Managers are conducted on an arm's length basis, subject to insider trading regulation.

Interests of Parties Participating in the Offering

In connection with the Offering, each of the Managers and any of their respective affiliates, acting as an investor for its own account, may take up Offer Shares in the Offering and in that capacity may retain, purchase or sell for its own account such securities and any Offer Shares or related investments, and may offer or sell such Offer Shares or other investments other than in connection with the Offering. Accordingly, references in this Prospectus to Offer Shares being offered or placed should be read as including any issuance or, as the case may be, sale of Offer Shares to any of the Managers or any of their respective affiliates acting in such capacity. None of the Managers intends to disclose the extent of any such investment or transactions otherwise than in accordance with any legal or regulatory obligation to do so. In addition, certain of the Managers or their affiliates may enter into financing arrangements (including swaps with investors) in which such Manager (or their affiliates) may from time to time acquire, hold or dispose of Offer Shares.

The Selling Shareholder will receive the net proceeds from the sale of the Existing Shares and any Option Shares and the Company will receive the net proceeds from the sale of the New Shares. Assuming all of the Offer Shares are placed for an Offer Price at the mid-point of the Offer Price Range, the net proceeds from the Offering are expected to amount to approximately EUR 197.2 million, of which the Selling Shareholder will receive approximately EUR 152.2 million and the Company will receive approximately EUR 45.0 million.

Lock-Up

Pursuant to the Placement Agreement, the Company has agreed with the Managers that, for a period from the date of the Placement Agreement to the date 12 months from the first day of trading of the Shares on the Budapest Stock Exchange, it will not, except as set forth below, without the prior written consent of the Joint Global Coordinators (acting on behalf of the Managers) (i) directly or indirectly, issue, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares of the Company, or any securities convertible into or exercisable or exchangeable for Shares of the Company; (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Shares or other shares of the Company, whether any such transaction described in (i) and (ii) is to be settled by delivery of Shares or other securities, in cash or otherwise; (iii) publicly announce such an intention to effect any such transaction; or (iv) make any demand for or exercise any right with respect to, the registration under U.S. securities laws of any shares of the Company or any security convertible into or exercisable or exchangeable for shares of the Company. These restrictions do not apply to the offer and sale of the New Shares in the Offering and transfer of Shares within the ESOP (see "*Management—Employee Share Ownership Programme*") and the Management Incentive Program (see "*Management—Management Incentive Program*").

Pursuant to the Placement Agreement, the Selling Shareholder has agreed with the Managers that, for a period from the date of the Placement Agreement to the date six months from the first day of trading of the Shares on the Budapest Stock Exchange, it will not, except as set forth below, without the prior written consent of the Joint Global Coordinators (acting on behalf of the Managers) (i) directly or indirectly, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares of the Company, or any securities convertible into or exercisable or exchangeable for Shares of the Company; (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Shares or other shares of the Company, whether any such transaction described in (i) and (ii) is to be settled by delivery of Shares or other securities, in cash or otherwise; (iii) publicly announce such an intention to effect any such transaction; or (iv) make any demand for or exercise any right with respect to, the registration under U.S. securities laws of any

shares of the Company or any security convertible into or exercisable or exchangeable for shares of the Company. These restrictions do not apply to the offer and sale of the Existing Offer Shares and Over-Allotment Shares in the Offering.

Pursuant to the Placement Agreement, each of the following executive officers of the Company's management: Zsolt Barna, Ferenc Lajkó, Barna Erdélyi, Szabolcs Tóth and Csaba Kiss has agreed with the Managers that, for a period of from the date of the Placement Agreement to the date 12 months from the first day of trading of the Shares on the Budapest Stock Exchange, he or she, as the case may be, will not, except as set forth below and in the case of Csaba Kiss, with the exception of any Shares held prior to the first day of trading of the Shares on the Budapest Stock Exchange, without the prior written consent of the Joint Global Coordinators (acting on behalf of the Managers) (i) directly or indirectly, offer, pledge, sell, contract to sell, sell or grant any option, right, warrant or contract to purchase, exercise any option to sell, purchase any option or contract to sell, or lend or otherwise transfer or dispose of any Shares of the Company or any securities convertible into or exercisable or exchangeable for Shares of the Company; (ii) enter into any swap or any other agreement or any transaction that transfers, in whole or in part, directly or indirectly, the economic consequence of ownership of any Shares or other shares of the Company, whether any such transaction described in (i) and (ii) is to be settled by delivery of Shares or other securities in cash or otherwise; (iii) publicly announce such an intention to effect any such transaction; or (iv) make any demand for or exercise any right with respect to, the registration under U.S. securities laws of any shares of the Company or any security convertible into or exercisable or exchangeable for shares of the Company.

Selling Restrictions

General

The distribution of this Prospectus and the Offering in certain jurisdictions may be restricted by law and therefore persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions, including those set forth in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

Except for the offer to the public in Hungary and the offer to Eligible Employees (including, among other, less than 150 person in each Member State other than Hungary), no action has been or will be taken in any jurisdiction that would permit a public offering of the Offer Shares, or possession, circulation or distribution of this Prospectus or any other offering material relating to the Company or the Offer Shares, in any country or jurisdiction where action for such purpose is required. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and neither this Prospectus nor any other offering material or advertisement in connection with the Offer Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Persons into whose possession this Prospectus comes should inform themselves about and observe any restrictions on the distribution of this Prospectus and the offer, subscription and sale of the Offer Shares, including those in the paragraphs below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Prospectus does not constitute an offer to subscribe for or purchase any of the Offer Shares to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

In connection with the Offering, certain limited promotional actions may be taken to provide information about the Offering to Qualified Investors outside the United States pursuant to Regulation S under the U.S. Securities Act. For the purposes of conducting these limited promotional actions, in any event in compliance with the relevant regulations of the law of the jurisdiction where any such actions will be taken, this Prospectus shall be delivered to selected Qualified Investors for such marketing purposes.

Public Offering in Hungary

This Prospectus has been prepared for the purposes of, among others, the Offering to be carried out by way of a public offering within the meaning of the Hungarian Capital Markets Act in the territory of Hungary. This Prospectus will not be subject to approval by any supervisory authority other than the MNB. This Prospectus will not be subject to registration, filing or notification with any supervisory authority in any country other than Hungary.

Neither the Selling Shareholder nor any of the Managers have authorised, nor will any of them authorise, the making of any offer of the Offer Shares by way of a public offering in Hungary other than under this Prospectus.

The Hungarian translation of the summary of the Prospectus that may be submitted with, and available among the files of, the Metropolitan Court acting as court of registry is not an offering document, should not be relied upon by prospective investors when making an investment decision and the purpose of the filing of such document is solely to satisfy the requirement set forth in Article II. 2 (d) (db) of Annex 2 of Act V of 2006 on the publicity of the commercial register, the procedures of the courts of registry and winding up of companies.

Neither the Company, the Selling Shareholder, nor any of the Managers have taken or will take any action that would constitute a public offering of the Offer Shares outside the territory of Hungary, nor will they distribute this Prospectus or any other offering or promotional materials concerning the Company or the Offer Shares in any jurisdiction where such could constitute a public offering or could be related with any requirement to take any additional actions to have this Prospectus or any other offering or promotional materials approved by, registered with or notified to any relevant supervisory authority. Accordingly, the Offer Shares may not be offered or sold, directly or indirectly, and this Prospectus may be distributed or published, in or from any country or jurisdiction, except in compliance with any applicable rules and regulations of any such country or jurisdiction.

The distribution of this Prospectus and the promotion of the Offering in certain jurisdictions may be restricted by law. Therefore, persons into whose possession this Prospectus comes should inform themselves about and observe any such restrictions on any promotional activity related to the Offering, including those in the paragraphs that follow. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdictions.

This Prospectus does not constitute an offer, or the solicitation of an offer, to subscribe for or buy any securities described in this Prospectus, to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

European Economic Area

Each Manager has agreed in relation to each Relevant Member State, other than Hungary, with effect from and including the date on which the Prospectus Directive is implemented in that Relevant Member State (the “**Relevant Implementation Date**”) that neither it nor any of its affiliates has made nor will make an offer to the public of any Shares which are the subject of the Offering contemplated herein in that Relevant Member State, except that it may make an offer of the Offer Shares to the public in that Relevant Member State with effect from and including the Relevant Implementation Date under the following exemptions under the Prospectus Directive, if they have been implemented in that Relevant Member State:

- (a) to legal entities which are qualified investors as defined in the Prospectus Directive;
- (b) to fewer than 150 natural or legal persons (other than qualified investors as defined in the Prospectus Directive), subject to obtaining the prior consent of the Managers for any such offer (other than the offer to Eligible Employees outside of Hungary); or
- (c) in any other circumstances falling within Article 3(2) of the Prospectus Directive,

provided that no such offer of the Offer Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 3 of the Prospectus Directive or supplement a prospectus pursuant to Article 16 of the Prospectus Directive in a Relevant Member State.

For the purposes of this provision, the expression an “offer of any Shares to the public” in relation to any Offer Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Offer Shares to be offered so as to enable an investor to decide to purchase any Offer Shares, as the same may be varied in that Relevant Member State by any measure implementing the Prospectus Directive in that Relevant Member State.

United States of America

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States and may not be offered or sold, except pursuant to an exemption from, or in a transaction not subject to, registration under the U.S. Securities Act and in compliance with any state securities laws.

The Managers propose to offer the Offer Shares (i) in the United States of America to certain QIBs as defined in Rule 144A pursuant to an exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act and (ii) outside the United States of America in offshore transactions as defined in, and in reliance on, Regulation S. Investors are hereby notified that sellers of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act. For a discussion of certain restrictions on transfers of the Offer Shares in other jurisdictions, see “*Transfer Restrictions*”.

Recipients of this Prospectus in the United States are hereby notified that this Prospectus has been furnished to them on a confidential basis and is not to be reproduced, retransmitted or otherwise redistributed, in whole or in part, under any circumstances. Furthermore, recipients are authorised to use it solely for the purpose of considering a purchase of the Offer Shares in the Offering and may not disclose any of the contents of this Prospectus for any other purpose. This Prospectus is personal to each offeree and does not constitute an offer to any other person or the public generally to subscribe for or otherwise acquire the Offer Shares.

United Kingdom

This Prospectus is for distribution only to persons who (i) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (as amended, the “**Financial Promotion Order**”), (ii) are persons falling within Article 49(2)(a) to (d) (“high net worth companies, unincorporated associations etc.”) of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated (all such persons together being referred to as “**Relevant Persons**”). This Prospectus is directed only at Relevant Persons and must not be acted on or relied on by persons who are not Relevant Persons. The Offering is available only to Relevant Persons and will be engaged in only with Relevant Persons.

The Netherlands

In addition, this Prospectus may not be distributed and the Offer Shares may not be offered or sold in the Netherlands unless such distribution, offer or sale is made in accordance with the selling restrictions and the Dutch Financial Supervision Act (*Wet op het financieel toezicht*) (the “**DFSA**”) and the rules promulgated thereunder (including for the avoidance of doubt article 5:20 DFSA).

Canada

Resale restrictions

The distribution of the Offer Shares in Canada is being made only in the provinces of Ontario, Quebec, Alberta and British Columbia on a private placement basis exempt from the requirement that the Company prepares and files a prospectus with the securities regulatory authorities in each province where trades of these securities are made. Any resale of the Offer Shares in Canada must be made under applicable securities laws which may vary depending on the relevant jurisdiction, and which may require resales to be made under available statutory exemptions or under a discretionary exemption granted by the applicable Canadian securities regulatory authority. Purchasers are advised to seek legal advice prior to any resale of the securities.

Representations of Canadian purchasers

By purchasing Offer Shares in Canada and accepting delivery of a purchase confirmation, a purchaser is representing to the Company and the respective Manager from whom the purchase confirmation is received that:

- the purchaser is entitled under applicable provincial securities laws to purchase the Offer Shares without the benefit of a prospectus qualified under those securities laws as it is an “accredited investor” as defined under National Instrument 45-106 – Prospectus Exemptions,
- the purchaser is a “permitted client” as defined in National Instrument 31-103 – Registration Requirements, Exemptions and Ongoing Registrant Obligations,
- where required by law, the purchaser is purchasing as principal and not as agent, and

- the purchaser has reviewed the sub-section “*Plan of Distribution—Selling Restriction—Canada—Resale Restrictions*”.

Conflicts of interest

Canadian purchasers are hereby notified that the Managers are relying on the exemption set out in section 3A.3 or 3A.4, if applicable, of National Instrument 33-105 – Underwriting Conflicts from having to provide certain conflict of interest disclosure in this document.

Statutory rights of action

Securities legislation in certain provinces or territories of Canada may provide a purchaser with remedies for rescission or damages if the prospectus (including any amendment thereto) such as this document contains a misrepresentation, provided that the remedies for rescission or damages are exercised by the purchaser within the time limit prescribed by the securities legislation of the purchaser’s province or territory. The purchaser of these securities in Canada should refer to any applicable provisions of the securities legislation of the purchaser’s province or territory for particulars of these rights or consult with a legal advisor.

Enforcement of legal rights

All of the Company’s directors and officers as well as the experts named herein may be located outside of Canada and, as a result, it may not be possible for Canadian purchasers to effect service of process within Canada upon the Company or those persons. All or a substantial portion of the Company’s assets and the assets of those persons may be located outside of Canada and, as a result, it may not be possible to satisfy a judgment against the Company or those persons in Canada or to enforce a judgment obtained in Canadian courts against the Company or those persons outside of Canada.

Taxation and eligibility for investment

Canadian purchasers of Offer Shares should consult their own legal and tax advisors with respect to the tax consequences of an investment in the Offer Shares in their particular circumstances and about the eligibility of the Offer Shares for investment by the purchaser under relevant Canadian legislation.

CERTAIN ERISA CONSIDERATIONS

The following is a summary of certain considerations associated with the purchase of the Offer Shares by employee benefit plans that are subject to Title I of the U.S. Employee Retirement Income Security Act of 1974, as amended (“**ERISA**”) plans, individual retirement accounts and other arrangements that are subject to Section 4975 of the Code or provisions under any other federal, state, local, non-U.S. or other laws or regulations that are similar to such provisions of ERISA or the Code, and entities whose underlying assets are considered to include “plan assets” of any such plan, account or arrangement.

A fiduciary of a pension, profit-sharing or other employee benefit plan, including entities such as collective investment funds, partnerships and separate accounts whose underlying assets include the assets of such plans (collectively, “**ERISA Plans**”), subject to ERISA, should consider the fiduciary standards of ERISA in the context of the ERISA Plan’s particular circumstances before authorizing an investment in the Offer Shares. Accordingly, among other factors, the fiduciary should consider whether the investment would satisfy the prudence and diversification requirements of ERISA and would be consistent with the documents and instruments governing the ERISA Plan, and whether the investment would involve a prohibited transaction under Section 406 of ERISA or Section 4975 of the Code.

Section 406 of ERISA and Section 4975 of the Code prohibit ERISA Plans, as well as plans (including individual retirement accounts and Keogh plans) subject to Section 4975 of the Code (together with ERISA Plans, “**Plans**”), from engaging in certain transactions involving “plan assets” with persons who are “parties in interest” under ERISA or “disqualified persons” under the Code (“**Parties in Interest**”) with respect to the Plan. A violation of these prohibited transaction rules may result in civil penalties or other liabilities under ERISA and/or an excise tax under Section 4975 of the Code for those persons, unless exemptive relief is available under an applicable statutory, regulatory or administrative exemption. Certain employee benefit plans and arrangements including those that are governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and foreign plans (as described in Section 4(b)(4) of ERISA) (“**Non-ERISA Arrangements**”) are not subject to the requirements of ERISA or Section 4975 of the Code but may be subject to similar provisions under applicable federal, state, local, foreign or other regulations, rules or laws (“**Similar Laws**”).

The acquisition or holding of the Offer Shares by a Plan with respect to which the Company or a dealer or certain of their affiliates is or becomes a Party in Interest may constitute or result in a prohibited transaction under ERISA or Section 4975 of the Code, unless those Offer Shares are acquired and held pursuant to and in accordance with an applicable exemption. Section 408(b)(17) of ERISA and Section 4975(d)(20) of the Code provide an exemption for the purchase and sale of securities from certain Parties in Interest that are service providers (or certain affiliates thereof) where the Party in Interest does not have or exercise any discretionary authority or control or render any investment advice with respect to the assets of the Plan involved in the transaction and the Plan pays no more and receives no less than “adequate consideration” in connection with the transaction. The U.S. Department of Labor has also issued five prohibited transaction class exemptions, or “PTCEs”, that may provide exemptive relief if required for direct or indirect prohibited transactions that may arise from the purchase or holding of the Offer Shares. These exemptions are:

- PTCE 84-14, an exemption for certain transactions determined or effected by independent qualified professional asset managers;
- PTCE 90-1, an exemption for certain transactions involving insurance company pooled separate accounts;
- PTCE 91-38, an exemption for certain transactions involving bank collective investment funds;
- PTCE 95-60, an exemption for transactions involving certain insurance company general accounts; and
- PTCE 96-23, an exemption for plan asset transactions managed by in-house asset managers.

There can be no assurance that any of these statutory or class exemptions will be available with respect to transactions involving the Offer Shares.

The Offer Shares will be eligible for purchase by Plans. Any purchaser or transferee (and if the purchaser or transferee is a Plan of Non-ERISA Arrangement, its fiduciary or trustee) of Offer Shares (or any interest therein) will be deemed to have represented and warranted by its acquisition

and holding of the Offer Shares (or any interest therein) that either (1) it is not a Plan and is not acquiring or holding the Offer Shares (or any interest therein) on behalf of or with “plan assets” of any Plan, and it is not a Non-ERISA Arrangement subject to Similar Laws, or (2) its acquisition and holding of Offer Shares (or any interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a Non-ERISA Arrangement, will not constitute or result in a violation of the provisions of any Similar Laws.

Due to the complexity of these rules and the penalties that may be imposed upon persons involved in non-exempt prohibited transactions, it is important that fiduciaries or other persons considering purchasing Offer Shares on behalf of or with “plan assets” of any Plan or Non-ERISA Arrangement consult with their counsel regarding the availability of exemptive relief under any of the PTCEs listed above, the service provider exemption or any other applicable exemption, or the potential consequences of any acquisition or holding of Offer Shares under Similar Laws, as applicable.

Each purchaser and transferee (and if such purchaser or transferee is a Plan or Non-ERISA Arrangement, its fiduciary or trustee) of the Offer Shares has exclusive responsibility for ensuring that its purchase, holding and subsequent disposition of the Offer Shares does not violate the fiduciary or prohibited transaction rules of ERISA, the Code or any applicable Similar Laws. The sale of any Offer Shares to any Plan or Non-ERISA Arrangement is in no respect a representation by the Company or any of its affiliates or representatives that such an investment meets all relevant legal requirements with respect to investments by Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement, or that such an investment is appropriate for Plans or Non-ERISA Arrangements generally or any particular Plan or Non-ERISA Arrangement.

TRANSFER RESTRICTIONS

As a result of the following restrictions, holders of the Offer Shares are advised to contact legal counsel prior to making any resale, pledge or transfer of the Offer Shares.

The Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and, accordingly, may not be offered or sold within the United States except to QIBs in reliance on Rule 144A or pursuant to another exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act, and to persons outside the United States in offshore transactions as defined in, and in accordance with, Regulation S. Terms used in this section that are defined in Rule 144A or Regulation S are used herein as so defined.

Investors in United States

Each purchaser of the Offer Shares in the United States, by accepting delivery of this Prospectus and the Offer Shares, will be deemed to have represented, agreed and acknowledged that:

1. the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are subject to restrictions on transfer and are “restricted securities” as defined in Rule 144(a)(3) under the U.S. Securities Act;
2. it is (i) a QIB, (ii) aware, and each beneficial owner of such Offer Shares has been advised, that the sale of such Offer Shares to it is being made in reliance on Rule 144A or pursuant to another exemption from, or a transaction not subject to, the registration requirements of the U.S. Securities Act, (iii) acquiring such Offer Shares for its own account or for the account of a QIB, and (iv) if it is acquiring such Offer Shares for the account of one or more QIBs, has sole investment discretion with respect to each such account and has full power to make the acknowledgements, representations and agreements herein on behalf of each such account;
3. it agrees (or, if it is acting for the account of another person, such person has confirmed to it that such person agrees) that it (or such person) will not offer, resell, pledge or otherwise transfer such Offer Shares except: (a) in accordance with Rule 144A to a person that it and any person acting on its behalf reasonably believe is a QIB purchasing for its own account or for the account of a QIB, (b) in an offshore transaction (as such term is defined in Regulation S under the U.S. Securities Act) in accordance with Rule 903 or 904 of Regulation S or (c) in accordance with Rule 144 under the U.S. Securities Act (if available), in each case in accordance with any applicable securities laws of any state of the United States. The purchaser will, and each subsequent holder is required to, notify any subsequent purchaser from it of those Offer Shares of the resale restrictions referred to above;
4. the Offer Shares may not be deposited into any unrestricted depository facility established or maintained by a depository bank, unless and until such time as the Offer Shares are no longer “restricted securities” within the meaning of Rule 144(a)(3) under the U.S. Securities Act;
5. the Company, the Selling Shareholder, the Managers and their respective affiliates will rely upon the truth and accuracy of the acknowledgements, representations and agreements in the foregoing paragraphs. If it is acquiring Offer Shares for the account of one or more QIBs, it represents that it has sole investment discretion with respect to each such account and that it has full power to make the foregoing acknowledgements, representations and agreements on behalf of each such account; and
6. it represents and agrees that either (1) it is not a Plan and is not acquiring or holding the Offer Shares (or any interest therein) on behalf of or with “plan assets” of any Plan, and it is not a Non-ERISA Arrangement subject to Similar Laws, or (2) its acquisition and holding of Offer Shares (or any interest therein) will not give rise to a non-exempt prohibited transaction under Section 406 of ERISA or Section 4975 of the Code, or, in the case of a Non-ERISA Arrangement, will not constitute or result in a violation of the provisions of any Similar Laws.

Prospective purchasers are hereby notified that sellers of the Offer Shares may be relying on the exemption from the provisions of Section 5 of the U.S. Securities Act provided by Rule 144A.

Investors outside the United States

Each purchaser of Offer Shares outside the United States pursuant to Regulation S, by accepting delivery of this Prospectus and the Offer Shares, will be deemed to have represented, agreed and acknowledged that:

1. (a) it is aware that the sale of the Offer Shares to it is being made pursuant to and in accordance with Rule 903 or 904 of Regulation S, (b) it is, or at the time such Offer Shares are purchased will be, the beneficial owner of those Offer Shares and (c) it is purchasing such Offer Shares in an offshore transaction meeting the requirements of Regulation S;
2. it understands that the Offer Shares have not been and will not be registered under the U.S. Securities Act or with any securities regulatory authority of any state of the United States and are being offered outside the United States; and
3. it acknowledges that the Company, the Selling Shareholder, the Managers and their respective affiliates will rely upon the truth and accuracy of the acknowledgements, representations and agreements in the foregoing paragraphs.

Other Jurisdictions

The Offer Shares have not been and will not be registered under the applicable securities laws of Australia, Canada or Japan. Subject to certain exceptions, the Offer Shares may not be offered or sold in Australia, Canada or Japan or to or for the account or benefit of any resident of the United States, Australia, Canada or Japan.

ADMISSION TO LISTING

The general meeting of the Company's shareholders resolved on 31 May 2017 to change the legal form of the Company from the existing private company limited by shares to a public company limited by shares, as well as on the necessary amendments of its Articles of Association and approval of the listing of the Shares on the Budapest Stock Exchange.

There has been no public trading market for the Shares. The Company will apply for admission of the Existing Shares on the Budapest Stock Exchange on or about 19 June 2017 and for admission of the New Shares on the Budapest Stock Exchange on or about 3 July 2017. The listing approvals regarding the Existing Shares and the New Shares are expected to be announced on or about 20 June 2017 and 5 July 2017, respectively. Trading of the Shares in the Equities Prime Market category of the Budapest Stock Exchange is expected to commence on 6 July 2017.

The MNB has no authority to issue any approval in relation to the listing of the Shares and the category of listing, which is subject to fulfilling the listing criteria and the approval of the Budapest Stock Exchange.

TAXATION OF OFFER SHARES

This summary solely addresses certain Hungarian and U.S. federal income tax consequences to shareholders in connection with the acquisition, ownership, or disposition of the Offer Shares. This summary does not discuss every aspect of taxation that may be relevant to a shareholder or that may be relevant to a particular taxpayer under special circumstances or who is subject to special treatment under applicable law, is not intended to be applicable in all respects to all categories of investors and does not purport to be a legal opinion or to address all tax aspects that may be relevant to a holder of the Shares.

Each prospective investor is urged to consult its own tax advisors as to the particular tax consequences to such holder of the ownership and disposal of Shares, including the applicability and effect of any other tax laws or tax treaties, and of pending or proposed changes in applicable tax laws as of the date of this Prospectus, and of any actual changes in applicable tax laws after such date.

Hungarian Tax

The following is a general discussion of certain Hungarian tax consequences of the acquisition, ownership and disposition of the Shares. It does not purport to be a comprehensive description of all tax considerations, and, in particular, does not consider any specific facts or circumstances that may apply to a particular holder. This summary is based on the laws of Hungary currently in force and as applied on the date of this Prospectus which are frequently subject to change, possibly with retroactive effect.

Prospective investors are advised to consult their own tax advisers as to the tax consequences of the acquisition, ownership and disposition of the Shares, including the effect of any state or local taxes, under the tax laws of Hungary and each country of which they are residents.

Non-Hungarian Tax Residents

Holders other than individuals. Non-Hungarian tax resident holders other than individuals are not subject to tax in Hungary with respect to any income resulting from the acquisition, ownership and disposition of the Company's Shares provided that the Shares are not held by their Hungarian permanent establishments.

Individual holders. Individual non-Hungarian tax resident shareholders are generally subject to tax in Hungary only with respect to their Hungarian source income.

Capital gains income, and income realised from controlled capital market transactions with respect to the Shares will generally not qualify as Hungarian source income for non-Hungarian tax resident individual shareholders, and therefore, this income will not be taxable in Hungary.

Dividend income realised with respect to the Shares, however, would qualify as Hungarian source income and would be subject to Hungarian personal income taxation at a 15% rate. Recipients who are subject to the provisions of an applicable tax treaty to which Hungary is a party can subject to a reduced tax rate as set by the treaty. Individuals claiming reduction of tax on the basis of any applicable tax treaty shall be required to furnish the payor with the prescribed tax residence certificate and a declaration of beneficial ownership. If more tax is withheld than prescribed by the law or the applicable treaty, the recipient may apply for a refund at the Hungarian Tax Authority, which will also require a certificate of tax residence and certificate provided by the payor on the withholding.

Dividend tax will be withheld at source by the Hungarian payor. If the provider of the income is not a Hungarian payor, the tax and health care contribution should be assessed, reported and paid by the individual holder.

Individual non-Hungarian tax resident shareholders are generally not subject to health care contribution in Hungary, however, note that the health care contribution payment liability is assessed independently from tax residence.

Hungarian Tax Residents

Non-individual Hungarian tax residents. Non-individual Hungarian tax residents are corporate and non-corporate organisations incorporated (established) under Hungarian laws or those having their place of effective management in Hungary.

As a general rule, capital gains realised by Non-individual Hungarian tax residents with respect to the Shares would form part of the Hungarian corporate income tax base and as such will be subject to Hungarian corporate income tax. The general corporate income tax rate in Hungary is 9%

Dividends realised on the Shares would be tax exempt.

Individual Hungarian tax residents. Individual Hungarian tax residents are: (i) citizens of Hungary (excluding those who are also citizens of another state and do not have a registered address or habitual residence in Hungary), (ii) citizens of a member state of the European Economic Area (“EEA”) whose stay in Hungary exceeds 183 days within a calendar year, (iii) persons having permanent residence in Hungary and stateless persons (iv) who have a home permanently available solely in Hungary, (v) whose centre of vital interests is in Hungary, if they do not have a permanent home in Hungary or have such place both in Hungary and in other jurisdictions, or (vi) whose habitual residence is in Hungary, if they do not have a permanent home and their centre of vital interests cannot be determined.

Capital gains realised by Hungarian tax resident individuals may either be treated for personal income tax purposes as capital gains income or if it qualifies as such, as “income from controlled capital market transactions”. In both cases a 15% personal income tax would apply on the income so realised.

If capital gains are treated as capital gains income for personal income tax purposes, the income will be subject to a 14% health care contribution in addition to the 15% personal income tax. Health care contribution payable in a given year is capped in the amount of approximately EUR 1,500 calculated together with certain other income types taxable in Hungary that are subject to social security liabilities. The personal income tax and health care contribution liability of the individual holder will be assessed, and paid, and withheld at source by the Hungarian payor.

If the capital gains realised qualify as “income from controlled capital market transactions” for personal income tax purposes, no health care contribution would apply in addition to the 15% personal income tax. The personal income tax liability of the individual holder will not be assessed by the Hungarian disburser or withheld at source, but the Hungarian disburser will only provide information to the Hungarian tax authority with respect to the payments made to the individual holder with respect to the transaction. It will be the individual holder’s liability to assess, report and pay the personal income tax by the filing date of his yearly personal income tax return.

Dividends received by Hungarian tax resident individuals with respect to the Shares are subject to a 15% Hungarian personal income tax. The personal income tax will be withheld at source by the Hungarian payor.

Earnings on securities listed on any recognised (regulated) market of any member state of the EEA in accordance with the Hungarian Capital Markets Act that is treated as dividend (dividend advance) under the national laws of the member state in question are exempt from Hungarian health care contribution liability.

Certain U.S. Federal Tax Considerations

The following discussion is a summary of certain U.S. federal income tax consequences generally applicable to U.S. Holders (as defined below) of the acquisition, ownership and disposition of Offer Shares. This discussion is based on the U.S. Internal Revenue Code of 1986, as amended (the “Code”), the U.S. Treasury regulations promulgated thereunder, administrative guidance and court decisions and the income tax treaty between the United States and the Government of the Hungarian People’s Republic (the “Treaty”), in each case as of the date hereof, all of which are subject to change, possibly with retroactive effect, and to differing interpretations. This discussion addresses only those U.S. Holders that purchase their Offer Shares in the Offering and will hold their Offer Shares as “capital assets” within the meaning of Section 1221 of the Code (generally, property held for investment). This discussion does not address any aspect of non-U.S. tax law or U.S. state, local, estate, gift or other tax law that may be applicable to a U.S. Holder. This discussion does not constitute tax advice and does not address all aspects of U.S. federal income taxation that may be relevant to particular U.S. Holders in light of their personal circumstances, or to any U.S. Holders subject to special treatment under the Code, such as:

- banks, mutual funds and other financial institutions;
- real estate investment trusts and regulated investment companies;
- traders in securities who elect to apply a mark-to-market method of accounting;
- tax-exempt organisations or governmental organisations;
- insurance companies;

- dealers or brokers in securities or foreign currency;
- individual retirement and other deferred accounts;
- U.S. Holders whose functional currency is not the U.S. dollar;
- former citizens or long-term residents of the United States;
- persons subject to the alternative minimum tax or Medicare tax on net investment income;
- persons that actually or constructively own 10% or more of the total voting power or value of all of the Company's outstanding stock;
- persons that are resident or ordinarily resident in or have a permanent establishment in a jurisdiction outside the United States;
- persons who hold their Offer Shares as part of a straddle, hedging, conversion, constructive sale or other risk reduction transaction;
- persons who purchase or sell their Offer Shares as part of a wash sale for tax purposes;
- "S corporations," partnerships or other entities or arrangements classified as partnerships for U.S. federal income tax purposes, or other pass-through entities (and investors therein); and
- persons who received their Offer Shares through the exercise of employee stock options or otherwise as compensation or through a tax-qualified retirement plan.

For purposes of this discussion, a "U.S. Holder" means a beneficial owner of Offer Shares that for U.S. federal income tax purposes is: (i) an individual who is a citizen or resident of the United States; (ii) a corporation (or other entity taxable as a corporation for U.S. federal income tax purposes) created or organized in the United States, any state thereof or the District of Columbia; (iii) an estate the income of which is subject to U.S. federal income taxation regardless of its source; or (iv) a trust if (a) a court within the United States is able to exercise primary supervision over the administration of the trust and one or more U.S. persons have the authority to control all substantial decisions of the trust, or (b) the trust has a valid election in effect under applicable U.S. Treasury regulations to be treated as a U.S. person for U.S. federal income tax purposes.

If a partnership, including for this purpose any arrangement or entity that is treated as a partnership for U.S. federal income tax purposes, holds or disposes of Offer Shares, the tax treatment of a partner in the partnership generally will depend upon the status of the partner and the activities of the partnership. Prospective purchasers that are partnerships for U.S. federal income tax purposes and the partners in such partnerships are urged to consult their tax advisors about the U.S. federal income tax consequences of the acquisition, ownership and disposition of Offer Shares.

This discussion is for informational purposes only and is not tax advice. U.S. Holders of Offer Shares should consult their tax advisors with respect to the U.S. federal income tax consequences to them of the acquisition, ownership and disposition of Offer Shares in light of their particular circumstances, as well as any tax consequences of such matters arising under the U.S. federal tax laws other than those pertaining to income tax, including estate or gift tax laws, or under any state, local or non-U.S. tax laws or under any applicable income tax treaty.

Dividends

Subject to the discussion below under "—Passive Foreign Investment Company," the gross amount of distributions paid with respect to the Offer Shares (other than certain *pro rata* distributions of shares to all shareholders), including the amount of any taxes withheld, will be treated as dividends to the extent paid out of the Company's current or accumulated earnings and profits (as determined under U.S. federal income tax principles). To the extent, if any, that the amount of any such distribution exceeds the Company's current or accumulated earnings and profits, it will be treated first as a tax-free return of the U.S. Holder's tax basis in the Offer Shares and thereafter as capital gain. However, the Company does not intend to calculate its earnings and profits under U.S. federal income tax principles. Therefore, a U.S. Holder should expect that a distribution generally will be treated as a dividend even if that distribution would otherwise be treated as a non-taxable return of capital or as capital gain under the rules described above. The dividends will not be eligible for the dividends-received deduction generally available to corporations in respect of dividends received from other U.S. corporations.

With respect to certain non-corporate U.S. Holders, including individual U.S. Holders, dividends will be taxed at the lower capital gains rate applicable to "qualified dividend income," provided that (i) the Company is eligible for the benefits of the Treaty, which the Company expects to be, (ii) the

Company is not a passive foreign investment company (as discussed below under “—Passive Foreign Investment Company”) for its taxable year in which the dividend is paid and the preceding taxable year, and (iii) certain holding period and other requirements are met.

Dividends paid in a currency other than U.S. dollars will be included in a U.S. Holder’s income in a U.S. dollar amount determined by reference to the exchange rate in effect on the date of actual or constructive receipt, whether or not the non-U.S. currency is converted into U.S. dollars at that time. If a dividend paid in non-U.S. currency is converted into U.S. dollars on the day the dividend is received, the U.S. Holder generally will not recognise foreign currency gain or loss on such conversion. If it is not converted into U.S. dollars on the date of receipt, such U.S. Holder will have a basis in the non-U.S. currency equal to the U.S. dollar value on the date of receipt. Any gain or loss on a subsequent conversion or other distribution of such non-U.S. currency generally will be treated as ordinary income or loss to such U.S. Holder and generally will be income or loss from sources within the United States for foreign tax credit limitation purposes.

If a U.S. Holder is eligible to claim the benefits of the Treaty, subject to applicable limitations, non-refundable Hungarian taxes withheld from dividends on the Offer Shares at a rate not exceeding the rate provided in the Treaty (if applicable) will be creditable against the U.S. Holder’s U.S. federal income tax liability (or at a U.S. Holder’s election, may be deducted in computing taxable income if the U.S. Holder has elected to deduct all foreign income taxes for the taxable year). Dividends on the Offer Shares generally will be foreign-source income. The limitation on foreign taxes eligible for the U.S. foreign tax credit is calculated separately with respect to specific “baskets” of income. For this purpose, the dividends will generally constitute “passive category income,” or in the case of certain U.S. Holders, “general category income.” The rules governing foreign tax credits are complex, and U.S. Holders should consult their tax advisors regarding the creditability of foreign taxes based on their particular circumstances.

Dispositions

Subject to the discussion below under “—Passive Foreign Investment Company,” a U.S. Holder generally will recognise capital gain or loss on any sale, exchange, redemption, or other taxable disposition of its Offer Shares in an amount equal to the difference between the amount realised for the Offer Shares and such U.S. Holder’s tax basis in the Offer Shares, each determined in U.S. dollars. Any such capital gain or loss will be long-term if the U.S. Holder’s holding period in the Offer Shares exceeds one year. Long-term capital gains of non-corporate taxpayers generally are eligible for reduced rates of taxation. Any gain or loss generally will be treated as U.S.-source gain or loss. The deductibility of capital losses is subject to limitations under the Code.

A U.S. Holder’s tax basis in the Offer Shares generally will be the U.S. dollar value of the non-U.S. currency amount paid to purchase the Offer Shares determined by reference to the exchange rate on the date of purchase. If the Offer Shares are treated as traded on an “established securities market,” a cash basis U.S. Holder (or, if it elects, an accrual basis U.S. Holder) will determine the U.S. dollar value of the cost of such Offer Shares by translating the amount paid at the spot rate of exchange on the settlement date of the purchase. The election available to accrual basis U.S. Holders must be applied consistently to all debt instruments held by such U.S. Holders and cannot be changed, without the consent of the Internal Revenue Service.

A U.S. Holder that receives a currency other than U.S. dollars on the sale or other taxable disposition of the Offer Shares generally will realise an amount equal to the U.S. dollar value of the non-U.S. currency received determined by reference to the exchange rate on the date of sale or other taxable disposition (or in the case of Offer Shares traded on an “established securities market” that are sold by a cash basis or electing accrual basis taxpayer, the settlement date). A U.S. Holder will recognise currency gain or loss if the U.S. dollar value of the currency received at the spot rate on the settlement date differs from the amount realised. A U.S. Holder will have a tax basis in the currency received equal to the U.S. dollar value of the currency on the settlement date. Any gain or loss recognised on a subsequent conversion or other disposition of the non-U.S. currency for a different U.S. dollar amount will be exchange gain or loss and generally will be treated as U.S.-source ordinary income or loss for foreign tax credit limitation purposes.

Passive Foreign Investment Company

A non-U.S. corporation will be classified as a passive foreign investment company (“PFIC”) for U.S. federal income tax purposes in any taxable year in which the corporation satisfies either of the following requirements:

- at least 75% of its gross income is “passive income”; or
- at least 50% of the average gross fair market value of its assets is attributable to assets that produce “passive income” or are held for the production of “passive income.”

Passive income for this purpose generally includes dividends, interest, royalties, rents and gains from commodities and securities transactions. In addition, there is a look-through rule for investments in subsidiary corporations. Under this rule, if a non-U.S. corporation owns (directly or indirectly) at least 25% of another corporation, the non-U.S. corporation is treated as owning a proportionate share of the assets of the other corporation and earning its proportionate share of the income of the other corporation for purposes of determining if the non-U.S. foreign corporation is a PFIC.

Based upon the composition of its income, its assets and the nature of its business, the Company believes that it was not a PFIC for the tax year ending 31 December 2016, and expects that it will not be classified as a PFIC for its current taxable year or the foreseeable future. There can be no assurance, however, that the Company will not be considered to be a PFIC for any particular year because PFIC status is factual in nature, depends upon factors not wholly within the Company’s control, generally cannot be determined until the close of the taxable year in question, and is determined annually. If the Company were a PFIC in any taxable year, materially adverse U.S. federal income consequences could result for U.S. Holders. If the Company were a PFIC for any taxable year during which a U.S. Holder owned Offer Shares, gains recognised by such U.S. Holder on a sale or other disposition of the Offer Shares would be allocated ratably over the U.S. Holder’s holding period for such shares. The amount allocated to the taxable year of the sale or other disposition and to any year before the Company became a PFIC would be taxed as ordinary income. The amount allocated to each other taxable year would be subject to tax at the highest rate in effect and an interest charge would be imposed on the amount allocated to each such taxable year. Further, any distribution on the Offer Shares in excess of 125% of the average of the annual distributions on such Offer Shares received by a U.S. Holder during the preceding three years or the U.S. Holder’s holding period, whichever is shorter, would be subject to taxation in the same manner as gain, as described immediately above. If the Company is classified as a PFIC in any year that a U.S. Holder is a shareholder, the Company generally will continue to be treated as a PFIC for that U.S. Holder in all succeeding years, even if the Company ceases to satisfy the requirements of being a PFIC. U.S. Holders should consult their tax advisers regarding the application of the PFIC rules to their investment in the Offer Shares, including whether certain elections may be available that would result in alternative treatments of the Offer Shares.

Backup Withholding and Information Reporting

Payments of dividends to a U.S. Holder and proceeds from the sale or other disposition of Offer Shares may, under certain circumstances, be subject to information reporting and backup withholding, unless the U.S. Holder provides proof of an applicable exemption or, in the case of backup withholding, furnishes its taxpayer identification number and otherwise complies with all applicable requirements of the backup withholding rules. Backup withholding is not an additional tax and generally will be allowed as a refund or credit against the U.S. Holder’s U.S. federal income tax liability, provided that the required information is timely furnished to the IRS.

Foreign Asset Reporting

Certain U.S. Holders are required to report information relating to an interest in the Offer Shares, subject to certain exceptions (including an exception for Offer Shares held in accounts maintained by certain financial institutions) by filing Internal Revenue Service Form 8938 (Statement of Specified Foreign Financial Assets) with their U.S. federal income tax return. U.S. Holders are urged to consult their tax advisors regarding their information reporting obligations, if any, with respect to their ownership and disposition of Offer Shares.

LEGAL MATTERS

Certain legal matters with respect to the Offering will be passed upon for the Company in respect of United States federal securities law and the laws of England and Wales by White & Case LLP, London, United Kingdom, and in respect of Hungarian law by Lakatos, Köves and Partners, Budapest, Hungary.

Certain legal matters with respect to the Offering will be passed upon for the Managers in respect of United States federal securities law and the laws of England and Wales by Shearman & Sterling (London) LLP, London, United Kingdom, and in respect of Hungarian law by Andr  k   Kinstellar, Budapest, Hungary.

INDEPENDENT AUDITOR

The Annual Financial Statements have been audited by Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság, with its registered office at 1132 Budapest, Váci út 20., Hungary, an independent auditor, as set forth in their report thereon appearing herein. Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság is a member of the Magyar Könyvvizsgálói Kamara (Chamber of Hungarian Auditors). Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság also reviewed the Interim Financial Statements as stated in their report attached to the Interim Financial Statements included in this Prospectus, and reported on the Pro Forma Consolidated Financial Information and provided an unqualified report on the financial information contained therein, which is included in this Prospectus

The Insurance Company Financial Statements, which are incorporated by reference in this Prospectus, have been audited by KPMG Hungária Kft., with its registered office at H-1134 Budapest, Váci út 31., an independent auditor, as set forth in their report thereon appearing herein. KPMG Hungária Kft. is a member of the Magyar Könyvvizsgálói Kamara (Chamber of Hungarian Auditors).

DOCUMENTS AVAILABLE FOR INSPECTION

For as long as this Prospectus is valid, copies of the following documents will be available free of charge during usual business hours at the Company's registered office at 1239 Budapest, Nagykörösi út 351., Hungary and on the Company's website www.waberers.com, the website of the Budapest Stock Exchange www.bet.hu and the website operated by MNB for publications www.kozzetetelek.hu:

- the articles of association of the Company;
- the Financial Statements;
- the Pro Forma Financial Information;
- this Prospectus;
- resolutions of the general meeting of the Company deciding on the change of operation form of the Company and any relating documentation (resolutions of the Board of Directors, opinion of the Supervisory Board, Corporate Governance Report, principles relating to the long-term remuneration and promulgation of the members of the Board of Directors, the Supervisory Board and senior management); and
- by-laws of the Board of Directors and Supervisory Board.

The Company's future consolidated annual and interim financial statements will be available from the Company on its website and the website operated by MNB for publications www.kozzetetelek.hu.

The information displayed on the Company's website or any other website to which a reference is made in this Prospectus does not form part of this Prospectus nor is it incorporated by reference into this Prospectus.

RESPONSIBILITY STATEMENT

In accordance with the Prospectus Regulation and pursuant to Section 29 (2) of the Hungarian Capital Markets Act, WABERER'S INTERNATIONAL Zártkörűen Működő Részvénytársaság, with its registered office at 1239 Budapest, Nagykörösi út 351, company registration number 01-10-041375 and CEE Transport Holding B.V., with its registered office at Herikerbergweg 238, Luna Arena 1101CM Amsterdam, the Netherlands, company registration number 003506721 state that they are responsible for this Prospectus and declare that having taken all reasonable care to ensure that such is the case, the information contained in this Prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.

WABERER'S INTERNATIONAL Zártkörűen Működő Részvénytársaság



Represented by: **Ferenc Lajkó**

Title: *CEO / Member of the Board of Directors*

Place and date: *Budapest, 15 June 2017*



Represented by: **Nikolaus Bethlen**

Title: *Chairman of the Board of Directors*

Place and date: *London, 15 June 2017*

Amsterdam, 15 June 2017

CEE Transport Holding B.V.

CEE Transport Holding B.V. is represented by TMF Management BV, as managing director A, and Timo Johannes van Rijn, as managing director B:



TMF Management B.V.

Represented by: *Timo Johannes van Rijn*



TMF Management B.V.

Represented by: *Joost Marcel van der Eerden*



Timo Johannes van Rijn

GLOSSARY

Act on ESOP	means Act XLIV of 1992 on Employee Share Ownership Programmes.
Admission	means the date when the admission of the Existing Shares to the Budapest Stock Exchange becomes effective.
ADR Goods	means goods falling within the scope of the European Agreement concerning the International Carriage of Dangerous Goods by Road.
Annual Financial Statements	means the special-purpose audited consolidated financial statements of the Company as of and for the years ended 31 December 2016, 2015 and 2014, including the notes thereto, set forth on pages F-21 through F-87 of this Prospectus.
APMs	means “alternative performance measures” as defined by the “ <i>ESMA Guidelines on Alternative Performance Measures</i> ” issued by the European Securities and Markets Authority on 5 October 2015.
Articles of Association	means the articles of association of the Company.
Berenberg	means Joh. Berenberg, Gossler & Co. KG.
BILK	means the Budapest Intermodal Logistics Centre.
BILK Lease Agreement	means a lease agreement between BILK Logisztikai Zrt. as lessor and the Group, through Waberer’s-Szemerey as lessee, dated 21 April 2017.
Board of Directors	means the board of directors of the Company.
Bonus Shares	means one Share provided by the Company to each Eligible Employee at no cost for every ten Eligible Shares held by the Eligible Employee throughout the Holding Period.
Brussels I Recast	means Council Regulation (EC) No 1215/2012 on Jurisdiction and the Recognition and Enforcement of Judgements in Civil and Commercial Matters.
Budapest Stock Exchange	means the Budapest Stock Exchange.
CEE	means Central and Eastern Europe.
CGR	means the Corporate Governance Recommendations of the Budapest Stock Exchange.
Citi	means Citigroup Global Markets Limited.
Clearstream	means Clearstream Banking, société anonyme.
Closing Date	means 5 July 2017.
CMR Convention	means the Convention on the Contract for the International Carriage of Goods by Road.
Code	means the U.S. Internal Revenue Code of 1986, as amended.
Collective Agreement	means the collective agreement between the Company and the National Trade Union of International and Professionals Drivers (in Hungarian, <i>Nemzetközi és Hivatásos Gépkocsvezetők Országos Szakszervezete</i>) and the European Trade Union of Truck Drivers (in Hungarian, <i>Teherfuvarozók Európai Szakszervezete</i>) which was entered into on 21 May 2013 and entered into force as of 1 June 2013.
Company	means WABERER’S INTERNATIONAL Zártkörűen Működő Részvénytársaság, with its registered office at 1239 Budapest, Nagykőrösi út 351, company registration number 01-10-041375. As of the date of this Prospectus, the Company is operating as a private company limited by shares incorporated under the laws of Hungary. The general meeting of the Company’s shareholders

resolved on 31 May 2017 to change the legal form of the Company from the existing private company limited by shares to a public company limited by shares. This change of the Company's form shall take effect on the date when the Budapest Stock Exchange approves the listing of the Existing Shares and the Existing Shares are registered on the Product List of the Budapest Stock Exchange.

CPC	means the Driver Certificate of Professional Competence.
Customer Farming Team	means the International Sales Development Team with SAMs dedicated to acquiring new customers and separate personnel dedicated to maintaining and developing existing customer relationships.
Damage Claims	means private lawsuits at any given time for damages in transported goods or other damages caused by traffic accidents brought against the Group.
Domestic License	means the operating license required by the Group's domestic operations in Hungary.
Driver Churn	means the number of drivers leaving a company during a given period divided by the average number of drivers for such period.
ECC	means Regulation No 561/2006 of the European Parliament and of the Council of 15 March 2006 on the harmonisation of certain social legislation to road transport.
EEA	means the European Economic Area.
EKÁER	means the Electronic Road Transport Controlling System.
Eligible Companies	means the Company, Simon Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Cseri Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Molnár S Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Kovács Ádám Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Molnár Norbert Intersped Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Vágenhoffer Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Réthi Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Pálinkás Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, VT Intertrans Korlátolt Felelősségű Társaság, Székely Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Szabó Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Kerekes Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Veres Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Zsemlye Zalán Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Bódi Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, S. Tóth Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Waberer's Network Korlátolt Felelősségű Társaság, Rapid Teherautó Szervíz Korlátolt Felelősségű Társaság, Vándor Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Waberer's Romania SA, Waberer's Slovakia s.r.o., Transpont Hungária Korlátolt Felelősségű Társaság, Kanczler Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, TT Intertrans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Euro-Unió Trans Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, Waberer's-Szemerey Logisztika Korlátolt Felelősségű Társaság, DELTA-RENT Gépjármű-hasznosító Korlátolt Felelősségű Társaság, Waberer's Polska sp.z.o.o., MIS Transport Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, GERVIN TRANS Nemzetközi Fuvarozó Korlátolt Felelősségű Társaság, MOJO TRANS Korlátolt Felelősségű Társaság, TRACKING

TRANSPORT Korlátolt Felelősségű Társaság, WM Log Korlátolt Felelősségű Társaság, Cargo Hungária Korlátolt Felelősségű Társaság, SZ-M Cargo Korlátolt Felelősségű Társaság, Solid Transport Korlátolt Felelősségű Társaság, JIT Euro Trans Korlátolt Felelősségű Társaság, VB-Transport Fuvarozási Korlátolt Felelősségű Társaság, Return Transport Korlátolt Felelősségű Társaság, PM Intersped Korlátolt Felelősségű Társaság, Del af Europa Transport Korlátolt Felelősségű Társaság, COSMOS-Transport Korlátolt Felelősségű Társaság, Crossroad Transport Korlátolt Felelősségű Társaság, Lean Logistics Korlátolt Felelősségű Társaság, Waberer's Benelux B.V., Szala Transport Korlátolt Felelősségű Társaság, TMT International Korlátolt Felelősségű Társaság, Wáberer Hungária Biztosító Zártkörűen Működő Részvénytársaság and Közdülő-Invest Ingatlan- és Vagyonkezelő Korlátolt Felelősségű Társaság.

Eligible Employees

means full-time and part-time employees including employees on maternity leave, on child care leave without pay pursuant to Section 128 and Section 130 of Act I of 2012 on the Labour Code with valid employment contracts and executive officers with valid mandate agreements who have been employed by the Company or any other Eligible Company since 27 March 2017 or earlier, however excluding employees and executive officers whose employment of mandate at an Eligible Company ends for any reason before the last day of the Holding Period, unless it is replaced by a new employment or mandate with an Eligible Company.

Eligible Institutional Investors

means institutional investors who comply with the requirements set forth in Article 5(1) point 92 of the Hungarian Capital Markets Act or who are Qualified Investors.

Eligible Shares

means Offer Shares that each Eligible Employee is entitled to purchase at the Offer Price within the Employee Offering.

Employee Claims

means labour lawsuits over salary payment brought against the Group by an employee of the Group.

Employee Offer Period

means the period during which investors participating in the Employee Offering may submit purchase orders and which commences on 19 June 2017 and is expected to end on 27 June 2017, at 17:00 CET (Central European Time).

Employee Offering

means a public offering of the Offer Shares in Hungary to eligible employees and executive officers of the Group (subject to limitations set out in this Prospectus);

Employee Offering Limit

means Eligible Shares up to the maximum of Offer Shares corresponding to the total amount calculated as HUF 2,000,000 divided by the Maximum Price, rounded down to the rounded down to the nearest full number.

ERISA

means the U.S. Employee Retirement Income Security Act of 1974, as amended.

ERISA Plans

means a pension, profit-sharing or other employee benefit plan subject to ERISA, including entities such as collective investment funds, partnerships and separate accounts whose underlying assets include the assets of such plans.

Ernst & Young

means Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság, 1132 Budapest, Váci út 20., Hungary.

Erste Group

means Erste Group Bank AG and its affiliates.

ESOP	means Employee Share Ownership Programme Organisation (in Hungarian, <i>Waberer's Munkavállalói Résztulajdonosi Program Szervezet</i>).
EU	means the European Union.
EU License	means the operating license required by the Group's international operations throughout the EU.
Euroclear	means the Euroclear System.
Executive Officers	means the Company's executive officers.
Existing Offer Shares	means up to 7,160,973 existing ordinary registered shares of the Company, each fully paid up with a nominal value of EUR 0.35 per share, offered by the Selling Shareholder as part of the Offering.
Existing Shares	means all ordinary registered shares issued by the Company comprising 100% of the registered capital of the Company as of the date of the Prospectus.
Exit Date	means the date the Company is listed on a recognised investment exchange, or if the Selling Shareholder transfers its entire shareholding in the Company to a person who is not an affiliate of the Company or any other transaction resulting in the realisation of the Selling Shareholder's investment in the Company
Financial APMs	means EBITDA, EBIT, Adjusted EBITDA, Adjusted EBIT, Adjusted EBITDA Margin, ROCE, Free Cash Flow, Net Financial Indebtedness, Gross Financial Indebtedness, Net Leverage Ratio, Adjusted Pro Forma Net Leverage Ratio and Asset Intensity.
Financial Promotion Order	means Financial Services and Markets Act 2000 (Financial Promotion) Order 2005.
Financial Statements	means, together, the Annual Financial Statements and the Interim Financial Statements.
Financing Companies	means third party companies which provide certain of the trucks and trailers used by the Group through financial lease agreements.
FMCG	means the fast-moving consumer goods.
FTL	means full-truckload.
Greenshoe Option	means an option granted by the Selling Shareholder to the Managers to acquire up to 1,485,876 Option Shares (corresponding to 15% of the sum of the Existing Offer Shares and the New Shares) from the Selling Shareholder at the Offer Price exercisable by Erste Group Bank AG acting as Stabilisation Manager for the account of the Managers during the Stabilisation Period and may only be exercised to the extent that Over-Allotment Shares have been placed by way of over-allotment.
Group	means the Company and all its consolidated subsidiaries.
HGVs	means heavy goods vehicles.
HNTA	means the Hungarian National Transport Authority.
Holding Period	means the period of one year (365 days) commencing on the settlement date.
Hungarian Accounting Act	means Act C of 2000 on Accounting.
Hungarian Capital Markets Act	means Act CXX of 2001 on the Capital Market.
Hungarian Civil Code	means the Act V of 2013.
Hungarian Insurance Act	means Act LXXXVIII of 2014 on insurance activities.
Hungarian Investment Services Act	means Act CXXXVIII of 2007 on investment firms and commodity dealers, and on the regulations governing their activities.

Hungarian Labour Code	means Act of 2012 on the Labour Code.
Hungarian Road Transport Act	means Act I of 1988 on road transport.
HVAC	means heating, ventilation and air conditioning.
IAS	means International Accounting Standard.
IFRS	means the International Financial Reporting Standards as issued by the International Accounting Standard Board and adopted by the EU.
Institutional Offer Period	means the period during which investors participating in the Institutional Offering may submit purchase orders and which commences on 19 June 2017 and is expected to end on 29 June 2017, at 17:00 CET (Central European Time).
Institutional Offering	a private placement of the Offer Shares to Eligible Institutional Investors in Hungary and in other jurisdictions, which is structured as a private placement in the United States to certain QIBs as defined in, and in reliance on, Rule 144A, and in Hungary and in other jurisdictions outside the United States to institutional investors who comply with the requirements set forth in Article 5(1) point 92 of the Hungarian Capital Markets Act or who are Qualified Investors, in offshore transactions in reliance on Regulation S to which this Prospectus relates.
Insurance Company	means Wáberer Hungária Biztosító Zrt.
Insurance Company Financial Statements	means the audited consolidated financial statements of the Insurance Company as of and for the year ended 31 December 2016.
Interim Financial Statements	means the unaudited consolidated condensed financial statements of the Company as of and for the three months ended 31 March 2017, which include financial information as of and for the three months ended 31 March 2016 as a comparison, including the notes thereto, set forth on pages F-2 through F-20 of this Prospectus.
International Asset Based business line	means the business line of the International Transportation Segment including international long-haul transportation of standardised goods through FTL services, carried out through the Group's own fleet of trucks and non-specialised trailers.
International Freight Forwarding business line	means the business line of the International Transportation Segment specialised freight forwarding operations primarily carried out by a network of qualified sub-contractors in the framework of the Group's international freight forwarding business line
International Transportation Segment	means the Group's operating segment comprising international transportation services focused primarily on the EU.
IT	means information technology.
Joint Bookrunner	means Renaissance Securities (Cyprus) Limited.
Joint Bookrunners	means the Joint Global Coordinators, Erste Group Bank AG and Renaissance Securities (Cyprus) Limited.
Joint Bookrunner and Lead Manager of the Hungarian Public Offering	means Erste Group Bank AG and its affiliates.
Joint Global Coordinators	means Citi together with Berenberg.
KELER	means the Hungarian Central Clearing House and Depository (in Hungarian, <i>Központi Elszámolóház és Értéktár (Budapest) Zrt.</i>).
Leasing Facilities	means financial lease facilities in the outstanding aggregate amount of EUR 163 million at an average interest rate of 1.53%

LINK	means LINK sp. z o.o., with its registered office in Wiązowna, at Nadrzeczna 17, 05-462 Wiązowna, Poland.
LINK Financial Statements	means the audited financial statements of LINK as of and for the year ended 31 December 2016.
Loan Facilities	means loan facilities in the outstanding aggregate amount of EUR 68 million at an interest rate range of 1.13-1.90%.
Loi Macron Act	means a law under the name Loi Macron introduced by France.
LTL	means less than truckload.
Management Incentive Program	means that in case the Selling Shareholder, following a successful Offering, sells more than 50% of its Shares held as of the date of the Prospectus in the Company, or alternatively, if the Offering does not occur and the Selling Shareholder sells its entire shareholding held in the Company, a total of 15 employees, including several executive officers, shall be entitled to receive from the Company (i) in the case of Levente Böröndy, Bence Nyilasy, Károly Megyeri, Zoltán Márton, Zoltán Barcza, József Berta, Péter Sándor, Péter Szalona, Gergely Csikós and Tímea Tóth a bonus payment between EUR 52,258 and EUR 100,000 or (ii) in the case of the following executive officers in the form of treasury shares issued by the Company: Zsolt Barna (23,650 treasury shares), Ferenc Lajkó (63,065 treasury shares), Barna Erdélyi (47,300 treasury shares), Szabolcs Tóth (11,825 treasury shares) and Csaba Kiss (11,825 treasury shares), which would be subject to customary lock-up arrangement for a period of one year following the date of completion of the Offering.
Managers	means the Joint Bookrunner together with Joint Global Coordinators and the Joint Bookrunner and Lead Manager of the Hungarian Public Offering.
Market Abuse Regulation	means Regulation (EU) No. 596/2014 of the European Parliament and of the Council of April 16, 2014, on market abuse.
Maximum Price	means the upper end of the Offer Price Range.
Member States	means member states of the EU.
Mid Europa	means Mid Europa III Management Limited in its capacity as the ultimate general partner of Mid Europa Fund III LP.
MILOG Act	means a law under the name MILOG introduced by Germany.
MNB	means the National Bank of Hungary.
New Shares	means up to 3,088,236 ordinary registered shares to be issued by the Company, with a nominal value of EUR 0.35 per share by the Company.
Non-ERISA Arrangements	means governmental plans (as defined in Section 3(32) of ERISA), certain church plans (as defined in Section 3(33) of ERISA) and foreign plans (as described in Section 4(b)(4) of ERISA).
Non-Key Account Customers	means the Group's customers contacted through the spot market in the transportation industry accounted for 40.7% of the revenue in 2016 (49% in the International Transportation Segment and 4% in the Regional Logistics Segment).
Offer Period	means, together, the Public Offer Period, the Employee Offer Period and the Institutional Offer Period.
Offer Price	means the final offer price of the Offer Shares.
Offer Price Range	means the offer price range of HUF 5,100 to HUF 6,300 per Offer Share within which offers to purchase Offer Shares may be submitted.

Offer Shares	means the New Shares together with the Existing Offer Shares and the Over-Allotment Shares.
Offering	means the offering of the Offer Shares by the Selling Shareholder and the Company.
Offering Terms	means Offer Shares, the Offer Price Range and/or the Offer Period.
Operating APMs	means revenue per loaded kilometre, revenue per used square metre of warehousing capacity, repair and maintenance costs, insurance fees per truck, driver costs, transit costs, gross capital expenditures, revenue from fleet sales, claim expenses and working capital.
Operational Management Leader	means the manager of each Operational Management Unit.
Operational Management Model	means the Group's business model, which combines the operational and financial scale of a Pan-European road transportation company with the flexibility and personal approach typical among smaller trucking companies
Operational Management Unit	means any of the companies which together form the Operation Management Model.
Optimisation Engines	means state of the art software specifically aimed to optimise the efficiency of the Group's operations.
Option Shares	means up to 1,485,876 Existing Shares (corresponding to 15% of the sum of the Existing Offer Shares and the New Shares, which are subject of the Greenshoe Option.
Other Segment	means the Group's operating segment comprising mainly the insurance services provided by the Insurance Company to third parties outside the Group.
Over-Allotment Shares	means up to 1,485,876 existing ordinary registered shares of the Company, each fully paid up, with a nominal value of EUR 0.35 per share from the holdings of the Selling Shareholder, which may be allocated to investors in connection with potential over-allotment.
Participants	means the employees and the managers of the Group participating in the ESOP.
Parties in Interest	means persons who are "parties in interest" under ERISA or "disqualified persons" under the Code.
PFIC	means a passive foreign investment company.
Placement Agreement	means the Placement Agreement to be entered into by the Company, the Selling Shareholder and the Managers on or about the date of this Prospectus.
Plans	means plans (including individual retirement accounts and Keogh plans) subject to Section 4975 of the Code together with ERISA Plans.
PLK	means Pestlőrinci Waberer's Logisztikai Központ.
Pricing Agreement	means the pricing agreement between the Selling Shareholder, the Company and the Managers.
Pricing Statement	means the form in which the Offer Price is expected to be published on or about 29 June 2017 in Publication Places.
Pricing Team	means providing quotes by SAMs to potential new customers on the basis of the prices calculated by personnel dedicated to pricing.
Pro Forma Financial Statements	means the unaudited pro forma income statement of the Group which have been prepared to illustrate the effect of the acquisition of the Insurance Company, which was acquire on 8 April 2016, and the currently ongoing acquisition of LINK on the Group's income statement for the year ended 31 December 2016 had the acquisitions of the Insurance Company and of LINK taken place

on 1 January 2016 and on the Group's balance sheet as of 31 December 2016 had the acquisition of LINK taken place on 31 December 2016.

Prologis	means Budapest Park Prologis Sziget.
Prospectus	means this prospectus.
Prospectus Directive	means the Directive 2003/71/EC (and amendments thereto to the extent implemented in the relevant EU member state).
Prospectus Regulation	means the Commission Regulation (EC) No 809/2004 of 29 April 2004 implementing Directive 2003/71/EC of the European Parliament and of the Council.
Public Offer Period	means the period during which investors participating in the Public Offering may submit purchase orders and which commences on 19 June 2017 and is expected to end on 29 June 2017, at 12:00 noon CET (Central European Time).
Public Offering	means a public offering in Hungary of up to 1,379,718 Existing Offer Shares, up to 297,175 Over-Allotment Shares and up to 617,647 New Shares to investors other than eligible institutional investors to which this Prospectus relates.
Publication Places	means the Company's website www.waberers.com , the website of the Budapest Stock Exchange www.bet.hu , the website operated by MNB for publications www.kozzetetelek.hu and the registered seat of the Company, where will be made available, upon request, the Offer Price in printed form at no cost.
QIBs	means qualified institutional buyers as defined in Rule 144A.
Qualified Investors	means "qualified investors" within the meaning of Article 2(1)(e) of the Prospectus Directive (including any relevant implementing measure in each relevant member state of the EEA).
Regional Contract Logistics Segment	means the Group's operating segment comprising regional transportation and logistics services in Hungary and the CEE region.
Regional Distribution	means a business line of the Group's Regional Transportation including distribution services in Hungary.
Regional FTL	means a business line of the Group's Regional Transportation including FTL freight management services principally in Hungary.
Regional Sales Development Team	means the key account and sales development team responsible for the procurement of regional customers.
Regulation S	means Regulation S under the U.S. Securities Act.
Relationship Agreement	means a relationship agreement which is intended to be entered into by the Company and the Selling Shareholder on or about the date of this Prospectus, which will come into force on Admission.
Relevant Implementation Date	means the date on which the Prospectus Directive is implemented in that Relevant Member State.
Relevant Member State	means a member state of the EEA other than Hungary that has implemented the Prospectus Directive.
Relevant Persons	means persons who (i) have professional experience in matters relating to investments falling within the Financial Promotion Order, (ii) are persons falling within Article 49(2)(a) to (d) ("high net worth companies, unincorporated associations etc.") of the Financial Promotion Order, (iii) are outside the United Kingdom, or (iv) are persons to whom an invitation or inducement to engage in investment activity (within the meaning of section 21 of the

	Financial Services and Markets Act 2000) in connection with the issue or sale of any securities may otherwise lawfully be communicated or caused to be communicated.
RFQs	means requests for quotation.
Risk Management Committee	means a risk management committee of the Insurance Company.
Rule 144A	means Rule 144A under the U.S. Securities Act.
SAMs	means sales account managers.
SEC	means the United States Securities and Exchange Commission.
Selling Shareholder	means CEE Transport Holding B.V.
Shares	means, together, the New Shares and the Existing Shares.
Similar Laws	means similar provisions under applicable federal, state, local, foreign or other regulations, rules or laws.
Solvency II Directive	means Directive 2009/138/EC of the European Parliament and of the Council of 25 November 2009 on the taking-up and pursuit of the business of Insurance and Reinsurance.
Stabilisation Manager	means Erste Group Bank AG.
Stabilisation Period	means the period commencing on or after the date of commencement of trading of the Shares on the Budapest Stock Exchange and ending at any time, but no later than 30 days after the date of commencement of trading of the Shares on the Budapest Stock Exchange.
Supervisory Board	means the supervisory board of the Company.
Szemerey Transport	means Szemerey Transport Zrt.
TI	means Transport Intelligence Ltd., with its registered seat at Kingston House, Pierrepont Street, Bath, BA1 1LA, United Kingdom, company registered in England and Wales No.4554810.
TI Report	means report dated 25 April 2017 prepared by Transport Intelligence Ltd.
Trading Date	means the date of trading in the Shares on the Budapest Stock Exchange expected to commence on or about 6 July 2017.
Transportation Action Plan	means Government Decision no 1560/2015 regarding measures aiming to enhance the competitiveness of logistics, road freight transportation and passenger transportation companies.
Treaty	means the income tax treaty between the United States and the Government of the Hungarian People's Republic.
U.S. Securities Act	means U.S. Securities Act of 1933, as amended.
Vienna Convention	means the United Nations Convention on Road Traffic concluded in Vienna on 13 November 1997 on the worthiness tests for motor vehicles and their trailers.
Waberer Trademark Agreement	means a trademark agreement with Mr György Waberer regulating the use of Mr György Waberer's name by the Company (i) as the Company's name and (ii) in the Company logos protected by the trademarks, for an indefinite period and without any consideration.
Waberer's-Szemerey	means Waberer's-Szemerey Logisztika Kft.
WHB SPA	means sale and purchase agreement for the shares of the Insurance Company.
WIPE	means Waberer's Intelligent Planning Engine.
WIRE	means Waberer's Intelligent Routing Engine.

APPENDIX 1 – PURCHASE ORDER FORM (ENGLISH TRANSLATION FOR INFORMATION PURPOSES ONLY)

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RÉSZVÉNYIGÉNYLÉSI NYILATKOZAT

A WABERER'S INTERNATIONAL NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG ÁLTAL KIBOCSÁTOTT EGYENKÉNT 0,35 EUR NÉVÉRTÉKŰ, DEMATERIALIZÁLT TÖRZSRÉSZVÉNYEK ("RÉSZVÉNYEK") NYILVÁNOS FORGALOMBA HOZATALÁHOZ

A jelen részvényigénylési nyilatkozat átvevője

A forgalmazóként eljáró Erste Befektetési Zrt. vagy közvetítője („Forgalmazó”)

Alulírott, mint Részvényt igénylő befektető („Befektető”)

Neve/cégneve:

Címe/székhelye:

Személyi igazolvány száma/útlevélszáma:

Adószáma/adóazonosító jele:

Céjegyzékszám/nyilvántartási száma:

Ügyfélszámlaszáma:

Értékpapírszámla száma:

Értékpapír alszámla típusa:

Alulírott Befektető ezennel visszavonhatatlanul és feltétel nélkül kinyilvánítom, hogy a nyilvánosan forgalomba hozni és értékesíteni kívánt, a WABERER'S INTERNATIONAL Nyilvánosan Működő Részvénytársaság (székhelye: 1239 Budapest, Nagykörösi út 351; cégjegyzékszám: 01-10-041375; „Társaság”) által kibocsátott, egyenként 0.35 EUR névértékű, HU0000120720 ISIN kódú Részvényből a 2017.06.16 dátumú, a Magyar Nemzeti Bank H-KE-III-426/2017 számú határozatával közzétételre jóváhagyott angol nyelvű tájékoztatóban (*Prospectus*), beleértve annak a Magyar Nemzeti Bank által közzétételre jóváhagyott bármilyen kiegészítését is („Tájékoztató”) meghatározottak, továbbá az alábbi feltételek szerint kívánok igényelni:

Az általam igényelt Részvény darabszám: db

Az általam fizetendő teljes ellenérték a maximum ár (*Maximum Price*) alapján: Ft, azaz forint

Elfogadom, hogy a jelen részvényigénylési nyilatkozatra és a Részvények forgalomba hozatalára a Tájékoztató rendelkezései irányadóak. Kijelentem, hogy a Tájékoztató tartalmát ismerem és elfogadom. Tudomással bírok arról, hogy a jelen részvényigénylési nyilatkozatban nagy kezdőbetűvel írt kifejezések a Tájékoztatóban foglalt tartalommal bírnak, amelyekkel teljes mértékben tisztában vagyok.

Abban az esetben is fenntartom a részvényigénylési nyilatkozatomat, ha túljegyzés történik, vagy a Tájékoztató alapján a fent megjelölt, általam igényelt Részvény darabszám csak részben kerül elfogadásra. Részvényigénylési nyilatkozatom bármely olyan részével kapcsolatban, amely nem kerül elfogadásra, sem a Forgalmazótól, sem valamely Manager-től, sem más személytől kártérítést vagy kártérítést nem követelek, kizárólag az általam igényelt Részvények ellenértékéért befizetett összeg arányos részének a fent megjelölt ügyfélszámlámra történő, a Tájékoztatóban meghatározottak szerinti visszatérítésére tartok igényt.

A jelen részvényigénylési nyilatkozat aláírásával nyilatkozom különösen, hogy tisztában vagyok a Részvény értékesítési tranzakció megszüntetésének lehetőségével, továbbá azzal is, hogy a részvényigényléseim csak 300 millió Ft összegig érvényesek, ennek megfelelően részemre nem lesz Részvény allokálva 300 millió Ft összeg feletti részvényigénylés esetén a 300 millió Ft feletti részre, a Tájékoztató „*Plan of distribution*” című fejezetében foglaltak szerint. Tudomásul veszem és nyilatkozom, hogy ezen esetekben kártérítést nem követelek, kizárólag az általam igényelt Részvények ellenértékéért befizetett összegnek a fent megjelölt ügyfélszámlámra történő, a Tájékoztatóban meghatározottak szerinti visszatérítésére tartok igényt.

1. Megbízom a Forgalmazót, hogy a Részvények teljes ellenértékét tartsa a Forgalmazó Erste Bank Hungary Zrt.-nél vezetett HU90 11600006-00000000-79592435 számú letéti számláján a Forgalmazóval kötött szerződésnek megfelelően és a tőkepiacról szóló 2001. évi CXX. törvény 47. §-ának (7) bekezdése alapján.



2. Tudomásul veszem, hogy amennyiben az általam a jelen részvényigénylési nyilatkozat benyújtásával igényelt Részvények teljes ellenértéke a részvényigénylési nyilatkozat megtételével egyidejűleg, de legkésőbb az ajánlattételi időtartam (*Offer Period*) utolsó napján 12:00 óráig (közép-európai idő szerint) (az ajánlattétel korai lezárásának esetén a korai lezárás időpontjáig) nem kerül a jelen nyilatkozatban meghatározott ügyfélszámlámon jóváírásra, akkor jelen jegyzésem csak azon részvénydarabszám tekintetében érvényes, amelynek a Tájékoztatóban meghatározott módon számított ellenértékére az ügyfélszámlámon a fenti időpontban rendelkezésre álló összeg teljes mértékben fedezetet nyújt.
3. Elfogadom, hogy az allokáció után a Részvények a Forgalmazó KELER Zrt-nél vezetett összevont értékpapírszámláján kerülnek elhelyezésre és innen kerülnek jóváírásra a fent megjelölt értékpapírszámlámon a Forgalmazó által. Tudomásul veszem, hogy (i) a Részvényeket közvetlenül az Értékesítő Részvényestől vásárolom meg adásvétel jogcímén, vagy (ii) a Részvények a Társaság által végrehajtott alapítóke-emelés keretében kerülnek a részemre átruházásra.
4. Kijelentem, hogy a jelen ügylet megfelel a befektetési céljaimnak, a kockázatviselő képességemnek, a kockázatvállaló hajlandóságomnak, a befektetési ismereteimnek, tapasztalataimnak és személyes vagyoni körülményeimnek. Kijelentem továbbá, hogy a jelen részvényigénylési nyilatkozatot átvevő Forgalmazó az e dokumentum általam történt aláírása és átvétele előtt a befektetési vállalkozásokról és az árutőzsdei szolgáltatókról, valamint az általuk végezhető tevékenységek szabályairól szóló 2007. évi CXXXVIII. törvény szerinti valamennyi tájékoztatást megadta, továbbá részemre elérhető módon rendelkezésre bocsátotta—többek között—a Részvényekkel, a Társasággal, az Értékesítő Részvényessel, valamint a Manager-ekkel, a kapcsolódó kockázatokkal, az értékesítéssel és a vonatkozó eljárásokkal (ideértve az allokáció és az elszámolás szabályát és menetrendjét is), továbbá a Forgalmazóval kapcsolatos Tájékoztatóba foglalt releváns információkat, a befektetési döntésem meghozatala során ezeket is figyelembe vettem és ezek alapul vételével hoztam meg döntésem. Kifejezetten kinyilvánítom, hogy a jelen részvényigénylési nyilatkozat aláírását megelőzően a Tájékoztató és a Hirdetmény teljes szövegét megismertem (figyelembe véve azt is, hogy az ún. „Összefoglaló” kivételével a Tájékoztató angol nyelven került elkészítésre), a Részvényekbe történő befektetéshez kapcsolódó kockázatok megértése és helyes értékelése céljából a Részvényekbe történő megalapozott befektetési döntéshez indokolt és szükséges mértékben konzultáltam pénzügyi-, jogi- és adószakértővel.
5. Elfogadom, hogy a jelen jogviszonnyal kapcsolatos jogviták során – beleértve a jelen részvényigénylési nyilatkozat elfogadásának megtagadását is – a hatáskörrel és illetékességgel rendelkező magyar rendes bíróság jár el.
6. Tudomásul veszem, hogy a Forgalmazó a jelen részvényigénylési nyilatkozatban foglalt meghatározott ügylet teljesítéséről az Üzletszabályzata és a Tájékoztató rendelkezéseinek megfelelően tájékoztat.
7. Tisztában vagyok azzal, hogy a részvénybefektetések hozama hosszabb távon többnyire jelentékeny módon meghaladja a kockázatmentes hozamot, ugyanakkor azt is tudom, hogy a részvények árfolyamai reagálnak a legérzékenyebben a piaci eseményekre, ezért a részvények árfolyama a befektetés időszakában is erősen ingadozhat. Felmértem, hogy a részvénybefektetés elsősorban kockázatkedvelő, hosszú távú (min.: 3-5 év) elképzelésekkel rendelkező befektetőknek ajánlott. Kijelentem, hogy ismereteim és tapasztalatom, valamint jövedelmi helyzetem megfelelőek ahhoz, hogy részvénybefektetéssel kapcsolatos megalapozott befektetési döntést hozzak. Tudomásul veszem, hogy a Forgalmazó a jelen nyilatkozattal érintett ügylet esetében nem vizsgálja a Részvények befektetési célok megvalósítására való alkalmasságát, azaz nem alkalmazza a befektetési vállalkozásokról és árutőzsdei szolgáltatókról szóló, valamint általuk végezhető tevékenységek szabályairól szóló 2007. évi CXXXVIII. törvény 45. § (1) bekezdésében foglaltakat, így ennek következményei a számomra nem érvényesülnek.

Tudomásul veszem, hogy tekintettel arra, hogy a Tájékoztató tartalmazza a nyilvános forgalomba hozatal keretében értékesítésre felajánlott Részvények maximális árát, továbbá azokat a szempontokat, illetve feltételeket, amelyek alapján meghatározásra kerül a nyilvános forgalomba hozatal keretében értékesítésre felajánlott Részvények mennyisége, illetőleg végleges ajánlati ára, ezért a befektetők nem vonhatják vissza a részvényigénylési nyilatkozatukat arra hivatkozással, hogy a Tájékoztatóban nem volt megjelenítve a Részvények ténylegesen értékesítésre kerülő mennyisége, illetőleg végleges ajánlati ára.

Kijelentem, hogy a jelen nyilatkozatban megadott adatok a valóságnak megfelelnek. Kijelentem továbbá, hogy kifejezetten hozzájárulok, hogy a jelen részvényigénylési nyilatkozat és jegyzés adatai, különösen az adószámom / adóazonosító jelem átadásra kerüljenek a Társaság részére.

A Tájékoztató teljes egészének tartalmáért, teljességéért, az abban szereplő adatok és információk helyességéért kizárólag a Társaság és az Értékesítő Részvényes felelnek, azaz a Forgalmazó és a Manager-ek a Tájékoztató tartalmáért, teljességéért és az abban szereplő adatok és információk helyességéért nem vállalnak felelősséget. A Forgalmazó és a Manager-ek nem vizsgálták továbbá a Társaság, a Társaság tulajdonosai, az Értékesítő Részvényes és a hozzájuk kapcsolódó társaságok tevékenységét és pénzügyi hátterét, és ezzel kapcsolatban nem vállalnak felelősséget.

Tudomásul veszem, hogy a fentiek alapján a Forgalmazó és a Manager-ek a részvényigénylésre vonatkozó, a Tájékoztatón alapuló befektetési döntésemért felelősséget nem vállalnak.

Kelt:

.....
[Forgalmazó cégszerű aláírása]

.....
Befektető neve, aláírása



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(ENGLISH TRANSLATION BELOW FOR INFORMATION PURPOSES ONLY)

DECLARATION OF INTENT FOR SHARE ACQUISITION

FOR THE PUBLIC LISTING OF DEMATERIALIZED COMMON STOCK (“STOCK”) OF 0,35 EUR FACE VALUE EACH, ISSUED BY WABERER’S INTERNATIONAL NYILVÁNOSAN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG

This declaration of intent for share acquisition is presented to

Erste Befektetési Zrt. or its intermediary acting dealer (“Dealer”)

I the undersigned (“investor”) intending to acquire shares

Name/company name:

Address/Registered office:

Personal ID No./Passport No.:

Tax number/tax ID number:

Company registration no. / (registry number):

Passport number:

Securities account No.:

Type of securities account:

I the undersigned Investor hereby irrevocably and unconditionally declare my intention to acquire from the Shares of 0.35 EUR face value each, to be issued under ISIN code HU0000120720 by WABERER’S INTERNATIONAL Nyilvánosan Működő Részvénytársaság (registered office: 1239 Budapest, Nagykörösi út 351.; company registration number: 01-10-041375; “Company”) publicly offered and to be sold as stated in the English language Prospectus, approved for disclosure by Magyar Nemzeti Bank in its decision No. H-KE-III-426/2017 of 16 June 2017, also including any supplements thereof approved for disclosure by Magyar Nemzeti Bank and under the following conditions:

Number of Shares I intend to acquire:..... (number)

The total consideration payable by me on the basis of the Maximum Price (*Maximum Price*):..... HUF , that is forints

I hereby agree that the terms and conditions of the Prospectus shall prevail for the present declaration of intent for share acquisition and the issuance of the Shares. I declare that I understand and accept the contents of this Prospectus. I am aware that the terms of the present declaration of intent to acquire shares starting with a capital letter have the same meaning as in the Prospectus, which I am fully familiar with.

I shall maintain my declaration of intent to acquire shares even if, due to oversubscription or based on the Prospectus, the above number of shares I intend to acquire is only partially accepted. I shall not claim interest or compensation from the Dealer, or from any Manager or from any other person in respect of any part of my declaration of intent to acquire shares that is not accepted; I will only claim the refund, to be paid into my customer account stated above, as described in the Prospectus, of the proportion of the amount paid by me in consideration for the Shares I intend to acquire.

By signing the present declaration of intent to acquire shares, I declare in particular that I am aware of the possible termination of the Shares Sales Transaction and also that my declarations of intent to acquire shares (orders) are only valid up to HUF 300 million, therefore, no Shares will be allocated to me regarding my declarations of intent to acquire shares (orders) exceeding HUF 300 million, but only with respect to the amount exceeding HUF 300 million, as set forth in the “Plan of Distribution” chapter of the Prospectus. I accept and declare that in these cases I do not claim interest or compensation; I will only claim the refund, into my customer account stated above, as described in the Prospectus, of the proportion of the amount paid by me in consideration for the Shares I wish to acquire.

1. I hereby give notice to the Dealer to keep the total amount of consideration for the Shares in its custody account No. HU90 11600006-00000000-79592435 managed by Erste Bank Hungary Zrt. in accordance with my contract with the Dealer and pursuant to Section 47(7) of Act CXX of 2001 on the Capital Market.
2. I acknowledge that if the total consideration for the Shares ordered by submitting this present declaration of intent for share acquisition is not credited to my client account specified in this declaration simultaneously with the submission of the declaration of intent for share acquisition but not later than by 12.00 noon CET (Central European Time) on the last day of the Offer Period (by the early closing time in the case of early closing of the Offering), then my subscription shall be valid only for the number of shares the amount of consideration for which, calculated in accordance with the Prospectus, is fully covered by the amount available on my client account on the above date.
3. I accept that after the allocation, the Shares will be placed in the Dealer's consolidated securities account held at KELER Zrt. and will then be credited from there into my securities account indicated above by the Dealer. I understand that (i) I purchase the Shares directly from the Selling Shareholder under the title of sale and purchase, or (ii) the Shares are transferred to me under a capital increase carried out by the Company.
4. I hereby declare that this transaction is in conformity with my investment goals, risk bearing capacity, risk appetite, investment knowledge and experience as well as my personal means. I also declare that, having received this declaration of intent for share acquisition and before I signed and received of this document, the Dealer had given me all the information required by the Act CXXXVIII of 2007 on Investment Companies, Commodity Brokers and the Regulations Governing Their Activities, and made available to me all relevant information included in the Prospectus regarding, *inter alia*, the Shares, the Company, the Selling Shareholder and the Managers, the related risks, the notification and the relevant procedures (including the rule and schedule of the allocation and the settlement) as well as the Dealer. While making my investment decision, I took the above into consideration and I made my decision based on the above. I expressly declare that, prior to signing the present declaration of intent for share acquisition, I have read the full text of the Prospectus and the Announcement (also taking into account that the Prospectus has been prepared in English with the exception of the "Summary") and that in order to understand and assess the risks associated with the investment in the Shares I have consulted with financial, legal and tax experts to the extent justified and required for making an informed decision to invest in the Shares.
5. I hereby agree that in the disputes relating to this legal relationship, including the refusal to accept this declaration of intent for share acquisition, the regular Hungarian court with the relevant jurisdiction and competence shall proceed.
6. I acknowledge that the Dealer will notify me of the fulfilment of the transaction defined in this declaration of intent for share acquisition according to the provisions of its own Business Rules and the Prospectus.
7. I understand that the return on equity investments largely exceeds risk-free return over the longer term, but I also know that share prices are the most sensitive to market events, so the share price may fluctuate heavily also during the investment period. I have understood that equity investment is primarily recommended for risk taking investors thinking long-term (min. 3-5 years). I declare that my knowledge and experience, and my income position, are sufficient to make a well-informed investment decision on equity investments. I understand that in the case of the transaction referred to in this declaration the dealer does not investigate the suitability of the Shares for investment purposes i.e. does not apply the provisions of Section 45(1) of Act CXXXVIII of 2007 on Investment Companies, Commodity Brokers and the Regulations Governing Their Activities, so the consequences thereof do not apply to me.

I understand that in view of the fact that the Prospectus contains the maximum price of Shares offered for sale in the public offering as well as the criteria or conditions under which the amount and/or the final offer price of Shares offered for sale under the Public Offering are determined, investors cannot withdraw their declarations of intent for share acquisition claiming that the amount and the final offer price of the Shares actually sold were not stated in the Prospectus.

I hereby declare that the data entered in the present statement are correct. I also hereby declare that I expressly consent to the disclosure of the present declaration of intent for share acquisition and the subscription details, in particular my tax number / tax ID number, to the Company.

The contents and completeness of the entire Prospectus, the data and information contained therein are the sole responsibility of the Company and the Selling Shareholders, i.e., the Dealer and the Managers will not be responsible for the contents, completeness or the accuracy of the data and information contained therein. Furthermore, the Dealer and the Managers did not investigate the activities and financial background of the Company, the Company’s owners, the Selling Shareholder and the related companies and do not take any responsibility in that regard.

I hereby acknowledge that, based on the above, the Dealer and the Managers shall not be responsible for my investment decision made on the basis of the Prospectus concerning the intent to acquire shares.

Dated:

..... Investor’s name, signature
[Dealer’s official signature]

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APPENDIX 2 – FORM OF POWER OF ATTORNEY (ENGLISH TRANSLATION FOR INFORMATION PURPOSES ONLY)

MEGHATALMAZÁS

Alulírott

Név/Cégnév: _____

születési név: _____

lakcím/székhely: _____

anyja neve: _____

adóazonosító jele/adószám: _____

személyazonosító okmányának típusa és száma/céggjegyzékszám: _____

értékpapírszámla szám: _____

értékpapír alszámla típusa: _____

kijelentem, hogy ismerem és elfogadom a WABERER'S INTERNATIONAL Nyilvánosan Működő Részvénytársaság (székhelye: 1239 Budapest, Nagykőrösi út 351.; cégjegyzékszám: Cg. 01-10-041375) („Társaság”) által kibocsátott egyenként 0.35 EUR névértékű, HU0000120720 ISIN kódú részvény („Részvény”) forgalomba hozatalával kapcsolatosan készített, 2017.06.16 dátumú, a Magyar Nemzeti Bank H-KE-III-426/2017 számú határozatával közzétételre jóváhagyott angol nyelvű tájékoztatót (illetve a benne foglalt magyar nyelvű összefoglalót) (*Prospectus*), beleértve annak a Magyar Nemzeti Bank által közzétételre jóváhagyott bármilyen kiegészítését is (együttesen: „Tájékoztató”), ideértve különösen, de nem kizárólag a Tájékoztató 1. számú mellékletét képező Részvényigénylési Nyilatkozat tartalmát. Továbbá

ezenel meghatalmazom

Név: _____ („Meghatalmazott”)

születési név: _____

lakcím: _____

anyja neve: _____

személyazonosító okmányának típusa és száma : _____

hogy helyettem és nevemben darab, azaz darab Részvény megvásárlására vonatkozóan Részvényigénylési Nyilatkozatot tegyen, ideértve a Részvényigénylési Nyilatkozat által hivatkozott valamennyi kapcsolódó nyilatkozat megtételét is. Hozzájárulok, hogy a Részvényigénylési Nyilatkozatot helyettem és nevemben aláírja, képviselőtemben teljes jogkörrel eljárjon és engem a kibocsátóval és harmadik személlyel szemben képviseljen.

A jelen meghatalmazás, illetve a Meghatalmazott által aláírt Részvényigénylési Nyilatkozat felhatalmazza az Erste Befektetési Zrt.-t („Forgalmazó”), hogy a Részvények teljes ellenértékét tartsa a Forgalmazó Erste Bank Hungary Zrt.-nél vezetett HU90 11600006-00000000-79592435 számú letéti számláján.

A jelen meghatalmazás az aláírás napjától számított 90 napig érvényes.

Kelt: _____, 2017. _____.

Meghatalmazó

Aláíró személy neve (nyomtatott betűkkel):



Tisztsége:

Személyazonosító okmányának típusa és száma:

A fenti meghatalmazást elfogadom:

Meghatalmazott

Aláíró személy neve (nyomtatott betűkkel):

1. Tanú

2. Tanú

Aláírás:

Név:

Cím:

Személy
azonosító
okmány
típusa és
száma:

(ENGLISH TRANSLATION BELOW FOR INFORMATION PURPOSES ONLY)

PROXY

The undersigned,

Name / Company name: _____

maiden name: _____

address / registered seat: _____

mother's maiden name: _____

tax identification number / tax number: _____

type and number of personal identification document: _____

number of securities account: _____

type of securities sub-account: _____

hereby declare that I am aware of the content of and I accept the terms and conditions of the English language prospectus (and including the Hungarian language summary) (*Prospectus*) dated 15 June 2017, prepared in connection with the offering of shares ("**Shares**") having a nominal value of EUR 0.35 each, ISIN code: HU000012072 issued by WABERER'S INTERNATIONAL Nyilvánosan Működő Részvénytársaság (registered seat: 1239 Budapest, Nagykörösi út 351.; company registered number: Cg. 01-10-041375) ("**Company**") the publication of which has been approved by the National Bank of Hungary in its resolution No. H-KE-III-426/2017, including any of its amendments the publication of which has been approved by the National Bank of Hungary (together: the "**Prospectus**") including but not limited to the content of the Share Purchase Order Statement (in Hungarian: "*Részvényjegyzési Nyilatkozat*") constituting the No. 1 amendment of the Prospectus.

hereby authorize

Name: _____ ("**Proxyholder**")

maiden name: _____

address: _____

mother's maiden name: _____

type and number of personal identification document: _____

to make on behalf of me the Share Purchase Order Statement with respect to the purchase of .., that is Shares, including the signing of any statement in connection with or referred to in the Share Purchase Order Statement. I grant my consent to the Proxyholder to sign the Share Purchaser Order Statement on behalf of me and represent me with full authority before the issuer and any third party.

This proxy and the Share Purchase Order Statement signed by the Proxyholder entitle Erste Befektetési Zrt. ("**Arranger**") to keep the total consideration of the Shares on the escrow account of the Arranger opened with Erste Bank Hungary Zrt under No. HU90 11600006-00000000-79592435.

This proxy shall be valid for 90 calendar days following the signing date thereof.

Dated: _____, 2017. _____.

Person granting the proxy

Name of the signatory (in capital letters):

Position:

Type and number of personal identification document:

I accept the above proxy:

Proxyholder

Name of the signatory (in capital letters):

Witness No. 1.

Witness No. 2.

Signature:

Signature:

Name:

Name:

Address:

Address:

Type and
number of
personal
identification
document:

Type and
number of
personal
identification
document:

APPENDIX 3 – BRANCH OFFICES OF THE JOINT BOOKRUNNER AND LEAD MANAGER OF THE HUNGARIAN PUBLIC OFFERING'S MANDATED AGENT (SUB-DISTRIBUTOR) AND ITS AGENTS

Erste Befektetési Zrt. Offices

Address: 1138 Budapest, Népfürdő u. 24-26., 8. emelet

Telephone: 235-51-51

Address: 1054 Budapest, Szabadság tér 14.

Telephone: 235-58-85

Erste Bank Hungary Zrt. Branches

Erste World Branches

Name of Branch: Erste World Fiók Kossuth tér

Address: 1055 Budapest, Kossuth tér 13-15.

Name of Branch: Erste World Fiók MOM Park

Address: 1123 Budapest, Alkotás utca 53.

Name of Branch: Erste World Fiók Mammut II.

Address: 1024 Budapest, Lövőház utca 2-6.

Name of Branch: Erste World Fiók Vörösmarty tér

Address: 1052 Budapest, Vörösmarty tér 4.

Name of Branch: Erste World Fiók Győr

Address: 9021 Győr, Bajcsy 31-32.

Name of Branch: Erste World Fiók Debrecen

Address: 4024 Debrecen, Vár U. 4.

Name of Branch: Erste World Fiók Zalaegerszeg

Address: 8900 Zalaegerszeg, Ispotály Köz 2

Name of Branch: Erste World Fiók Szeged

Address: 6720 Szeged, Széchenyi tér 17.

Name of Branch: Erste World Fiók Kecskemét

Address: 6000 Kecskemét, Kisfaludy u. 5.

Name of Branch: Erste World Fiók Pécs

Address: 7620 Pécs, Rákóczi Út 62-64.

Name of Branch: Erste World Fiók Székesfehérvár

Address: 8000 Székesfehérvár, Palotai Út 4.

Name of Branch: Erste World Fiók Miskolc

Address: 3530 Miskolc, Bajcsy- Zsilinszky utca 1.

Private Banking Branches

Name of Branch:	Private Banking MOM SAS torony
Address:	1124 Budapest, Csörsz u. 45. (MOM Park Sas Office Tower B3, 3 em.)
Name of Branch:	Private Banking Debrecen, Vár utcai Fiók
Address:	4024 Debrecen, Vár U. 4.
Name of Branch:	Private Banking Miskolc, Bajcsy-Zsilinszky utcai Fiók
Address:	3530 Miskolc, Bajcsy- Zsilinszky utca 1.
Name of Branch:	Private Banking Szeged, Széchenyi téri Fiók
Address:	6720 Szeged, Széchenyi tér 17.
Name of Branch:	Private Banking Kecskemét, Kisfaludy utcai Fiók
Address:	6000 Kecskemét, Kisfaludy u. 5.
Name of Branch:	Private Banking Győr, Bajcsy-Zs úti Fiók
Address:	9021 Győr, Bajcsy 31-32.
Name of Branch:	Private Banking Pécs, Rákóczi téri Fiók
Address:	7620 Pécs, Rákóczi Út 62-64.
Name of Branch:	Private Banking Székesfehérvár, Palotai úti Fiók
Address:	8000 Székesfehérvár, Palotai Út 4.
Name of Branch:	Private Banking Zalaegerszeg, Ispotály közi Fiók
Address:	8900 Zalaegerszeg, Ispotály Köz 2

Prémium Branches

Name of Branch:	Krisztina téri Fiók
Address:	1013 Budapest, Krisztina tér 2.
Name of Branch:	Eurocenter Fiók
Address:	1032 Budapest, Bécsi út 154. (Eurocenter)
Name of Branch:	Flórián téri Fiók
Address:	1033 Budapest, Flórián tér 3.
Name of Branch:	Mammut II., emeleti Fiók
Address:	1024 Budapest, Lövőház utca 1-5., 3. emelet
Name of Branch:	Királyhágó téri Fiók
Address:	1126 Budapest, Királyhágó tér 8-9.
Name of Branch:	Egry József utcai Fiók
Address:	1111 Budapest, Egry József utca 2.
Name of Branch:	Bartók-Házi Fiók
Address:	1114 Budapest, Bartók Béla út 43-47.
Name of Branch:	Csepeli Fiók
Address:	1211 Budapest, Kossuth Lajos utca 70-86.

Name of Branch:	Kálvin téri Fiók
Address:	1082 Budapest, Baross utca 1-3.
Name of Branch:	Kispesti Fiók
Address:	1193 Budapest, Kossuth tér 23-24.
Name of Branch:	MOM Park Fiók
Address:	1123 Budapest, Alkotás utca 53.
Name of Branch:	Váci út 33. Fiók
Address:	1134 Budapest, Váci út 33.
Name of Branch:	Westend Fiók
Address:	1062 Budapest, Váci út 1-3.
Name of Branch:	Teréz körúti Fiók
Address:	1066 Budapest, Teréz körút 24.
Name of Branch:	Árkád Üzletközponti Fiók
Address:	1106 Budapest, Örs vezér tere 25.
Name of Branch:	Újpesti Fiók
Address:	1042 Budapest, Árpád út 68.
Name of Branch:	Nyugati téri Fiók
Address:	1055 Budapest, Bajcsy-Zsilinszky út 74.
Name of Branch:	Erzsébet krt.8. Fiók
Address:	1073 Budapest, Erzsébet körút 8.
Name of Branch:	Deák téri Fiók
Address:	1054 Budapest, Károly körút 24.
Name of Branch:	Vörösmarty téri Fiók
Address:	1051 Budapest, Vörösmarty tér 4.
Name of Branch:	Aréna Pláza Fiók
Address:	1087 Budapest, Kerepesi út 9.
Name of Branch:	Budaörsi Fiók
Address:	2040 Budaörs, Szabadság u.27.
Name of Branch:	Tatai Fiók
Address:	2890 Tata, Országgyűlés tér 3.
Name of Branch:	Székesfehérvár, Palotai úti Fiók
Address:	8000 Székesfehérvár, Palotai út 4.
Name of Branch:	Tatabányai Fiók
Address:	2800 Tatabánya, Fő tér 20.
Name of Branch:	Szekszárdi Fiók
Address:	7100 Szekszárd, Széchenyi utca 40.
Name of Branch:	Siófoki Fiók
Address:	8600 Siófok, Fő utca 172.

Name of Branch:	Dunaújvárosi Fiók
Address:	2400 Dunaújváros, Dózsa György utca 2/a.
Name of Branch:	Pécs, Rákóczi úti Fiók
Address:	7620 Pécs, Rákóczi út 62-64.
Name of Branch:	Keszthelyi Fiók
Address:	8360 Keszthely, Kossuth utca 11.
Name of Branch:	Győr, Bajcsy-Zs. úti Fiók
Address:	9021 Győr, Bajcsy-Zs. u. 30-32.
Name of Branch:	Sopron, Előkapu Fiók
Address:	9400 Sopron, Előkapu 2-4.
Name of Branch:	Nagykanizsa, Belvárosi Fiók
Address:	8800 Nagykanizsa, Fő utca 2.
Name of Branch:	Győr, Árpád úti Fiók
Address:	9021 Győr, Árpád út 42.
Name of Branch:	Zalaegerszeg, Ispotályközi Fió
Address:	8900 Zalaegerszeg, Ispotály köz 2.
Name of Branch:	Szombathely, Mártírok tér Fiók
Address:	9700 Szombathely, Mártírok tere 12.
Name of Branch:	Kaposvári Fiók
Address:	7400 Kaposvár, Fő u.2.
Name of Branch:	Veszprém, Ádám Iván utcai Fiók
Address:	8200 Veszprém, Ádám Iván utca 2.
Name of Branch:	Egri Fiók
Address:	3300 Eger, Dobó tér 1.
Name of Branch:	Gyöngyösi Fiók
Address:	3200 Gyöngyös, Mikszáth Kálmán utca 4.
Name of Branch:	Miskolc, Bajcsy-Zs. u. Fiók
Address:	3527 Miskolc, Bajcsy-Zsilinszky utca 1-3.
Name of Branch:	Miskolc, Corvin u. Fiók
Address:	3530 Miskolc, Corvin utca 1-3
Name of Branch:	Kecskemét, Kossuth téri Fiók
Address:	6000 Kecskemét, Kossuth tér 6-7.
Name of Branch:	Szolnok, Baross u. Fiók
Address:	5000 Szolnok, Baross utca 8.
Name of Branch:	Szeged, Kölcsey u. Fiók
Address:	6720 Szeged, Kölcsey utca 13.
Name of Branch:	Békéscsaba, Andrassy úti Fiók
Address:	5600 Békéscsaba, Andrassy út 20.

Name of Branch: Szeged, Széchenyi téri Fiók
Address: 6720 Szeged, Széchenyi tér 17.

Name of Branch: Bajai Fiók
Address: 6500 Baja, Vörösmarty utca 5.

Name of Branch: Kalocsai Fiók
Address: 6300 Kalocsa, Szent István király utca 37.

Name of Branch: Nyíregyháza, Korzó Fiók
Address: 4400 Nyíregyháza, Nagy Imre tér 1.

Name of Branch: Nyíregyháza, Országzászló téri Fiók
Address: 4400 Nyíregyháza, Országzászló tér 10.

Name of Branch: Debrecen, Piac u. Fiók
Address: 4024 Debrecen, Piac u. 32.

Name of Branch: Debrecen, Vár u. Fiók
Address: 4024 Debrecen, Vár utca 4.

Agents of Erste Befektetési Zrt.

Name: AMG Asset Management Kft.
Address: 1114 Budapest, Bartók Béla út 76. I/2
Court Registry No.: 01-098-204152

Name: Arrabona Privátbankár Befektetési Kft.
Address: 9024 Győr, Vécsey u. 4. II. em. 1.
Court Registry No.: 08-09-027159

Name: ASSET Pénzügyi Szolgáltató és Tanácsadó Kft.
Address: 7100 Szekszárd, Bezerédj István u. 28. I. em. 3.
Court Registry No.: 17-09-001537

Name: Best Invest 2004 Pénzügyi Tanácsadó Kft.
Address: 1143 Budapest, Ilka u. 31.
Court Registry No.: 01-09-927635

Name: Consorcium Kft.
Address (seat): 4531 Nyírpazony, Nyíregyházi út 15.
Address (office): 1037 Budapest, Kiscsillag u. 4.
Court Registry No.: 15-09-061363

Name: Dél-Szeg Kft.
Address: 6000 Kecskemét, Belsőnyír 111/B
Court Registry No.: 03-09-107921

Name: DLS Befektetési és Tanácsadó Kft.
Address: 9700 Szombathely, Thököly utca 48. 1. em 2.
Court Registry No.: 18-09-104662

Name: **D-WM Kft.**
Address: 1037 Budapest, Montevideo u. 3/B.
Court Registry No: 01-09-270758

Name: **J&R Privát Befektetési Tanácsadó Kft.**
Address: 4400 Nyíregyháza, Szabadság tér 12/b II/2
Court Registry No: 15-09-084081

Name: **MB Consult Kft.**
Address (seat): 1065 Budapest, Révay utca 10.
Address (office): 3530 Miskolc, Rákóczi F. u. 1. 1/5
Court Registry No: 01-09-951471

Name: **Net Média Zrt.**
Address: 1066 Budapest, Teréz krt. 46.
Court Registry No: 01-10-044439

Name: **New York Broker Zrt.**
Address (seat): 1015 Budapest, Batthyány u. 49. 8. em.
Address (office): 1015 Budapest, Batthyány u. 49. 8. em.
8200 Veszprém, Budapest u. 47.
9022 Győr Tarcsay Vilmos u. 22.
6720 Szeged, Gogol u. 3. II.em.
6000 Kecskemét, Wesselényi u. 40
Court Registry No: 1-10-047527

Name: **Perseco Kft.**
Address: 1038 Budapest, Tündérliget utca 7. C ép. 1. em 5.
Court Registry No: 01-09-198546

Name: **PFN Prestige Financial Zrt.**
Address (seat): 4225 Debrecen, Ispán utca 4.
Address (office): 1037 Budapest, Montevideo u. 2/B
Court Registry No: 09-10-000536

Name: **Pontium Kft.**
Address: 7621 Pécs, Király utca 42.
Court Registry No: 02-09-073107

Name: **PREMI-U Investment Kft.**
Address (seat): 2636 Tésa, Petőfi u. 16.
Address (office): 1143 Budapest, Stefánia út 77.
Court Registry No: 13-09-177731

Name: **Prémium Hozam Kft.**
Address: 1125 Budapest, Galgóczy utca 9-11. 2. em. 7.
Court Registry No: 01-09-951539

Name: **Promptvonal Kft.**
Address: 5600 Békéscsaba, Andrássy út 37-43.
Court Registry No: 04-09-004023

Name:	Qdo Invest Befektetési Tanácsadó Kft.
Address (seat):	Győr, Kálvária u. 27/b. fsz. 2/A
Address (office):	9026 Győr Ady Endre utca 2.
Court Registry No:	08-09-028698
Name:	SCK-INVEST Kft.
Address (seat):	2724 Újlengyel, Határ út 12.
Address (office):	1051 Budapest, Vörösmarty tér 4.
Court Registry No:	13-09-150888
Name:	Stocks and Forex Tanácsadó Kft. (korábban: Rekbot Kft.)
Address (seat):	1039 Budapest, Kabar u. 13. 9.em. 53
Address (office):	1027 Budapest, Tölgyfa utca 28. Tölgyfa Irodaház
Court Registry No:	01-09-949146
Name:	Support Investment Értékpapír-Ügynöki Kft.
Address:	7626 Pécs, Király utca 66. 1. em 4-5.
Court Registry No:	02-09-074066
Name:	Tóth Barnabás és Társai Bt.
Address:	6400 Kiskunhalas, Kuruc vitézek tere 39.
Court Registry No:	03-06-111224
Name:	Traders Life Tanácsadó Kft.
Address (seat):	2120 Dunakeszi, Dália u. 16.
Address (office):	1022 Budapest, Margit körút 5/B fsz. 55.
Court Registry No:	13-09-181667
Name:	UFS Group Pénzügyi Tervező Kft.
Address (seat):	2636 Tésa, Petőfi u. 16.
Address (office):	1143 Budapest, Stefánia út 77.
Court Registry No:	13-09-180380

INDEX TO CROSS-REFERENCES

The section below contains a cross-reference list to Annexes I, II and III of the Prospectus Regulation, which are applicable due to the nature of the Company or the Shares.

ANNEX 1 OF THE PROSPECTUS REGULATION – MINIMUM DISCLOSURE REQUIREMENTS FOR THE SHARE REGISTRATION DOCUMENT (SCHEDULE)

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
1. PERSONS RESPONSIBLE	
1.1. All persons responsible for the information given in the registration document and, as the case may be, for certain parts of it, with, in the latter case, an indication of such parts. In the case of natural persons including members of the issuer’s administrative, management or supervisory bodies indicate the name and function of the person; in case of legal persons indicate the name and registered office.	<i>Responsibility Statement</i>
1.2. A declaration by those responsible for the registration document that, having taken all reasonable care to ensure that such is the case, the information contained in the registration document is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import. As the case may be, a declaration by those responsible for certain parts of the registration document that, having taken all reasonable care to ensure that such is the case, the information contained in the part of the registration document for which they are responsible is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.	<i>Responsibility Statement</i>
2. STATUTORY AUDITORS	
2.1. Names and addresses of the issuer’s auditors for the period covered by the historical financial information (together with their membership in a professional body).	<i>Independent Auditor</i>
2.2. If auditors have resigned, been removed or not been re-appointed during the period covered by the historical financial information, indicate details if material.	<i>Not applicable</i>
3. SELECTED FINANCIAL INFORMATION	
3.1. Selected historical financial information regarding the issuer, presented for each financial year for the period covered by the historical financial information, and any subsequent interim financial period, in the same currency as the financial information. The selected historical financial information must provide the key figures that summarise the financial condition of the issuer.	<i>Selected Historical Financial and Operating Information</i>
3.2. If selected financial information for interim periods is provided, comparative data from the same period in the prior financial year must also be provided, except that the requirement for comparative balance sheet information is satisfied by presenting the year end balance sheet information.	<i>Selected Historical Financial and Operating Information</i>
4. RISK FACTORS	
Prominent disclosure of risk factors that are specific to the issuer or its industry in a section headed ‘Risk Factors’.	<i>Risk Factors</i>
5. INFORMATION ABOUT THE ISSUER	
5.1. History and development of the issuer.	<i>Information about the Company and the Group – History and Development of the Company</i>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
5.1.1. The legal and commercial name of the issuer.	<i>Cover Page</i> <i>Important Information about this Prospectus – Certain Definitions</i>
5.1.2. The place of registration of the issuer and its registration number.	<i>Information About The Company And The Group – Corporate particulars of the Company</i>
5.1.3. The date of incorporation and the length of life of the issuer, except where indefinite.	<i>Information About The Company And The Group – Corporate particulars of the Company</i>
5.1.4. The domicile and legal form of the issuer, the legislation under which the issuer operates, its country of incorporation, and the address and telephone number of its registered office (or principal place of business if different from its registered office).	<i>Information About The Company And The Group – Corporate particulars of the Company</i> <i>Regulation</i>
5.1.5. The important events in the development of the issuer’s business.	<i>Information About The Company And The Group – History and Development of the Company</i>
5.2. INVESTMENTS	
5.2.1. A description, (including the amount) of the issuer’s principal investments for each financial year for the period covered by the historical financial information up to the date of the registration document.	<i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and Capital Resources – Capital expenditures (investments)</i>
5.2.2. A description of the issuer’s principal investments that are in progress, including the geographic distribution of these investments (home and abroad) and the method of financing (internal or external).	<i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and Capital Resources – Capital expenditures (investments)</i>
5.2.3. Information concerning the issuer’s principal future investments on which its management bodies have already made firm commitments.	<i>Management’s Discussion and Analysis of Financial Condition and Results of Operations – Recent Developments – Acquisition of LINK</i> <i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and Capital Resources – Capital Expenditures (investments)</i>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
6. BUSINESS OVERVIEW	
6.1. Principal activities	
<p>6.1.1. A description of, and key factors relating to, the nature of the issuer's operations and its principal activities, stating the main categories of products sold and/or services performed for each financial year for the period covered by the historical financial information; and</p>	<p><i>Business – Key Strengths</i> <i>Business – The Group's Business</i> <i>Business – International Transportation Segment / Regional Contract Logistics Segment / Other Segment</i></p>
<p>6.1.2. An indication of any significant new products and/or services that have been introduced and, to the extent the development of new products or services has been publicly disclosed, give the status of development.</p>	<p><i>Business – The Group's Business</i> <i>Business – International Transportation Segment / Regional Contract Logistics Segment / Other Segment</i></p>
<p>6.2. Principal markets A description of the principal markets in which the issuer competes, including a breakdown of total revenues by category of activity and geographic market for each financial year for the period covered by the historical financial information.</p>	<p><i>Business – The Group's Business</i> <i>Business – International Transportation Segment / Regional Contract Logistics Segment / Other Segment</i></p>
<p>6.3. Where the information given pursuant to items 6.1. and 6.2. has been influenced by exceptional factors, mention that fact.</p>	<p><i>Not applicable</i></p>
<p>6.4. If material to the issuer's business or profitability, a summary information regarding the extent to which the issuer is dependent, on patents or licences, industrial, commercial or financial contracts or new manufacturing processes.</p>	<p><i>Business – IT System / Operational Management Unit / Intellectual Property Rights</i> <i>Material Contracts</i></p>
<p>6.5. The basis for any statements made by the issuer regarding its competitive position.</p>	<p><i>Industry And Competition – General Overview / Competitive Environment</i></p>
7. ORGANISATIONAL STRUCTURE	
<p>7.1. If the issuer is part of a group, a brief description of the group and the issuer's position within the group.</p>	<p><i>Information of the Company and the Group – Group Structure</i> <i>Business – The Group's Business – Group Structure</i></p>
<p>7.2. A list of the issuer's significant subsidiaries, including name, country of incorporation or residence, proportion of ownership interest and, if different, proportion of voting power held.</p>	<p><i>Information of the Company and the Group – Group Structure</i></p>
8. PROPERTY, PLANTS AND EQUIPMENT	
<p>8.1. Information regarding any existing or planned material tangible fixed assets, including leased properties, and any major encumbrances thereon.</p>	<p><i>Business – Facilities</i></p>
<p>8.2. A description of any environmental issues that may affect the issuer's utilisation of the tangible fixed assets.</p>	<p><i>Not applicable</i></p>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
9. OPERATING AND FINANCIAL REVIEW	
<p>9.1. Financial Condition</p> <p>To the extent not covered elsewhere in the registration document, provide a description of the issuer’s financial condition, changes in financial condition and results of operations for each year and interim period, for which historical financial information is required, including the causes of material changes from year to year in the financial information to the extent necessary for an understanding of the issuer’s business as a whole.</p>	<p><i>Selected Historical Financial Information</i></p> <p><i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Results of Operations of the Group</i></p>
9.2. Operating Results	
<p>9.2.1. Information regarding significant factors, including unusual or infrequent events or new developments, materially affecting the issuer’s income from operations, indicating the extent to which income was so affected.</p> <p>9.2.2. Where the financial statements disclose material changes in net sales or revenues, provide a narrative discussion of the reasons for such changes.</p>	<p><i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Key Factors Impacting the Group’s Results of Operations</i></p> <p><i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Results of Operations of the Group</i></p>
<p>9.2.3. Information regarding any governmental, economic, fiscal, monetary or political policies or factors that have materially affected, or could materially affect, directly or indirectly, the issuer’s operations.</p>	<p><i>Risk Factors – Risks related to the Group’s business – The Group may be required to increase wages and take other steps due to the adoption of minimum wage laws and other protective measures affecting the European truckload industry by the Members States where the Group operates</i></p> <p><i>Risk Factors – Risks related to the Group’s business – The Group is subject to extensive regulation and is exposed to the risk of changes, amendments and violations of the regulatory framework</i></p> <p><i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Key Factors Impacting the Group’s Results of Operations</i></p>
10. CAPITAL RESOURCES	
<p>10.1. Information concerning the issuer’s capital resources (both short and long term).</p>	<p><i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and Capital Resources</i></p>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
<p>10.2. An explanation of the sources and amounts of and a narrative description of the issuer's cash flows.</p>	<p><i>Management's Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and Capital Resources</i></p>
<p>10.3. Information on the borrowing requirements and funding structure of the issuer.</p>	<p><i>Management's Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and Capital Resources – Contractual Obligations</i></p>
<p>10.4. Information regarding any restrictions on the use of capital resources that have materially affected, or could materially affect, directly or indirectly, the issuer's operations.</p>	<p><i>Management's Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and Capital Resources</i></p>
<p>10.5. Information regarding the anticipated sources of funds needed to fulfill commitments referred to in items 5.2.3. and 8.1.</p>	<p><i>Management's Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and Capital Resources</i></p>
<p>11. RESEARCH AND DEVELOPMENT, PATENTS AND LICENCES</p>	
<p>Where material, provide a description of the issuer's research and development policies for each financial year for the period covered by the historical financial information, including the amount spent on issuer-sponsored research and development activities.</p>	<p><i>Not applicable</i></p>
<p>12. TREND INFORMATION</p>	
<p>12.1. The most significant recent trends in production, sales and inventory, and costs and selling prices since the end of the last financial year to the date of the registration document.</p>	<p><i>Management's Discussion And Analysis Of Financial Condition And Results Of Operations – Recent Developments.</i></p>
<p>12.2. Information on any known trends, uncertainties, demands, commitments or events that are reasonably likely to have a material effect on the issuer's prospects for at least the current financial year.</p>	<p><i>Risk Factors – Risks related to the Group's business</i> <i>Management's Discussion And Analysis Of Financial Condition And Results Of Operations – Key Factors Impacting the Group's Results of Operations</i></p>
<p>13. PROFIT FORECASTS OR ESTIMATES</p>	
<p>If an issuer chooses to include a profit forecast or a profit estimate the registration document must contain the information set out in items 13.1. and 13.2.:</p> <p>13.1. A statement setting out the principal assumptions upon which the issuer has based its forecast, or estimate.</p> <p>There must be a clear distinction between assumptions about factors which the members of the administrative, management or supervisory bodies can influence and assumptions about factors which are exclusively outside the influence of the members of the administrative, management or supervisory</p>	<p><i>Not applicable</i></p> <p><i>Not applicable</i></p> <p><i>Not applicable</i></p>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
bodies; the assumptions must be readily understandable by investors, be specific and precise and not relate to the general accuracy of the estimates underlying the forecast.	
<p>13.2. A report prepared by independent accountants or auditors stating that in the opinion of the independent accountants or auditors the forecast or estimate has been properly compiled on the basis stated, and that the basis of accounting used for the profit forecast or estimate is consistent with the accounting policies of the issuer.</p> <p>Where financial information relates to the previous financial year and only contains non-misleading figures substantially consistent with the final figures to be published in the next annual audited financial statements for the previous financial year, and the explanatory information necessary to assess the figures, a report shall not be required provided that the prospectus includes all of the following statements:</p> <p>(a) the person responsible for this financial information, if different from the one which is responsible for the prospectus in general, approves that information;</p> <p>(b) independent accountants or auditors have agreed that this information is substantially consistent with the final figures to be published in the next annual audited financial statements;</p> <p>(c) this financial information has not been audited.</p>	<p><i>Not applicable</i></p> <p><i>Not applicable</i></p> <p><i>Not applicable</i></p> <p><i>Not applicable</i></p>
13.3. The profit forecast or estimate must be prepared on a basis comparable with the historical financial information	<i>Not applicable</i>
13.4. If a profit forecast in a prospectus has been published which is still outstanding, then provide a statement setting out whether or not that forecast is still correct as at the time of the registration document, and an explanation of why such forecast is no longer valid if that is the case.	<i>Not applicable</i>
14. ADMINISTRATIVE, MANAGEMENT, AND SUPERVISORY BODIES AND SENIOR MANAGEMENT	
<p>14.1. Names, business addresses and functions in the issuer of the following persons and an indication of the principal activities performed by them outside that issuer where these are significant with respect to that issuer:</p> <p>(a) members of the administrative, management or supervisory bodies;</p> <p>(b) partners with unlimited liability, in the case of a limited partnership with a share capital;</p> <p>(c) founders, if the issuer has been established for fewer than five years; and</p> <p>(d) any senior manager who is relevant to establishing that the issuer has the appropriate expertise and experience for the management of the issuer's business.</p> <p>The nature of any family relationship between any of those persons.</p> <p>In the case of each member of the administrative, management or supervisory bodies of the issuer and of each person mentioned in points (b) and (d) of the first subparagraph, details of that person's relevant management expertise and experience and the following information:</p> <p>(a) the names of all companies and partnerships of which such person has been a member of the administrative, management or supervisory bodies or partner at any time in the previous five years, indicating whether or</p>	<p><i>Management – Board of Directors / Supervisory Board / Executive Officers / Board Committees</i></p> <p><i>Not applicable</i></p> <p><i>Not applicable</i></p> <p><i>Management – Executive Officers</i></p> <p><i>Management – Conflict of Interest</i></p> <p><i>Management – Board of Directors / Supervisory Board / Executive Officers</i></p>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
<p>not the individual is still a member of the administrative, management or supervisory bodies or partner. It is not necessary to list all the subsidiaries of an issuer of which the person is also a member of the administrative, management or supervisory bodies;</p> <p>(b) any convictions in relation to fraudulent offences for at least the previous five years;</p> <p>(c) details of any bankruptcies, receiverships or liquidations with which a person described in (a) and (d) of the first subparagraph who was acting in the capacity of any of the positions set out in (a) and (d) of the first subparagraph was associated for at least the previous five years;</p> <p>(d) details of any official public incrimination and/or sanctions of such person by statutory or regulatory authorities (including designated professional bodies) and whether such person has ever been disqualified by a court from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.</p> <p>If there is no such information to be disclosed, a statement to that effect is to be made.</p>	<p><i>Management – Conflict of Interest</i></p> <p><i>Management – Conflict of Interest</i></p> <p><i>Management – Conflict of Interest</i></p> <p><i>Management – Conflict of Interest</i></p>
<p>14.2. Administrative, Management, and Supervisory bodies’ and Senior Management conflicts of interests.</p> <p>Potential conflicts of interests between any duties to the issuer, of the persons referred to in item 14.1 and their private interests and or other duties must be clearly stated. In the event that there are no such conflicts, a statement to that effect must be made.</p> <p>Any arrangement or understanding with major shareholders, customers, suppliers or others, pursuant to which any person referred to in item 14.1 was selected as a member of the administrative, management or supervisory bodies or member of senior management</p> <p>Details of any restrictions agreed by the persons referred to in item 14.1 on the disposal within a certain period of time of their holdings in the issuer’s securities.</p>	<p><i>Management – Conflict of Interest</i></p> <p><i>Management – Conflict of Interest</i></p> <p><i>Not applicable</i></p> <p><i>Not applicable</i></p>
<p>15. REMUNERATION AND BENEFITS</p>	
<p>In relation to the last full financial year for those persons referred to in points (a) and (d) of the first subparagraph of item 14.1:</p> <p>15.1. The amount of remuneration paid (including any contingent or deferred compensation), and benefits in kind granted to such persons by the issuer and its subsidiaries for services in all capacities to the issuer and its subsidiaries by any person.</p> <p>That information must be provided on an individual basis unless individual disclosure is not required in the issuer’s home country and is not otherwise publicly disclosed by the issuer.</p>	<p><i>Management – Remuneration and Benefits in Kind</i></p>
<p>15.2 The total amounts set aside or accrued by the issuer or its subsidiaries to provide pension, retirement or similar benefits.</p>	<p><i>Management – Pension Retirement, Termination and Similar Benefits</i></p>
<p>16. BOARD PRACTICES</p>	
<p>In relation to the issuer’s last completed financial year, and unless otherwise specified, with respect to those persons referred to in point (a) of the first subparagraph of 14.1:</p> <p>16.1. Date of expiration of the current term of office, if applicable, and the period during which the person has served in that office.</p>	<p><i>Management – Board of Directors / Supervisory Board / Executive Officers</i></p>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
<p>16.2. Information about members of the administrative, management or supervisory bodies' service contracts with the issuer or any of its subsidiaries providing for benefits upon termination of employment, or an appropriate negative statement.</p>	<p><i>Management – Board of Directors / Supervisory Board / Executive Officers</i></p>
<p>16.3. Information about the issuer's audit committee and remuneration committee, including the names of committee members and a summary of the terms of reference under which the committee operates.</p>	<p><i>Management – Board Committees</i></p>
<p>16.4. A statement as to whether or not the issuer complies with its country's of incorporation corporate governance regime(s). In the event that the issuer does not comply with such a regime, a statement to that effect must be included together with an explanation regarding why the issuer does not comply with such regime.</p>	<p><i>Management – Corporate Governance Principles</i></p>
<p>17. EMPLOYEES</p>	
<p>17.1. Either the number of employees at the end of the period or the average for each financial year for the period covered by the historical financial information up to the date of the registration document (and changes in such numbers, if material) and, if possible and material, a breakdown of persons employed by main category of activity and geographic location. If the issuer employs a significant number of temporary employees, include disclosure of the number of temporary employees on average during the most recent financial year.</p>	<p><i>Business – Drivers and Other Employees – Transportation and Logistics</i></p>
<p>17.2. Shareholdings and stock options.</p>	<p><i>Management – Management Incentive Program</i> <i>Management – Employee Share Ownership Programme</i></p>
<p>With respect to each person referred to in points (a) and (d) of the first subparagraph of item 14.1. provide information as to their share ownership and any options over such shares in the issuer as of the most recent practicable date.</p>	<p><i>Management – Executive Officers Compensation of the Executive Officers</i> <i>Management – Employee Share Ownership Programme</i></p>
<p>17.3. Description of any arrangements for involving the employees in the capital of the issuer.</p>	<p><i>Management – Employee Share Ownership Programme</i> <i>Management – Management Incentive Program</i> <i>Plan of Distribution – Offer price range, offer period, offer price and allotment – Employee Offering</i></p>
<p>18. MAJOR SHAREHOLDERS</p>	
<p>18.1. In so far as is known to the issuer, the name of any person other than a member of the administrative, management or supervisory bodies who, directly or indirectly, has an interest in the issuer's capital or voting rights which is notifiable under the issuer's national law, together with the amount of each such person's interest or, if there are no such persons, an appropriate negative statement.</p>	<p><i>Selling Shareholder</i></p>
<p>18.2. Whether the issuer's major shareholders have different voting rights, or an appropriate negative statement.</p>	<p><i>Selling Shareholder</i></p>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
<p>18.3. To the extent known to the issuer, state whether the issuer is directly or indirectly owned or controlled and by whom and describe the nature of such control and describe the measures in place to ensure that such control is not abused.</p>	<p><i>Selling Shareholder</i></p>
<p>18.4. A description of any arrangements, known to the issuer, the operation of which may at a subsequent date result in a change in control of the issuer.</p>	<p><i>Not applicable</i></p>
<p>19. RELATED PARTY TRANSACTIONS</p>	
<p>Details of related party transactions (which for these purposes are those set out in the Standards adopted according to the Regulation (EC) No 1606/2002), that the issuer has entered into during the period covered by the historical financial information and up to the date of the registration document, must be disclosed in accordance with the respective standard adopted according to Regulation (EC) No 1606/2002 if applicable.</p> <p>If such standards do not apply to the issuer the following information must be disclosed:</p> <p>(a) the nature and extent of any transactions which are – as a single transaction or in their entirety – material to the issuer. Where such related party transactions are not concluded at arm’s length provide an explanation of why these transactions were not concluded at arms length. In the case of outstanding loans including guarantees of any kind indicate the amount outstanding;</p> <p>(b) the amount or the percentage to which related party transactions form part of the turnover of the issuer.</p>	<p><i>Related Party Transactions</i></p>
<p>20. FINANCIAL INFORMATION CONCERNING THE ISSUER’S ASSETS AND LIABILITIES, FINANCIAL POSITION AND PROFITS AND LOSSES</p>	
<p>20.1. Historical Financial Information</p> <p>Audited historical financial information covering the latest 3 financial years (or such shorter period that the issuer has been in operation), and the audit report in respect of each year. If the issuer has changed its accounting reference date during the period for which historical financial information is required, the audited historical information shall cover at least 36 months, or the entire period for which the issuer has been in operation, whichever is the shorter. Such financial information must be prepared according to Regulation (EC) No 1606/2002, or if not applicable to a Member State national accounting standards for issuers from the Community. For third country issuers, such financial information must be prepared according to the international accounting standards adopted pursuant to the procedure of Article 3 of Regulation (EC) No 1606/2002 or to a third country’s national accounting standards equivalent to these standards. If such financial information is not equivalent to these standards, it must be presented in the form of restated financial statements.</p> <p>The last two years audited historical financial information must be presented and prepared in a form consistent with that which will be adopted in the issuer’s next published annual financial statements having regard to accounting standards and policies and legislation applicable to such annual financial statements.</p> <p>If the issuer has been operating in its current sphere of economic activity for less than one year, the audited historical financial information covering that period must be prepared in accordance with the standards applicable to annual financial statements under the Regulation (EC) No 1606/2002, or if not applicable to a Member State national accounting standards where the</p>	<p><i>Selected Historical Financial And Operating Information.</i></p> <p><i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations.</i></p> <p><i>Special-purpose audited consolidated financial statements as of and for the year ended 31 December 2016, 2015 and 2014 (F pages)</i></p>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
<p>issuer is an issuer from the Community. For third country issuers, the historical financial information must be prepared according to the international accounting standards adopted pursuant to the procedure of Article 3 of Regulation (EC) No 1606/2002 or to a third country's national accounting standards equivalent to these standards. This historical financial information must be audited.</p> <p>If the audited financial information is prepared according to national accounting standards, the financial information required under this heading must include at least:</p> <p>(a) balance sheet;</p> <p>(b) income statement;</p> <p>(c) a statement showing either all changes in equity or changes in equity other than those arising from capital transactions with owners and distributions to owners;</p> <p>(d) cash flow statement;</p> <p>(e) accounting policies and explanatory notes.</p> <p>The historical annual financial information must be independently audited or reported on as to whether or not, for the purposes of the registration document, it gives a true and fair view, in accordance with auditing standards applicable in a Member State or an equivalent standard.</p>	
<p>20.2. Pro forma financial information</p> <p>In the case of a significant gross change, a description of how the transaction might have affected the assets and liabilities and earnings of the issuer, had the transaction been undertaken at the commencement of the period being reported on or at the date reported.</p> <p>This requirement will normally be satisfied by the inclusion of pro forma financial information.</p> <p>This pro forma financial information is to be presented as set out in Annex II and must include the information indicated therein.</p> <p>pro forma financial information must be accompanied by a report prepared by independent accountants or auditors.</p>	<p><i>Unaudited Pro Forma Financial Information</i></p>
<p>20.3. Financial statements</p> <p>If the issuer prepares both own and consolidated annual financial statements, include at least the consolidated annual financial statements in the registration document.</p>	<p><i>Special-purpose audited consolidated financial statements as of and for the year ended 31 December 2016, 2015 and 2014 (F pages)</i></p>
<p>20.4. Auditing of historical annual financial information</p>	
<p>20.4.1. A statement that the historical financial information has been audited. If audit reports on the historical financial information have been refused by the statutory auditors or if they contain qualifications or disclaimers, such refusal or such qualifications or disclaimers must be reproduced in full and the reasons given.</p>	<p><i>Presentation Of Financial And Other Information</i></p>
<p>20.4.2. Indication of other information in the registration document which has been audited by the auditors.</p>	<p><i>Presentation Of Financial And Other Information</i></p>
<p>20.4.3. Where financial data in the registration document is not extracted from the issuer's audited financial statements state the source of the data and state that the data is unaudited.</p>	<p><i>Presentation Of Financial And Other Information</i></p>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
20.5. Age of latest financial information	
<p>20.5.1. The last year of audited financial information may not be older than one of the following:</p> <p>(a) 18 months from the date of the registration document if the issuer includes audited interim financial statements in the registration document;</p> <p>(b) 15 months from the date of the registration document if the issuer includes unaudited interim financial statements in the registration document.</p>	<i>Presentation Of Financial And Other Information</i>
20.6. Interim and other financial information	
<p>20.6.1. If the issuer has published quarterly or half yearly financial information since the date of its last audited financial statements, these must be included in the registration document. If the quarterly or half yearly financial information has been reviewed or audited, the audit or review report must also be included. If the quarterly or half yearly financial information is unaudited or has not been reviewed state that fact.</p>	<i>Presentation Of Financial And Other Information Selected Historical Financial And Operating Information</i>
<p>20.6.2. If the registration document is dated more than nine months after the end of the last audited financial year, it must contain interim financial information, which may be unaudited (in which case that fact must be stated) covering at least the first six months of the financial year.</p>	<i>Not applicable</i>
<p>The interim financial information must include comparative statements for the same period in the prior financial year, except that the requirement for comparative balance sheet information may be satisfied by presenting the years end balance sheet</p>	<i>Selected Historical Financial And Operating Information</i>
<p>20.7. Dividend policy A description of the issuer's policy on dividend distributions and any restrictions thereon.</p>	<i>Dividend Policy</i>
<p>20.7.1. The amount of the dividend per share for each financial year for the period covered by the historical financial information adjusted, where the number of shares in the issuer has changed, to make it comparable.</p>	<i>Dividend Policy</i>
<p>20.8. Legal and arbitration proceedings Information on any governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the issuer is aware), during a period covering at least the previous 12 months which may have, or have had in the recent past significant effects on the issuer and/or group's financial position or profitability, or provide an appropriate negative statement.</p>	<i>Business – Legal Proceedings and Disputes</i>
<p>20.9. Significant change in the issuer's financial or trading position A description of any significant change in the financial or trading position of the group which has occurred since the end of the last financial period for which either audited financial information or interim financial information have been published, or provide an appropriate negative statement.</p>	<i>Management's Discussion And Analysis Of Financial Condition And Results Of Operations – Significant Change</i>
21. ADDITIONAL INFORMATION	
<p>21.1. Share Capital The following information as of the date of the most recent balance sheet included in the historical financial information:</p> <p>21.1.1.The amount of issued capital, and for each class of share capital:</p> <p>(a) the number of shares authorised;</p> <p>(b) the number of shares issued and fully paid and issued but not fully paid;</p> <p>(c) the par value per share, or that the shares have no par value;</p> <p>and</p>	<i>Description Of Share Capital And Summary Of Articles Of Association – Registered Share Capital</i>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
(d) a reconciliation of the number of shares outstanding at the beginning and end of the year. If more than 10% of capital has been paid for with assets other than cash within the period covered by the historical financial information, state that fact.	
21.1.2. If there are shares not representing capital, state the number and main characteristics of such shares.	<i>Not applicable</i>
21.1.3. The number, book value and face value of shares in the issuer held by or on behalf of the issuer itself or by subsidiaries of the issuer.	<i>Description Of Share Capital And Summary Of Articles Of Association – Registered Share Capital</i>
21.1.4. The amount of any convertible securities, exchangeable securities or securities with warrants, with an indication of the conditions governing and the procedures for conversion, exchange or subscription.	<i>Not applicable</i>
21.1.5. Information about and terms of any acquisition rights and or obligations over authorised but unissued capital or an undertaking to increase the capital. 21.1.6. Information about any capital of any member of the group which is under option or agreed conditionally or unconditionally to be put under option and details of such options including those persons to whom such options relate.	<i>Not applicable</i> <i>Information about the Company and the Group – History and Development of the Group</i>
21.1.7. A history of share capital, highlighting information about any changes, for the period covered by the historical financial information.	<i>Description Of Share Capital And Summary Of Articles Of Association – Registered Share Capital</i>
21.2. Memorandum and Articles of Association	
21.2.1. A description of the issuer’s objects and purposes and where they can be found in the memorandum and articles of association.	<i>Description Of Share Capital And Summary Of Articles Of Association – General</i>
21.2.2. A summary of any provisions of the issuer’s articles of association, statutes, charter or bylaws with respect to the members of the administrative, management and supervisory bodies.	<i>Management – Board of Directors / Supervisory Board / Executive Officers / Board Committees</i>
21.2.3. A description of the rights, preferences and restrictions attaching to each class of the existing shares.	<i>Description Of Share Capital And Summary Of Articles Of Association – Shareholder’s Rights</i>
21.2.4. A description of what action is necessary to change the rights of holders of the shares, indicating where the conditions are more significant than is required by law.	<i>Description Of Share Capital And Summary Of Articles Of Association – General Meeting</i>
21.2.5 A description of the conditions governing the manner in which annual general meetings and extraordinary general meetings of shareholders are called including the conditions of admission.	<i>Description Of Share Capital And Summary Of Articles Of Association – General Meeting</i>
21.2.6. A brief description of any provision of the issuer’s articles of association, statutes, charter or bylaws that would have an effect of delaying, deferring or preventing a change in control of the issuer.	<i>Description Of Share Capital And Summary Of Articles Of Association – General Meeting</i>

REGULATION	RELEVANT SECTION OF THE PROSPECTUS
<p>21.2.7 An indication of the articles of association, statutes, charter or bylaw provisions, if any, governing the ownership threshold above which shareholder ownership must be disclosed.</p>	<p><i>Description Of Share Capital And Summary Of Articles Of Association</i></p>
<p>21.2.8. A description of the conditions imposed by the memorandum and articles of association statutes, charter or bylaw governing changes in the capital, where such conditions are more stringent than is required by law.</p>	<p><i>Description Of Share Capital And Summary Of Articles Of Association – General Meeting</i></p>
<p>22 MATERIAL CONTRACTS</p> <p>A summary of each material contract, other than contracts entered into in the ordinary course of business, to which the issuer or any member of the group is a party, for the two years immediately preceding publication of the registration document.</p> <p>A summary of any other contract (not being a contract entered into in the ordinary course of business) entered into by any member of the group which contains any provision under which any member of the group has any obligation or entitlement which is material to the group as at the date of the registration document.</p>	<p><i>Material Contract</i></p>
<p>23. THIRD PARTY INFORMATION AND STATEMENT BY EXPERTS AND DECLARATIONS OF ANY INTEREST</p>	
<p>23.1. Where a statement or report attributed to a person as an expert is included in the registration document, provide such person’s name, business address, qualifications and material interest if any in the issuer. If the report has been produced at the issuer’s request a statement to the effect that such statement or report is included, in the form and context in which it is included, with the consent of the person who has authorised the contents of that part of the registration document.</p>	<p><i>Important Information about this Prospectus – Third Party Information and Market and Industry Data</i></p>
<p>23.2. Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.</p>	<p><i>Important Information about this Prospectus – Third Party Information and Market and Industry Data</i></p>
<p>24. DOCUMENTS ON DISPLAY</p> <p>A statement that for the life of the registration document the following documents (or copies thereof), where applicable, may be inspected:</p> <p>(a) the memorandum and articles of association of the issuer;</p> <p>(b) all reports, letters, and other documents, historical financial information, valuations and statements prepared by any expert at the issuer’s request any part of which is included or referred to in the registration document;</p> <p>(c) the historical financial information of the issuer or, in the case of a group, the historical financial information for the issuer and its subsidiary undertakings for each of the two financial years preceding the publication of the registration document.</p> <p>An indication of where the documents on display may be inspected, by physical or electronic means.</p>	<p><i>Documents Available For Inspection</i></p>
<p>25. INFORMATION ON HOLDINGS</p> <p>Information relating to the undertakings in which the issuer holds a proportion of the capital likely to have a significant effect on the assessment of its own assets and liabilities, financial position or profits and losses.</p>	<p><i>Not applicable</i></p>

ANNEX 2 OF THE PROSPECTUS REGULATION – PRO FORMA FINANCIAL INFORMATION BUILDING BLOCK

REGULATION	RELEVANT PART OF THE PROSPECTUS
<p>1. The pro forma information must include a description of the transaction, the businesses or entities involved and the period to which it refers, and must clearly state the following:</p> <p>(a) the purpose to which it has been prepared;</p> <p>(b) the fact that it has been prepared for illustrative purposes only;</p> <p>(c) the fact that because of its nature, the pro forma financial information addresses a hypothetical situation and, therefore, does not represent the company's actual financial position or results</p>	<p><i>Presentation of Financial and Other Information – Pro Forma Financial Information</i></p> <p><i>Unaudited Pro Forma Financial Information</i></p>
<p>2. In order to present pro forma financial information, a balance sheet and profit and loss account, and accompanying explanatory notes, depending on the circumstances may be included.</p>	<p><i>Unaudited Pro Forma Financial Information</i></p>
<p>3. Pro forma financial information must normally be presented in columnar format, composed of:</p> <p>(a) the historical unadjusted information;</p> <p>(b) the pro forma adjustments; and</p> <p>(c) the resulting pro forma financial information in the final column.</p> <p>The sources of the pro forma financial information have to be stated and, if applicable, the financial statements of the acquired businesses or entities must be included in the prospectus.</p>	<p><i>Unaudited Pro Forma Financial Information</i></p> <p><i>Presentation of Financial and Other Information – Pro Forma Financial Information</i></p>
<p>4. The pro forma information must be prepared in a manner consistent with the accounting policies adopted by the issuer in its last or next financial statements and shall identify the following:</p> <p>(a) the basis upon which it is prepared;</p> <p>(b) the source of each item of information and adjustment.</p>	<p><i>Presentation of Financial and Other Information – Pro Forma Financial Information</i></p> <p><i>Unaudited Pro Forma Financial Information</i></p>
<p>5. Pro forma information may only be published in respect of:</p> <p>(a) the current financial period</p> <p>(b) the most recently completed financial period; and/or</p> <p>(c) the most recent interim period for which relevant unadjusted information has been or will be published or is being published in the same document.</p>	<p><i>Presentation of Financial and Other Information – Pro Forma Financial Information</i></p> <p><i>Unaudited Pro Forma Financial Information</i></p>
<p>6. Pro forma adjustments related to the pro forma financial information must be:</p> <p>(a) clearly shown and explained;</p> <p>(b) directly attributable to the transaction</p> <p>(c) factually supportable</p> <p>In addition, in respect of a pro forma profit and loss or cash flow statement, they must be clearly identified as to those expected to have a continuing impact on the issuer and those which are not.</p>	<p><i>Presentation of Financial and Other Information – Pro Forma Financial Information</i></p> <p><i>Unaudited Pro Forma Financial Information</i></p>
<p>7. The report prepared by the independent accountants or auditors must state that in their opinion: the pro forma financial information has been properly compiled on the basis stated; that basis is consistent with the accounting policies of the issuer</p>	<p><i>Unaudited Pro Forma Financial Information – Section A: Independent Auditor's Assurance Report on the Compilation of the Pro Forma Consolidated Financial Information</i></p>

ANNEX 3 OF THE PROSPECTUS REGULATION – MINIMUM DISCLOSURE REQUIREMENTS FOR THE SHARE SECURITIES NOTE (SCHEDULE)

REGULATION	RELEVANT PART OF THE PROSPECTUS
1. PERSONS RESPONSIBLE	
1.1. All persons responsible for the information given in the prospectus and, as the case may be, for certain parts of it, with, in the latter case, an indication of such parts. In the case of natural persons including members of the issuer’s administrative, management or supervisory bodies indicate the name and function of the person; in case of legal persons indicate the name and registered office.	<i>Responsibility Statement</i>
1.2. A declaration by those responsible for the prospectus that, having taken all reasonable care to ensure that such is the case the information contained in the prospectus is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import. As the case may be, declaration by those responsible for certain parts of the prospectus that, having taken all reasonable care to ensure that such is the case the information contained in the part of the prospectus for which they are responsible is, to the best of their knowledge, in accordance with the facts and contains no omission likely to affect its import.	<i>Responsibility Statement</i>
2. RISK FACTORS	
Prominent disclosure of risk factors that are material to the securities being offered and/or admitted to trading in order to assess the market risk associated with these securities in a section headed ‘Risk Factors’	<i>Risk Factors – Risks Related to investment in the Offer Shares</i>
3. ESSENTIAL INFORMATION	
3.1. Working capital Statement. Statement by the issuer that, in its opinion, the working capital is sufficient for the issuer’s present requirements or, if not, how it proposes to provide the additional working capital needed.	<i>Management’s Discussion And Analysis Of Financial Condition And Results Of Operations – Liquidity and capital resources – Cash Flows and Working Capital – Working Capital</i>
3.2. Capitalisation and indebtedness A statement of capitalisation and indebtedness (distinguishing between guaranteed and unguaranteed, secured and unsecured indebtedness) as of a date no earlier than 90 days prior to the date of the document. Indebtedness also includes indirect and contingent indebtedness.	<i>Capitalisation and Indebtedness</i>
3.3. Interest of natural and legal persons involved in the issue/offer A description of any interest, including conflicting ones that is material to the issue/offer, detailing the persons involved and the nature of the interest.	<i>Plan of Distribution – Interests of Parties Participating in the Offering</i>
3.4. Reasons for the offer and use of proceeds Reasons for the offer and, where applicable, the estimated net amount of the proceeds broken into each principal intended use and presented by order of priority of such uses. If the issuer is aware that the anticipated proceeds will not be sufficient to fund all the proposed uses, state the amount and sources of other funds needed. Details must be given with regard to the use of the proceeds, in particular when they are being used to acquire assets, other than in the ordinary course of business, to finance announced acquisitions of other business, or to discharge, reduce or retire indebtedness.	<i>Use of Proceeds</i>

REGULATION	RELEVANT PART OF THE PROSPECTUS
4. INFORMATION CONCERNING THE SECURITIES TO BE OFFERED/ADMITTED TO TRADING	
4.1. A description of the type and the class of the securities being offered and/or admitted to trading, including the ISIN (international security identification number) or other such security identification code.	<i>Description of Share Capital and Summary of Articles of Association – Registered Share Capital / Form of Shares</i>
4.2. Legislation under which the securities have been created.	<i>Description of Share Capital and Summary of Articles of Association – Form of Shares</i>
4.3. An indication whether the securities are in registered form or bearer form and whether the securities are in certificated form or book-entry form. In the latter case, name and address of the entity in charge of keeping the records.	<i>Description of Share Capital and Summary of Articles of Association – Form of Shares</i>
4.4. Currency of the securities issue.	<i>Description of Share Capital and Summary of Articles of Association – Registered Share Capital</i>
4.5. A description of the rights attached to the securities, including any limitations of those rights, and procedure for the exercise of those rights.	<i>Description of Share Capital and Summary of Articles of Association – Shareholder's Rights</i>
<ul style="list-style-type: none"> — Dividend rights: <ul style="list-style-type: none"> — fixed date(s) on which the entitlement arises, — time limit after which entitlement to dividend lapses and an indication of the person in whose favour the lapse operates, — dividend restrictions and procedures for non-resident holders, — rate of dividend or method of its calculation, periodicity and cumulative or non-cumulative nature of payments. 	<i>Description of Share Capital and Summary of Articles of Association – Shareholder's Rights – Right to Dividend</i>
<ul style="list-style-type: none"> — Voting rights. 	<i>Description of Share Capital and Summary of Articles of Association – Shareholder's Rights – Right to Participate at the General Meeting and Voting Right</i>
<ul style="list-style-type: none"> — Pre-emption rights in offers for subscription of securities of the same class. 	<i>Description of Share Capital and Summary of Articles of Association – Shareholder's Rights – Capital Increase and Priority Right</i>
<ul style="list-style-type: none"> — Right to share in the issuer's profits. 	<i>Description of Share Capital and Summary of Articles of Association – Shareholder's Rights – Right to Dividend</i>
<ul style="list-style-type: none"> — Rights to share in any surplus in the event of liquidation. 	<i>Description of Share Capital and Summary of Articles of Association – Shareholder's Rights – Liquidation</i>

REGULATION	RELEVANT PART OF THE PROSPECTUS
— Redemption provisions.	<i>Description of Share Capital and Summary of Articles of Association – Shareholder’s Rights – Redemption and Exchange</i>
— Conversion provisions.	<i>Description of Share Capital and Summary of Articles of Association – Shareholder’s Rights – Redemption and Exchange</i>
4.6. In the case of new issues, a statement of the resolutions, authorisations and approvals by virtue of which the securities have been or will be created and/or issued.	<i>Plan of Distribution – General</i>
4.7. In the case of new issues, the expected issue date of the securities.	<i>Plan of Distribution – Offer price range, offer period, offer price and allotment – Determination of the Offer Price and the final number of Offer Shares to be placed</i>
4.8. A description of any restrictions on the free transferability of the securities.	<i>Transfer Restrictions Plan of Distribution – Selling Restrictions</i>
4.9. An indication of the existence of any mandatory takeover bids and/or squeeze-out and sell-out rules in relation to the securities.	<i>Description of Share Capital and Summary of Articles of Association – Shareholder’s Rights – Redemption and Exchange – Hungarian Takeover and Squeeze-out Regulations</i>
4.10. An indication of public takeover bids by third parties in respect of the issuer’s equity, which have occurred during the last financial year and the current financial year. The price or exchange terms attaching to such offers and the outcome thereof must be stated.	<i>Not applicable</i>
4.11. In respect of the country of registered office of the issuer and the country(ies) where the offer is being made or admission to trading is being sought: <ul style="list-style-type: none"> — information on taxes on the income from the securities withheld at source, — indication as to whether the issuer assumes responsibility for the withholding of taxes at the source. 	<i>Taxation</i>
5. TERMS AND CONDITIONS OF THE OFFER	
5.1. Conditions, offer statistics, expected timetable and action required to apply for the offer.	
5.1.1. Conditions to which the offer is subject.	<i>Plan of distribution</i>

REGULATION	RELEVANT PART OF THE PROSPECTUS
<p>5.1.2. Total amount of the issue/offer, distinguishing the securities offered for sale and those offered for subscription; if the amount is not fixed, description of the arrangements and time for announcing to the public the definitive amount of the offer.</p>	<p><i>Cover Page</i> <i>Plan of distribution – General</i> <i>Plan of Distribution – Offer price range, offer period, offer price and allotment – Determination of the Offer Price and the final number of Offer Shares to be placed</i></p>
<p>5.1.3. The time period, including any possible amendments, during which the offer will be open and description of the application process.</p>	<p><i>Plan of distribution – Offer price range, offer period, offer price and allotment</i></p>
<p>5.1.4. An indication of when, and under which circumstances, the offer may be revoked or suspended and whether revocation can occur after dealing has begun.</p>	<p><i>Plan of distribution – Termination of the Offering</i></p>
<p>5.1.5. A description of the possibility to reduce subscriptions and the manner for refunding excess amount paid by applicants.</p>	<p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – General rules applicable for the Public Offering, the Employee Offering and the Institutional Offering</i></p>
<p>5.1.6. Details of the minimum and/or maximum amount of application (whether in number of securities or aggregate amount to invest).</p>	<p><i>Plan of distribution – Offer price range, offer period, offer price and allotment</i></p>
<p>5.1.7. An indication of the period during which an application may be withdrawn, provided that investors are allowed to withdraw their subscription.</p>	<p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – Public Offering</i></p>
<p>5.1.8. Method and time limits for paying up the securities and for delivery of the securities.</p>	<p><i>Cover Page</i> <i>Plan of distribution – Offer price range, offer period, offer price and allotment – General rules applicable for the Public Offering, the Employee Offering and the Institutional Offering</i></p>
<p>5.1.9. A full description of the manner and date in which results of the offer are to be made public.</p>	<p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – General rules applicable for the Public Offering, the Employee Offering and the Institutional Offering</i></p>
<p>5.1.10. The procedure for the exercise of any right of pre-emption, the negotiability of subscription rights and the treatment of subscription rights not exercised.</p>	<p><i>Not applicable</i></p>

REGULATION	RELEVANT PART OF THE PROSPECTUS
5.2. Plan of distribution and allotment	
<p>5.2.1. The various categories of potential investors to which the securities are offered. If the offer is being made simultaneously in the markets of two or more countries and if a tranche has been or is being reserved for certain of these, indicate any such tranche.</p>	<p><i>Cover Page</i> <i>Plan of distribution – General.</i></p>
<p>5.2.2. To the extent known to the issuer, an indication of whether major shareholders or members of the issuer’s management, supervisory or administrative bodies intended to subscribe in the offer, or whether any person intends to subscribe for more than five% of the offer.</p>	<p><i>Not applicable</i></p>
<p>5.2.3. Pre-allotment disclosure.</p> <p>(a) the division into tranches of the offer including the institutional, retail and issuer’s employee tranches and any other tranches;</p> <p>(b) the conditions under which the clawback may be used, the maximum size of such claw back and any applicable minimum percentages for individual tranches;</p> <p>(c) the allotment method or methods to be used for the retail and issuer’s employee tranche in the event of an over-subscription of these tranches;</p> <p>(d) a description of any pre-determined preferential treatment to be accorded to certain classes of investors or certain affinity groups (including friends and family programmes) in the allotment, the percentage of the offer reserved for such preferential treatment and the criteria for inclusion in such classes or groups;</p> <p>(e) whether the treatment of subscriptions or bids to subscribe in the allotment may be determined on the basis of which firm they are made through or by;</p> <p>(f) a target minimum individual allotment if any within the retail tranche;</p> <p>(g) the conditions for the closing of the offer as well as the date on which the offer may be closed at the earliest;</p> <p>(h) whether or not multiple subscriptions are admitted, and where they are not, how any multiple subscriptions will be handled.</p>	<p><i>Cover Page</i> <i>Plan of distribution – General</i></p> <p><i>Not applicable</i></p> <p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – Determination of the Offer Price and the final number of Offer Shares to be placed</i></p> <p><i>Not applicable</i></p> <p><i>Not applicable</i></p> <p><i>Not applicable</i></p> <p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – General rules applicable for the Public Offering, the Employee Offering and the Institutional Offering</i></p> <p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – Public Offering</i></p> <p><i>Plan of distribution-Offer price range, offer period, offer price and allotment – Employee Offering</i></p>
<p>5.2.4. Process for notification to applicants of the amount allotted and indication whether dealing may begin before notification is made.</p>	<p><i>Plan of distribution – Offer price range, offer period, offer price and allotment</i></p>

REGULATION	RELEVANT PART OF THE PROSPECTUS
<p>5.2.5. Over-allotment and ‘green shoe’:</p> <p>(a) the existence and size of any over-allotment facility and/or ‘green shoe’.</p> <p>(b) the existence period of the over-allotment facility and/or ‘green shoe’.</p> <p>(c) any conditions for the use of the over-allotment facility or exercise of the ‘green shoe’.</p>	<p><i>Plan of distribution – Over-Allotment and Stabilisation</i></p> <p><i>Plan of distribution – Over-Allotment and Stabilisation</i></p> <p><i>Plan of distribution – Over-Allotment and Stabilisation</i></p> <p><i>Plan of distribution – Over-Allotment and Stabilisation</i></p>
<p>5.3. Pricing</p>	
<p>5.3.1. An indication of the price at which the securities will be offered. If the price is not known or if there is no established and/or liquid market for the securities, indicate the method for determining the offer price, including a statement as to who has set the criteria or is formally responsible for the determination. Indication of the amount of any expenses and taxes specifically charged to the subscriber or purchaser.</p>	<p><i>Plan of distribution – Offer price range, offer period, offer price and allotment-General rules applicable for the Public Offering, the Employee Offering and the Institutional Offering</i></p> <p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – Determination of the Offer Price and the final number of Offer Shares to be placed</i></p>
<p>5.3.2. Process for the disclosure of the offer price.</p>	<p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – Publication of the Offer Price and the final number of Offer Shares</i></p> <p><i>Plan of distribution – Offer price range, offer period, offer price and allotment – General rules applicable for the Public Offering, the Employee Offering and the Institutional Offering</i></p>
<p>5.3.3. If the issuer’s equity holders have pre-emptive purchase rights and this right is restricted or withdrawn, indication of the basis for the issue price if the issue is for cash, together with the reasons for and beneficiaries of such restriction or withdrawal.</p>	<p><i>Plan of distribution – General</i></p>
<p>5.3.4. Where there is or could be a material disparity between the public offer price and the effective cash cost to members of the administrative, management or supervisory bodies or senior management, or affiliated persons, of securities acquired by them in transactions during the past year, or which they have the right to acquire, include a comparison of the public contribution in the proposed public offer and the effective cash contributions of such persons.</p>	<p><i>Not applicable</i></p>
<p>5.4. Placing and Underwriting</p>	
<p>5.4.1. Name and address of the coordinator(s) of the global offer and of single parts of the offer and, to the extent known to the issuer or to the offeror, of the placers in the various countries where the offer takes place.</p>	<p><i>Important Information about this Prospectus</i></p> <p><i>Last Page</i></p>

REGULATION	RELEVANT PART OF THE PROSPECTUS
5.4.2. Name and address of any paying agents and depository agents in each country.	<i>Not applicable</i>
<p>5.4.3. Name and address of the entities agreeing to underwrite the issue on a firm commitment basis, and name and address of the entities agreeing to place the issue without a firm commitment or under ‘best efforts’ arrangements. Indication of the material features of the agreements, including the quotas. Where not all of the issue is underwritten, a statement of the portion not covered. Indication of the overall amount of the underwriting commission and of the placing commission.</p> <p>5.4.4. When the underwriting agreement has been or will be reached.</p>	<p><i>Plan of Distribution – Termination of the Offering</i></p> <p><i>Plan of Distribution – Placement</i></p> <p><i>Plan of Distribution – Indemnification</i></p> <p><i>Plan of Distribution – Lock-up</i></p> <p><i>Last Page</i></p> <p><i>Not applicable (only a placement agreement will be entered into, see Plan of Distribution – Termination of the Offering/Placement and Plan of Distribution – Placement)</i></p>
6. ADMISSION TO TRADING AND DEALING ARRANGEMENTS	
6.1. An indication as to whether the securities offered are or will be the object of an application for admission to trading, with a view to their distribution in a regulated market or other equivalent markets with indication of the markets in question. This circumstance must be mentioned, without creating the impression that the admission to trading will necessarily be approved. If known, the earliest dates on which the securities will be admitted to trading.	<p><i>Cover Page</i></p> <p><i>Admission to Listing</i></p> <p><i>Plan of Distribution – Admission to the Budapest Stock Exchange and Commencement of Trading</i></p>
6.2. All the regulated markets or equivalent markets on which, to the knowledge of the issuer, securities of the same class of the securities to be offered or admitted to trading are already admitted to trading.	<i>Not applicable</i>
6.3. If simultaneously or almost simultaneously with the creation of the securities for which admission to a regulated market is being sought securities of the same class are subscribed for or placed privately or if securities of other classes are created for public or private placing, give details of the nature of such operations and of the number and characteristics of the securities to which they relate.	<i>Plan of Distribution – General</i>
6.4. Details of the entities which have a firm commitment to act as intermediaries in secondary trading, providing liquidity through bid and offer rates and description of the main terms of their commitment.	<i>Not applicable</i>
6.5. Stabilisation: where an issuer or a selling shareholder has granted an over-allotment option or it is otherwise proposed that price stabilising activities may be entered into in connection with an offer:	<p><i>Cover Page</i></p> <p><i>Important Information about this Prospectus</i></p> <p><i>Plan of distribution – Over-Allotment and Stabilisation</i></p>
6.5.1. The fact that stabilisation may be undertaken, that there is no assurance that it will be undertaken and that it may be stopped at any time,	<p><i>Important Information about this Prospectus</i></p> <p><i>Plan of distribution – Over-Allotment and Stabilisation</i></p>

REGULATION	RELEVANT PART OF THE PROSPECTUS
6.5.2. The beginning and the end of the period during which stabilisation may occur,	<i>Important Information about this Prospectus</i> <i>Plan of distribution – Over-Allotment and Stabilisation</i>
6.5.3. The identity of the stabilisation manager for each relevant jurisdiction unless this is not known at the time of publication,	<i>Important Information about this Prospectus</i> <i>Plan of distribution – Over-Allotment and Stabilisation</i>
6.5.4. The fact that stabilisation transactions may result in a market price that is higher than would otherwise prevail,	<i>Important Information about this Prospectus</i> <i>Plan of distribution – Over-Allotment and Stabilisation</i>
7. SELLING SECURITIES HOLDERS	
7.1. Name and business address of the person or entity offering to sell the securities, the nature of any position office or other material relationship that the selling persons has had within the past three years with the issuer or any of its predecessors or affiliates.	<i>Cover Page</i> <i>Selling Shareholder</i>
7.2. The number and class of securities being offered by each of the selling security holders.	<i>Cover Page</i> <i>Plan of Distribution – General</i>
7.3. Lock-up agreements The parties involved. Content and exceptions of the agreement. Indication of the period of the lock up.	<i>Plan of Distribution – Lock-Up</i>
8. EXPENSE OF THE ISSUE/OFFER	
8.1. The total net proceeds and an estimate of the total expenses of the issue/offer.	<i>Use of Proceeds</i>
9. DILUTION	
9.1. The amount and percentage of immediate dilution resulting from the offer.	<i>Plan of Distribution – General</i>
9.2. In the case of a subscription offer to existing equity holders, the amount and percentage of immediate dilution if they do not subscribe to the new offer.	<i>Plan of Distribution – General</i>
10. ADDITIONAL INFORMATION	
10.1. If advisors connected with an issue are mentioned in the Securities Note, a statement of the capacity in which the advisors have acted.	<i>Legal Matters</i> <i>Last Page</i>
10.2. An indication of other information in the Securities Note which has been audited or reviewed by statutory auditors and where auditors have produced a report. Reproduction of the report or, with permission of the competent authority, a summary of the report.	<i>Presentation of Financial and Other Information</i>
10.3. Where a statement or report attributed to a person as an expert is included in the Securities Note, provide such persons' name, business address, qualifications and material interest if any in the issuer. If the report has been produced at the issuer's request a statement to the effect that such	<i>Important Information about this Prospectus – Third Party Information and Market and Industry Data</i>

REGULATION	RELEVANT PART OF THE PROSPECTUS
statement or report is included, in the form and context in which it is included, with the consent of the person who has authorised the contents of that part of the Securities Note.	
<p>10.4. Where information has been sourced from a third party, provide a confirmation that this information has been accurately reproduced and that as far as the issuer is aware and is able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. In addition, identify the source(s) of the information.</p>	<p><i>Important Information about this Prospectus – Third Party Information and Market and Industry Data</i></p>

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List of Documents Incorporated by Reference

The audited consolidated financial statements of the Insurance Company as of and for the year ended 31 December 2016.....

Available online at
https://www.wabererbiztosito.hu/fogyasztoi_oldal.aspx or at the registered office of the Insurance Company at 1211 Budapest, Szállító u. 4, Hungary

Report of independent auditor to the audited consolidated financial statements of the Insurance Company as of and for the year ended 31 December 2016.....

REPORT ON REVIEW OF INTERIM CONDENSED CONSOLIDATED FINANCIAL STATEMENTS

To the Shareholders of Waberer's International Zrt.

Introduction

We have reviewed the accompanying interim condensed consolidated statement of financial position of Waberer's International Zrt. as of 31 March 2017 and the related interim condensed consolidated statements of comprehensive income, interim condensed consolidated statement of changes in equity and cash flows for the three-month period then ended, and other explanatory information ("interim condensed consolidated financial statements"). Management is responsible for the preparation and presentation of these interim condensed consolidated financial statements in accordance with IAS 34 Interim Financial Reporting (IAS 34). Our responsibility is to express a conclusion on these interim condensed consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with Hungarian National Standards and International Standard on Review Engagements No. 2410, Review of Interim Financial Information Performed by the Independent Auditor of the Entity. A review of interim financial information consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with Hungarian National Auditing Standards and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the accompanying interim condensed consolidated financial statements are not prepared, in all material respects, in accordance with IAS 34.

Budapest, 31 May 2017



Bartha Zsuzsanna
Ernst & Young Kft.
1132 Budapest, Váci út 20.
Registration No. 001165



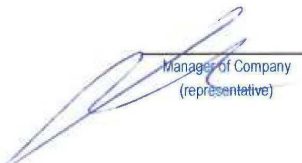
Bartha Zsuzsanna
Registered auditor
Chamber membership No.:005268

WABERER'S International ZRt.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

data in EUR

Description	31 December 2016	31 March 2017
NON-CURRENT ASSETS		
Property	21,174,973	21,233,785
Fixed assets not yet capitalized	3,117,236	3,312,294
Vehicles	234,600,626	232,463,253
Other equipment	5,321,115	4,300,976
Total property, plant and equipment	264,213,950	261,310,308
Intangible assets	2,005,707	1,897,493
Goodwill	18,502,088	18,502,088
Other Financial investments - Debt instruments - Long term	26,306,728	41,929,338
Other Financial investments - Equity instruments - Long term	17,994,385	4,071,655
Other non-current financial assets	931,022	741,934
Reinsurance amount of technical reserves	14,584,004	17,169,936
Deferred tax asset	557,304	680,572
TOTAL NON-CURRENT ASSETS	345,095,188	346,303,324
CURRENT ASSETS		
Inventories	3,314,497	2,998,047
Current income taxes	2,537,435	4,164,751
Trade receivables	88,126,518	99,989,299
Other current assets and derivatives	41,039,802	41,567,620
Cash and cash equivalents	31,665,305	23,989,797
Assets classified as held for sale	2,068,319	170,191
TOTAL CURRENT ASSETS	168,751,876	172,879,704
TOTAL ASSETS	513,847,064	519,183,028
SHAREHOLDERS' EQUITY		
Share capital	5,037,513	5,037,513
Reserves and retained earnings	101,317,836	106,898,011
Translation difference	(736,505)	(451,190)
Total equity attributable to the equity holders of the parent company	105,618,844	110,484,334
Non-controlling interest	7,855,965	7,112,849
TOTAL SHAREHOLDERS' EQUITY	113,474,809	117,597,183
LIABILITIES		
LONG-TERM LIABILITIES		
Long-term portion of long-term loans	-	-
Long-term portion of leasing liabilities	162,244,189	151,897,584
Deferred tax liability	3,443,489	2,673,088
Provisions	16,868,591	15,943,764
Other long-term liabilities	-	-
Other insurance technical provision - long term	30,229,923	36,700,977
TOTAL LONG-TERM LIABILITIES	212,786,192	207,215,413
CURRENT LIABILITIES		
Short-term loans and borrowings	14,981,432	14,988,557
Short-term portion of leasing liabilities	65,872,100	72,492,477
Trade payables	83,999,380	87,201,697
Current income taxes	195,461	396,606
Provisions	2,771,753	601,236
Other current liabilities and derivatives	12,802,827	14,251,580
Other insurance technical provision - short term	6,963,110	4,438,279
TOTAL CURRENT LIABILITIES	187,586,063	194,370,432
TOTAL LIABILITIES	400,372,255	401,585,845
TOTAL EQUITY AND LIABILITIES	513,847,064	519,183,028

Date: Budapest, 31 May 2017


 Manager of Company
 (representative)

WABERER'S International ZRt.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

data in EUR

Description	2016 Q1 Total	2017 Q1 Total
Continuing activities		
Revenue	127,230,412	155,157,860
Direct wages, benefits & allowances	(19,448,302)	(23,103,531)
Fuel cost	(24,849,570)	(30,001,080)
Toll Fees & Transit Costs	(24,363,036)	(25,221,122)
Cost of Subcontractors and reinsurance fee	(22,098,749)	(29,919,207)
Cost of goods sold	(1,965,940)	(3,067,314)
Other cost	(11,803,316)	(16,053,346)
Net gain on fleet sales	736,522	(25,944)
Gross Profit	23,438,021	27,766,316
Indirect Wages & Benefits	(5,777,987)	(7,477,962)
Other services	(3,284,195)	(4,472,825)
Other operating income	2,869,927	1,933,280
Other operating expense	(787,534)	(468,653)
Profit before interest, tax, depreciation and amortization (EBITDA)	16,458,232	17,280,156
Depreciation and Amortization	(13,013,921)	(12,160,463)
Profit before interest and tax (EBIT)	3,444,311	5,119,693
Interest	(866,774)	(1,005,584)
PROFIT (LOSS) BEFORE INCOME TAX	2,577,537	4,114,109
Income taxes	(1,560,319)	(631,457)
PROFIT (LOSS) FROM CONTINUING OPERATIONS	1,017,218	3,482,652
DISCONTINUED OPERATION		
Profit/loss from discontinued operation (decreased with deferred tax)	0	0
CURRENT YEAR PROFIT/LOSS	1,017,218	3,482,652
Attributable to:		
Equity holders of the parent	1,038,334	4,200,334
Non-controlling interest	(21,116)	(717,682)
	1,017,218	3,482,652
OTHER COMPREHENSIVE INCOME		
<i>Items to be reclassified subsequently to profit or loss</i>		
Fair-value of cash-flow hedge transaction (fuel and FX) - less deferred tax	422,595	723,159
Translation difference from foreign entities	2,171	285,315
OTHER COMPREHENSIVE INCOME	424,766	1,008,474
TOTAL COMPREHENSIVE INCOME	1,441,984	4,491,126
Attributable to:		
Equity holders of the parent	1,460,929	5,208,808
Non-controlling interest	(18,945)	(717,682)
	1,441,984	4,491,126
Earnings per Share		
Number of shares	14,496,363	14,392,895
Basic and diluted EPS (EUR/share)	0.07	0.29

Date: Budapest, 31 May 2017

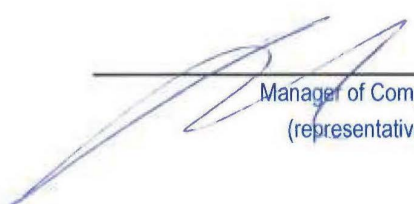
Manager of Company
(representative)

WABERER'S INTERNATIONAL ZRt.
CONSOLIDATED STATEMENT OF CASH FLOWS

data in EUR

Description	2016 Q1	2017 Q1
Profit/loss before tax	2,577,537	3,544,802
Non-realised exchange loss/gain on leases (-)	-	-
Non-realised exchange loss/gain on other FX assets and liabilities (-)	45,849	(31,108)
Booked depreciation and amortisation	13,013,921	12,160,463
Impairment	(64,085)	(9,725)
Interest expense	1,224,001	887,465
Interest income	(19,799)	(32,167)
Difference between provisions allocated and used	(279,439)	(3,095,344)
Changes of Insurance technical reserves	-	3,885,122
Result from sale of tangible assets	(42,306)	(4,932)
Result from sale of non-current assets held for sale	(857,710)	(21,012)
Net cash flows from operations before changes in working capital	15,597,969	17,283,565
Changes in inventories	400,660	316,450
Changes in trade receivables	(2,827,112)	(11,811,494)
Changes in other current assets and derivative financial instruments	(543,204)	(158,820)
Changes in trade payables	1,924,025	3,188,506
Changes in other current liabilities and derivative financial instruments	3,155,369	394,951
Changes in Insurance technical liabilities	-	(2,524,831)
Income tax paid	(2,284,288)	(2,319,840)
I. Net cash flows from operations	15,423,419	4,368,486
Tangible asset additions	(888,440)	(1,842,336)
Income from sale of tangible assets	43,590	37,531
Income from sale of non-current assets held for sale	12,296,208	2,072,498
Changes in other non-current financial assets	646	189,088
Changes in Financial investments (Equity and Debt instruments)	-	(1,699,880)
Interest income	19,799	32,167
II. Net cash flows from investing activities	11,471,803	(1,210,933)
Borrowings	-	-
Repayment of loans, borrowings	-	-
Lease payment	(10,037,749)	(9,800,497)
Lease payment related to sold assets	(6,125,241)	(145,100)
Interest paid	(1,224,001)	(887,465)
Dividend paid	-	-
III. Net cash flows from financing activities	(17,386,991)	(10,833,062)
IV. Changes in cash and cash equivalents	9,508,231	(7,675,508)
Cash and cash equivalents as at the beginning of the year	10,439,523	31,665,305
Cash and cash equivalents as at the end of the year	19,947,754	23,989,797

Date: Budapest, 31 May 2017



Manager of Company
(representative)

WABERER'S INTERNATIONAL ZRT.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

data in EUR

	Note	Subscribed capital	Reserves and retained earnings	Translation difference	Total equity attributable to the equity holders of the parent company	Non controlling interest	Total shareholders' equity
Opening value as at 1 January 2015		5,128,910	85,590,301	(228,713)	90,490,498	4,303,430	94,793,928
Fair-value of cash-flow hedged transaction (FX) - less deferred tax	22, 30	-	(1,383,057)	-	(1,383,057)	-	(1,383,057)
Exchange difference on foreign operations		-	-	131,554	131,554	-	131,554
Other comprehensive income		-	(1,383,057)	131,554	(1,251,503)	-	(1,251,503)
Profit/Loss for the year		-	11,267,883	-	11,267,883	1,152,006	12,419,889
Total comprehensive income		-	9,884,826	131,554	10,016,380	1,152,006	11,168,386
Increase due to business combination		-	-	-	-	240,079	240,079
Dividend paid to external owners		-	-	-	-	(959,602)	(959,602)
Other movements		-	50,134	(39,981)	10,153	(6,786)	3,367
Closing value as at 31 December 2015		5,128,910	95,525,261	(137,140)	100,517,031	4,729,127	105,246,158
Fair-value of cash-flow hedged transaction (FX) - less deferred tax		0	422,595	0	422,595	0	422,595
Exchange difference on foreign operations		0	0	-161,778	-161,778	0	-161,778
Other comprehensive income		0	422,595	-161,778	260,817	0	260,817
Profit/Loss for the year		0	1,890,344	0	1,890,344	-21,116	1,869,228
Total comprehensive income		0	2,312,939	-161,778	2,151,161	-21,116	2,130,045
Dividend paid to non-controlling interest		0	0	0	0	0	0
Other movements		0	116,375	0	116,375	107,445	223,821
Closing value as at 31 March 2016		5,128,910	97,954,575	- 298,918	102,784,567	4,815,456	107,600,024
Fair-value of cash-flow hedged transaction (FX) - less deferred tax	22, 30	-	1,373,131	-	1,373,131	-	1,373,131
Exchange difference on foreign operations		-	-	-437,587	(437,587)	-	(437,587)
Other comprehensive income		-	1,373,131	(437,587)	935,544	-	935,544
Profit/Loss for the year		-	4,345,258	-	4,345,258	2,959,441	7,304,698
Total comprehensive income		-	5,718,389	(437,587)	5,280,802	2,959,441	8,240,242
Dividend paid to non-controlling interest		-	-	-	-	(483,161)	(483,161)
Translation difference related to business combination		-	(445,949)	-	(445,949)	-	(445,949)
Acquisition of treasury shares		(91,397)	(1,130,479)	-	(1,221,876)	-	(1,221,876)
Changes in non controlling interest		-	(669,890)	-	(669,890)	669,890	-
Other movements		-	(108,810)	-	(108,810)	(105,661)	(214,471)
Closing value as at 31 December 2016		5,037,513	101,317,836	(736,505)	105,618,844	7,855,965	113,474,809
Fair-value of cash-flow hedged transaction (FX) - less deferred tax	22, 30	-	723,159	-	723,159	-	723,159
Exchange difference on foreign operations		-	-	285,315	285,315	-	285,315
Other comprehensive income		-	723,159	285,315	1,008,474	-	1,008,474
Profit/Loss for the year		-	4,200,334	-	4,200,334	(717,682)	3,482,652
Total comprehensive income		-	4,923,493	285,315	5,208,808	(717,682)	4,491,126
Dividend paid to non-controlling interest		-	-	-	-	-	-
Translation difference related to business combination		-	-	-	-	-	-
Acquisition of treasury shares		-	-	-	-	-	-
Changes in non controlling interest		-	-	-	-	-	-
Other movements		-	(343,317)	-	(343,317)	(25,434)	(368,751)
Closing value as at 31 March 2017		5,037,513	105,898,011	(451,190)	110,484,334	7,112,849	117,597,185

Date: Budapest, 31 May 2017

Manager of Company
(representative)

1. Reporting entity

Waberer's International Zrt. (hereafter: "Company") is an enterprise based in Hungary. Registered office: 1239 Budapest Nagykörösi út 351. The interim condensed consolidated financial statements as at and for the year ended 31 March 2017 comprise the Company and its subsidiaries (hereinafter collectively referred to as: the "Group", and separately as "Group entities") as well as the Group's interests in associates and jointly controlled entities. The Group's core activity is transportation, forwarding and logistics services.

2. Basis of preparation

(a) Statement of compliance

The interim condensed consolidated financial statements as at 31 March 2017 have been prepared in accordance with IAS 34 Interim financial reporting.

The IFRSs comprise accounting standards issued by the IASB and its predecessor, as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and its predecessor.

The interim condensed consolidated financial statements were approved by the Board of Directors on 31 May 2017.

(b) Basis of measurement

With the exception of derivative financial instruments, which were measured at fair value, the interim condensed consolidated financial statements were prepared on a historic cost basis.

(c) Functional and presentation currency

The Group's presentation and functional currency is the euro (EUR).

(d) Use of estimates and judgments

The preparation of interim condensed consolidated financial statements in accordance with the following accounting policies require management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in this interim condensed consolidated financial statements and have been applied consistently by Group entities.

The key accounting policies are as follows:

- measurement of cash generating units with goodwill

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed

at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The Group examines on an annual basis whether there are any indications of impairment, and reviews whether the recording of impairment may be justified for goodwill. Accordingly, the recoverable amount of the cash-generating unit to which the goodwill is related must be estimated. To determine the recoverable amount the Group assesses the future cash flows of the cash-generating unit, and selects an appropriate discount rate to calculate the present value of the cash flows.

- provisions and contingent items

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

- measurement of financial instruments

The Group holds derivative financial instruments to hedge its foreign currency risk exposures.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are recognised through profit and loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value at year-end; the effective part of the fair value is recognised directly in other comprehensive income while the ineffective part is recognised through profit or loss.

Gains and loss on hedging transactions closed in the reporting period realised in accordance with the company's accounting policies are presented under direct costs, in the same way as hedged items: gains reduce, losses increase direct costs.

- leased assets

Leases, the terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When lease transactions are classified the risk derived from the change in the residual value of the leased assets is taken into account.

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised on the Group's statement of financial position.

- gain of fleet sales

Gains on fleet sales are recognised as other income.

There is no new mandatory IFRS standard applicable for financial periods beginning on or after 1 January 2017 that would have a significant impact on the structure of or the figures presented in the Group's interim condensed consolidated financial statements.

4. Tangible assets

	Properties	Fixed assets not yet capitalized	Vehicles	Other equipment	Total
Closing at 31 Dec 2016					
Gross value	32,213,631	3,117,236	398,397,578	21,783,585	455,512,030
Cumulative depreciation and impairment loss	11,038,658	-	165,094,922	15,614,500	191,298,080
Net value	21,174,973	3,117,236	233,302,656	6,619,085	264,213,950
Closing at 31 March 2017					
Gross value	34,943,198	3,312,294	341,092,915	14,862,582	394,210,989
Cumulative depreciation and impairment loss	13,709,413	-	108,629,662	10,561,606	132,900,681
Net value	21,233,785	3,312,294	232,463,253	4,300,976	261,310,308

(a) Movements in tangible assets

Improvements on the fleet that serves the Group's core operations continued in Q1 2017. Group management aspires to operate the youngest fleet in the European road transportation market. To this end, in the first three months of 2017 management replaced 75 trucks and 75 trailers used in international operations and 12 trailers used in domestic operations. These developments totalled EUR 9 million funded via leasing and from borrowings. Owing to the improvements, the Group has an international fleet of more than 3,000 vehicles and a domestic fleet of more than 650 vehicles.

The EUR 2.3 million decrease in other equipment was due to a reclassification of the forklifts used by the Regional Contractual Logistics segment and the GPS trackers fitted in trailers to vehicles by management. The Regional Contractual Logistics segment acquire a number of significant new key accounts at the beginning of the reporting period. This brought improvements totalling EUR 1 million on rented property and included the purchase of shelf systems and forklifts.

(b) Mortgaged assets

The Group repaid all its loans in 2014 and therefore the above listed properties became unencumbered. None of the Group's properties presented in the balance sheet since 31 December 2014 is mortgaged.

(c) Leased assets

Tangible assets contain assets acquired by the Group as a result of financial leases. The gross value of assets leased as at 31 December 2016 totalled EUR 312,728 thousand, with a cumulative depreciation of EUR 84,172 thousand and a carrying value of EUR 228,556 thousand. At 31 March 2017, the gross value of leased assets totalled EUR 330,766 thousand, cumulative depreciation EUR 100,297 thousand and a carrying value of EUR 230,469 thousand.

(d) Commitments at reporting date to purchase assets

The Group has general agreements for asset purchases for three years, which relate only to recommended quantities but do not imply any future obligations.

5. Investments in subsidiaries and joint ventures

On 28 December 2015 Waberer's International Zrt. entered into a sales contract with the owners of Waberer Hungária Biztosító Zrt. According to the sale-purchase agreement, the sale of shares was subject to approval by the Hungarian and the Slovakian regulators and MNB (Hungarian National Bank). After undergoing the approval procedure, on 4 May 2016 the 4 billion HUF advance already paid in previous years was used to purchase the ownership for 4 billion HUF by Waberer's International Zrt., a company that had become a private limited company by shares.

In August 2016, the Company founded a company in Belgium, WB Station at Services, to repair the Company's international fleet and to supply parking and a filling station.

6. Exceptional items

No exceptional items occurred in the first quarter of 2016 or 2017.

7. Earnings per share

The issued capital of Waberer's International Zrt. at 31 March 2017 comprised 14,654,028 registered dematerialised ordinary shares of a face value of EUR 0.35 each. In 2016 The Group acquired 261,133 treasury shares of EUR 91,396.55 at face value from minority shareholders which decreased the issued capital in accordance with IAS 32. The redemption value was EUR 1,221,876 as presented in the changes in consolidated equity statement. As a result of the redeemed treasury shares, at 31 December 2016, the Company's issued capital fell to EUR 5,037,513 and there was no change in the Q1 2017.

Earnings per share for the period is calculated based on the net profit for the year and the weighted average number of ordinary shares.

Earnings per Share	Q1 2016	Q1 2017
Profit after tax attributable to equity holder of the parent (EUR)	1,038,334	3,673,009
Weighted average of ordinary shares (piece)	14,496,363	14,392,895
Earnings per Share (EUR)	0.07	0.26
Diluted Earnings per Share (EUR)	0.07	0.26

In the absence of any dilutive effect, both in Q1 2016 and Q1 2017, diluted earnings per share equaled the earnings per share.

8. Segment information

With a view to ensuring transparent operations, IFRS 8 Operating Segments requires listed companies to provide enhanced disclosures about their operating segments. The Group has identified two operating segments (International and Domestic) as set out below and the Group's overall operations are directed by Group management as aligned to these segments. The two operating segments include the following activities:

International: international FTL transport and shipping, and international forwarding

Regional contractual logistics services: domestic FTL and LTL transport and shipping, warehousing, and vehicle repairs for third parties

Other: insurance services

Financial information about the Group's segments is presented below.

Sales revenues and key comprehensive income statement items:

Q1 2017					
Item	International	Regional contractual logistics	Other	Inter-segment transfers	Total
Sales to third parties	114,687,121	28,410,267	12,060,472		155,157,860
Inter-segment sales	2,691,945	398,708		(3,090,653)	-
Sales revenues	117,379,066	28,808,975	12,060,472	(1,980,636)	155,157,860
EBITDA	11,399,866	3,863,394	2,016,896	-	17,280,156
depreciation	(10,281,143)	(1,848,548)	(30,772)	-	(12,160,463)
EBIT	1,118,723	2,014,846	1,986,124	-	5,119,693

Q1 2016

Item	International	Regional contractual logistics	Inter-segment transfers	Total
Sales to third parties	106,443,066	20,787,346		127,230,412
Inter-segment sales	1,769,574	171,062	(1,940,636)	-
Sales revenues	108,212,640	20,958,408	(1,940,636)	127,230,412
EBITDA	13,679,608	2,778,624		16,458,232
depreciation	(11,517,043)	(1,496,878)		(13,013,921)
EBIT	2,162,565	1,281,746		3,444,311

Income taxes

Item	Q1 2016			Q1 2017	
	International	Regional contractual logistics	International	Regional contractual logistics	Other
actual income taxes	1,291,690	268,629	(207,107)	572,280	266,284
- income taxes paid	1,041,988	380,556	1,079,373	464,624	258,052
- deferred tax	249,702	(111,927)	(1,286,480)	107,656	8,772

Non-current assets:

Item	31 Dec 2016			31 March 2017		
	International	Regional contractual logistics	Other	International	Regional contractual logistics	Other
Properties	15,220,591	5,954,382	-	14,957,294	6,276,491	-
Capital expenditures	2,063,082	1,054,154	-	2,191,829	1,120,464	-
Vehicles	203,932,793	30,667,833	-	200,721,317	31,741,936	-
Other equipment	2,560,074	2,366,604	394,437	2,611,983	1,315,868	373,125
Intangible assets	1,301,235	415,281	289,191	1,058,840	581,478	257,175
Goodwill	15,925,167	2,576,921	-	15,925,167	2,576,921	-
Other long-term financial assets	930,765	257	-	741,675	259	-
Deferred tax assets	359,080	2,054	196,171	679,837	735	-

Events with no significant cash movement:

Item	Q1 2016		Q1 2017		Other
	International	Regional contractual logistics	International	Regional contractual logistics	
Unrealised foreign exchange gain or loss on leases	-	1,730	-	-	-
Unrealised foreign exchange gain or loss on other foreign exchange assets and liabilities	(25,671)	(21,908)	60,491	(48,734)	(42,865)
Impairment loss	37,458	26,627	(23 834)	14,109	-
Difference between provisions made and released	1,088,585	42,863	(2,772,734)	(322,611)	-

Description	2016 Q1				2017 Q1				
	International	Regional	Inter-segments	Total	International	Regional	Other	Inter-segments	Total
Continuing activities									
Revenue	108 212 640	20 958 408	(1 940 636)	127 230 412	117 379 066	28 808 975	12 060 472	(3 090 653)	155 157 860
inter-segment revenue	(1 769 574)	(171 062)	-	(1 940 636)	(2 691 945)	(398 708)	-	-	(3 090 653)
Revenue	106 443 066	20 787 346	(1 940 636)	127 230 412	114 687 121	28 410 267	12 060 472	(3 090 653)	155 157 860
Direct wages, benefits & allowances	(17 615 140)	(1 833 162)	-	(19 448 302)	(19 358 642)	(3 744 889)	-	-	(23 103 531)
Fuel	(23 184 966)	(1 666 871)	2 267	(24 849 570)	(26 719 696)	(3 284 733)	-	3 349	(30 001 080)
Toll Fees & Transit Costs	(21 478 822)	(2 924 361)	40 147	(24 363 036)	(20 884 098)	(4 417 550)	-	80 526	(25 221 122)
Cost of Subcontractors and reinsurance fee	(16 774 318)	(5 963 553)	239 122	(22 098 749)	(17 846 529)	(6 507 939)	(6 026 999)	-	(29 919 207)
Cost of goods sold	(1 665 534)	(1 272 727)	972 321	(1 965 940)	(4 409 322)	(827 616)	-	2 169 624	(3 067 314)
Other cost	(9 751 446)	(2 306 353)	254 483	(11 803 316)	(9 830 680)	(2 331 667)	(3 803 047)	(87 952)	(16 053 346)
Net gain on fleet sales	797 116	(60 594)	-	736 522	(80 232)	54 288	-	-	(25 944)
Gross Profit	18 539 530	5 330 787	(432 296)	23 438 021	18 249 867	7 748 869	2 230 426	(462 846)	27 766 316
Indirect Wages & Benefits	(4 562 099)	(1 215 888)	-	(5 777 987)	(5 150 702)	(1 873 339)	(453 921)	-	(7 477 962)
Other services	(2 280 709)	(1 436 865)	433 379	(3 284 195)	(3 317 784)	(1 684 470)	(57 919)	587 348	(4 472 825)
other operating income	2 665 529	205 816	(1 418)	2 869 927	1 705 489	24 832	327 461	(124 502)	1 933 280
other operating expense	(682 643)	(105 226)	335	(787 534)	(87 004)	(352 498)	(29 151)	-	(468 653)
Profit before interest, tax, depreciation and amortization (EBITDA)	13 679 608	2 778 624	-	16 458 232	11 399 866	3 863 394	2 016 896	-	17 280 156
Depreciation and Amortization	(11 517 043)	(1 496 878)	-	(13 013 921)	(10 281 143)	(1 848 548)	(30 772)	-	(12 160 463)
Profit before interest and tax (EBIT)	2 162 565	1 281 746	-	3 444 311	1 118 723	2 014 846	1 986 124	-	5 119 693
Interest	(565 832)	(300 942)	-	(866 774)	(905 419)	(90 657)	(9 508)	-	(1 005 584)
PROFIT (LOSS) BEFORE INCOME TAX	1 596 733	980 804	-	2 577 537	213 304	1 924 189	1 976 616	-	4 114 109
Income taxes	(1 291 690)	(268 629)	-	(1 560 319)	207 107	(572 280)	(266 284)	-	(631 457)
PROFIT (LOSS) FOR THE YEAR	305 043	712 175	-	1 017 218	420 411	1 351 909	1 710 332	-	3 482 652
DISCONTINUED OPERATION									
Profit/loss from discontinued operation (decreased with deferred tax)									
CURRENT YEAR PROFIT/LOSS	305 043	712 175	-	1 017 218	420 411	1 351 909	1 710 332	-	3 482 652
Attributable to:									
Equity holders of the parent				1 038 334					4 200 334
Non-controlling interest				(21 116)					(717 682)
				1 017 218					3 482 652
OTHER COMPREHENSIVE INCOME									
Items to be reclassified subsequently to profit or loss									
Fair-value of cash-flow hedge transaction (fuel and FX) - less deferred tax	422 595	-	-	422 595	723 159	-	-	-	723 159
Translation difference from foreign entities	2 171	-	-	2 171	-	285 315	-	-	285 315
OTHER COMPREHENSIVE INCOME	424 766	-	-	424 766	723 159	-	285 315	-	1 008 474
TOTAL COMPREHENSIVE INCOME	729 809	712 175	-	1 441 984	1 143 570	1 351 909	1 995 647	-	4 491 126
Attributable to:									
Equity holders of the parent				1 460 929					5 208 808
Non-controlling interest				(18 945)					(717 682)
									4 491 126
Earnings per Share									
Number of shares				14 469 149					14 392 895
Basic and diluted EPS (EUR/share)				0.07					0.29
Reported EBITDA	13 679 608	2 778 624	-	16 458 232	11 399 866	3 863 394	2 016 896	-	17 280 156
Non-recurring items	38 000	-	-	38 000	909 056	-	-	-	909 056
Recurring EBITDA	13 717 608	2 778 624	-	16 496 232	12 308 922	3 863 394	2 016 896	-	18 189 212
Reported EBIT	2 162 565	1 281 746	-	3 444 311	1 118 723	2 014 846	1 986 124	-	5 119 693
Non-recurring items	38 000	-	-	38 000	909 056	-	-	-	909 056
Recurring EBIT	2 200 565	1 281 746	-	3 482 311	2 027 779	2 014 846	1 986 124	-	6 028 749
Reported Net Profit	305 043	712 175	-	1 017 218	420 411	1 351 909	1 710 332	-	3 482 652
Non-recurring items	38 000	-	-	38 000	909 056	-	-	-	909 056
Recurring Net Profit	343 043	712 175	-	1 055 218	1 329 467	1 351 909	1 710 332	-	4 391 708

9. Executive analysis

Group consolidated financials (€m)			
	2017. Q1		
	Actual	Last year	Difference
Revenue	155,2	127,2	27,9
Recurring EBITDA	18,2	16,5	1,7
Non-recurring items	0,9	0,0	0,9
EBITDA	17,3	16,5	0,8
Recurring EBIT	6,0	3,5	2,5
EBIT	5,1	3,4	1,7

Waberer's Group's consolidated earnings for Q1 2017 totalled EUR 155.2m which is an EUR 27.9m (22%) increase on earnings in Q1 2016. The Group's recurring EBITDA of EUR 18.2m in Q1 2017 is EUR 1.7m (10.3%) more than in Q1 2016. We identified as non-recurring items the cost of IPO EUR 0.9m. The reported EBITDA for 2017 Q1 totalled EUR 17.3m which is an EUR 0.8m (4.8%) increase compared to 2016 Q1.

Waberer's Group's recurring EBIT is EUR 6.0m which is an EUR 2.5m (71.4%) increase on the basis period. As non-recurring item the costs of IPO are presented. The reported EBIT in the first quarter of 2017 is EUR 5.1m which is an EUR 1.7m (50%) increase compared to basis period.

Recurring segment EBITDA (€m)			
	2017. Q1		
	Actual	Last year	Difference
EBITDA Total	18,2	16,5	1,7
International	12,3	13,7	(1,4)
Regional	3,9	2,8	1,1
Other	2,0	-	2,0

Cumulated EBIDTA structure in Q1 2017: International segment: 68% (EUR 12.3m); Regional segment: 21% (EUR 3.9m); Other segment: 11%. EBIDTA in the International segment fell by 10.2% (EUR 1.4m) on the comparative period. Regional EBIDTA increased by 39.3% (EUR 1.1m). EBIDTA in the Other segment represents Waberer Hungaria Biztosító's realised gain on third party partners. There is no comparative date for this segment since Wáberer Hungária Biztosító has been consolidated since 1 April 2016.

Recurring segment EBIT (€m)			
	2017. Q1		
	Actual	Last year	Difference
EBIT Total	6,0	3,5	2,5
International	2,0	2,2	(0,2)
Regional	2,0	1,3	0,7
Other	2,0	-	2,0

Each segment had an equal, 33.3% contribution to EBIT in Q1 2017. EBIT in the International segment fell by 9.1% (EUR 0.2m) on Q1 2016. EBIT in the Regional segment increased by 53.8% (EUR 0.7m) and the EBIT is EUR 2.0m in the other segment.

Results of operations and performance of the International segment

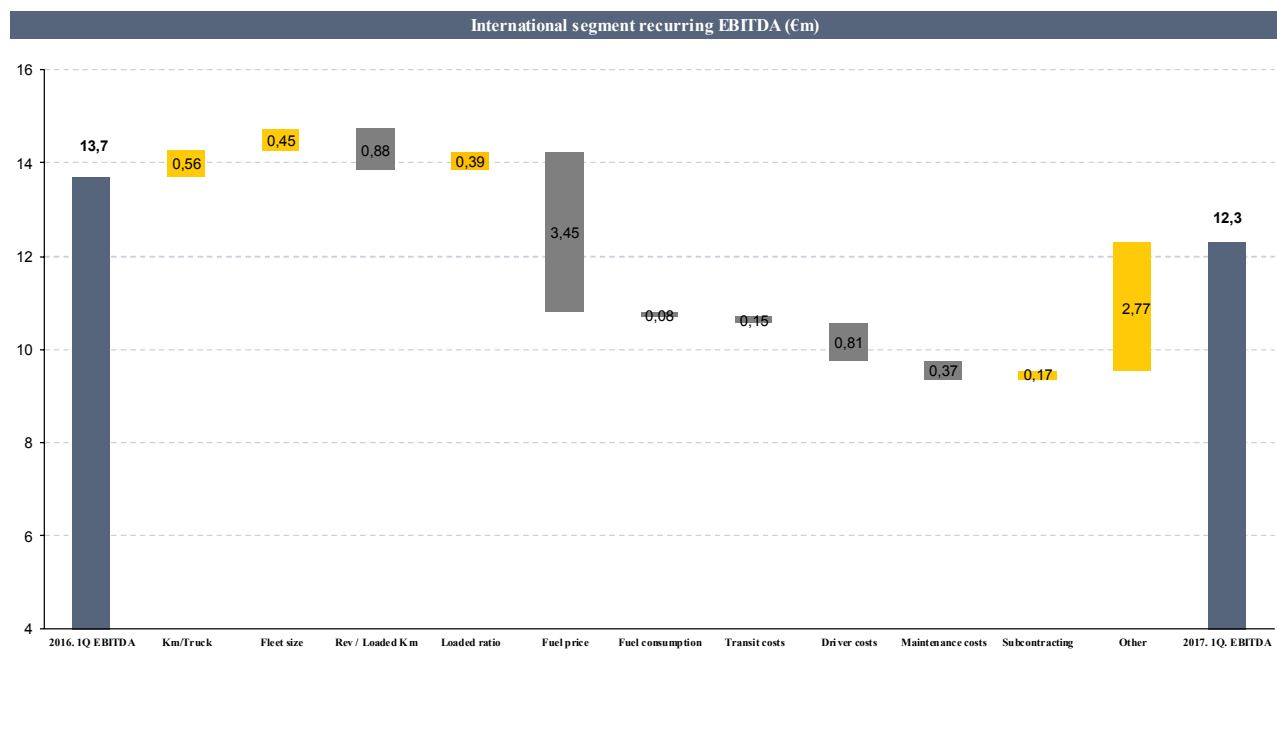
International segment financials (€m)			
	2017. Q1		
	Actual	Last year	Difference
Revenue *	114,7	106,4	8,2
Recurring EBIDTA	12,3	13,7	(1,4)
Non-recurring items	0,9	0,0	0,9
EBITDA	11,4	13,7	(2,3)
Recurring EBIT	2,0	2,2	(0,2)
EBIT	1,1	2,2	(1,0)

The revenue figure above excludes the revenue of inter-segment. In the cumulative period of Q1 2017, the core operations of the International segment produced recurring EBIDTA of EUR 1.4 below the basis despite a turnover of EUR 8.2m higher than in the basis period. The reported EBITDA in 2017 Q1 EUR 11.4m which is EUR 2.3m (16.8%) drop compared to 2016 Q1.

The reasons for the change were as follows:

- Increased transportation volume (total number of kilometres) (+5.4m km) improved EBIDTA by EUR 1.01m, of which the effect of the number of kilometres per truck (+332 km/truck/month) was EUR 0.56m EUR and the increase in fleet size (+75 trucks) was EUR 0.45m.
- Changes in loaded ratio (+0.4%, EUR 0.39m) and prices, as adjusted for the effects of fuel price fluctuations and transit costs, reduced earnings by EUR 4.09m.
- Fuel consumption slightly increased (0.1 l/100 km) and reduced EBIDTA by EUR 0.08m, while an increase in maintenance costs also reduced earnings by EUR 0.37m.
- A rise in the daily stipends of drivers increased our expenses by EUR 0.81m (the effect on volumes is EUR -0.93m)
- Transportation margin increased by EUR 0.17m
- Other items increased earnings by EUR 0.72m and included the following notable items:
 - EUR 0.8m: released provision for annual leave
 - EUR 1.4m: compensation related to fleet expansion

- EUR -0.4m: effect of increase in indirect payroll costs
- EUR -1.5m: effect of increased other income/expenses
- EUR 2.0 m: effect of the acquisition of Wáberer-Hungária Biztosító

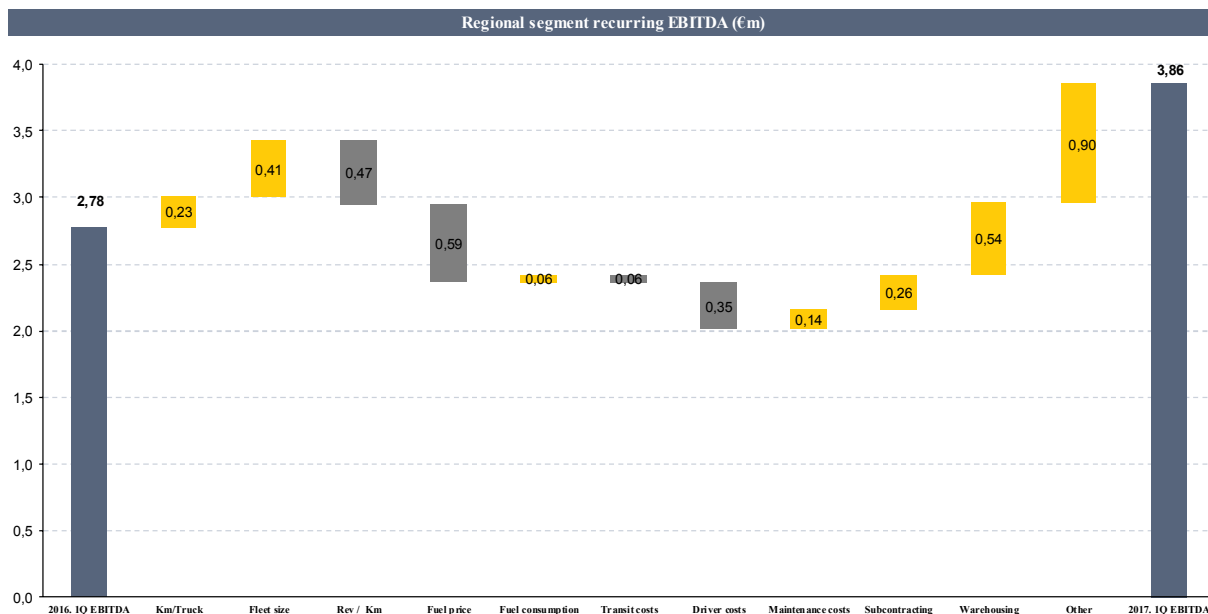


Results of operations and performance of the Regional segment:

Regional segment financials (€m)			
	2017. Q1		
	<i>Actual</i>	<i>Last year</i>	<i>Difference</i>
Revenue *	28,4	20,8	7,6
Recurring EBITDA	3,9	2,8	1,1
Non-recurring items	-	-	-
EBITDA	3,9	2,8	1,1
Recurring EBIT	2,0	1,3	0,7
EBIT	2,0	1,3	0,7

The revenue figure above excludes the revenue of inter-segment. In the cumulative period of Q1 2017, the core operations of the Regional segment produced recurring EBIDTA exceeding the basis by EUR 1.1m at a turnover exceeding the basis period by EUR 7.6m. The reasons for the change were as follows:

- Increased transportation volume (total number of kilometres) improved EBIDTA by EUR 0.64m
- Changes in prices, as adjusted for the effects of fuel price fluctuations and transit costs, reduced earnings by EUR 1.12m
- The new trucks improved both fuel consumption (-0.6 l/100 km, +0.06m EUR) and maintenance costs (+0.14m EUR)
- The daily stipends of drivers reduced EBIDTA by EUR 0.35m compared to the basis
- Transportation margin increased by EUR 0.26m
- Warehousing margin increased significantly due to a non-recurring compensation (EUR +0.54m)
- Other items significantly improved due to non-recurring items in the basis period (EUR +0.90m)



Results of operations and performance of the Other segment:

Other segment represents Waberer-Hungaria Biztosító's result realised on third party partners. There is no comparative date for this segment since Wáberer-Hungária Biztosító have been consolidated since 1 April 2016.

The segment produced an EBIDTA by EUR 2.0m from at a turnover of EUR 12.1m.

10. Litigations

The following table shows the provisions made for legal actions against the Group, broken down by year, and the amounts involved in the legal actions for which the Company did not make any provision (contingent liabilities) after considering the information available. In these cases, it is more likely that the case will be won than lost, therefore no cash outflow is expected.

31 December 2016	31 March 2017
Litigated principal amount - Contingent liability	Litigated principal amount - Contingent liability
1 169 552	1 192 068

At 31 March 2017, the Group reviewed its litigations in progress and added EUR 244 thousand more provisions to the balance at 31 December 2016.

11. Transactions with related parties

Transactions with management and those exercising ultimate control

In June 2016, CEE Transport Holding BV gained influence over in Waberer's International Zrt. and indirect control in its subsidiaries. As a result, the former Chairman-CEO, György Wáberer, was called back and Ferenc Lajkó was appointed as a new Chairman-CEO. The former members of management and contracts with their investments were terminated during the year, so all transactions with management and the ultimate controllers were discontinued.

Of the Board of Directors, two foreign independent members receive a remuneration of EUR 50 thousand per annum. Domestic members of the Board of Directors and Supervisory Board, whom are delegated by the parent company performed their duties without compensation.

Transactions with companies exercising ultimate control

During Q1 2017, the parent company billed Waberer's International Zrt. management fees totalling EUR 412,500 based on an underlying contract. No such fee incurred in Q1 2016.

Transactions with related parties were always carried out under normal commercial conditions and at arm's length prices, taking into account volumes, complexity of service, standards and seasonality.

	Q1 2016	Q1 2017
BILK LOGISZTIKAI ZRT	1,574,907	not related since 31 May 2016
KÖZDŰLŐ INVEST KFT	197,697	acquired on 31 May 2016
LÁSZLÓTANYA KFT	23,781	not related since 31 May 2016
INVITEL ZRT	72,248	-
WÁBERER HUNGÁRIA BIZTOSÍTÓ ZRT	6,287,425	acquired on 31 May 2016
Total	8,164,232	

The Group rents properties from BILK Zrt. and from Közdülő Invest Kft. to carry out domestic logistics operations and uses the insurance services of Waberer's Hungária Biztosító Zrt. Other, immaterial services were purchased from the other companies.

12. Subsequent events

Other than restructuring detailed below, no business event or management decision that should have been presented as a subsequent event in accordance with relevant provisions had occurred until the preparation date of the Company's interim condensed consolidated financial statements as at 31 March 2017.

The Company's management prolonged a previously fix term contract (until 30 June 2018) signed by the Regional Constructural Logistics Services segment with Budapesti Intermodális Logisztikai Központ Zrt. (BILK) for other 10 years.

The Company as purchaser and Aleksandra Ellert as seller entered into a preliminary share sale agreement for the shares of Link and its subsidiary, Link Services sp. z o.o. Closing of the transaction is conditional upon (i) obtaining an unconditional approval of the completion of the transaction from the relevant Polish and German competition authorities and (ii) commencement of trading in the Company's shares on the Budapest Stock Exchange.



Ernst & Young Kft.
Ernst & Young Ltd.
H-1132 Budapest Váci út 20.
1399 Budapest 62. Pf.632, Hungary

Tel: +36 1 451 8100
Fax: +36 1 451 8199
www.ey.com/hu
Cg. 01-09-267553

Independent Auditors' Report

To the Shareholders of WABERER'S INTERNATIONAL Zrt.

Report on the audit of the consolidated annual financial statements

Opinion

For the purposes of this Offering Circular and in accordance with the requirements of Commission Regulation (EC) No. 809/2004 of 29 April 2004 of the European Parliament and of the Council and as regards information contained in prospectuses as well as the format, incorporation by reference and publication of such prospectuses and dissemination of advertisements, we have audited the consolidated annual financial statements of WABERER'S INTERNATIONAL Zrt. and its subsidiaries ("the Group"), which comprise the consolidated statements of financial position as at 31 December 2016, 2015 and 2014, and the consolidated statements of comprehensive income, consolidated statements of changes in equity and consolidated statements of cash flows for the years then ended, and notes to the consolidated annual financial statements, including a summary of significant accounting policies and other explanatory information presented on pages F-24 to F-87 (the "Audited consolidated financial statements of WABERER'S")

In our opinion, the accompanying consolidated annual financial statements give a true and fair view of the consolidated financial position of the Group as at 31 December 2016, 2015 and 2014 and its consolidated financial performance and its consolidated cash flows for the years then ended in accordance with International Financial Reporting Standards as adopted by the European Union ("EU IFRSs").

Basis for opinion

We conducted our audit in accordance with Hungarian National and International Standards on Auditing and with applicable laws and regulations in Hungary. Our responsibilities under those standards are further described in the "Auditors' responsibilities for the audit of the consolidated annual financial statements" section of our report.

We are independent of the Company in accordance with the International Ethics Standards Board for Accountants' Code of Ethics for Professional Accountants (IESBA Code) together with the ethical requirements that are relevant to our audit of the financial statements in Hungary, and we have fulfilled our other ethical responsibilities in accordance with these requirements and the IESBA Code. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

Responsibilities of management and those charged with governance for the consolidated annual financial statements

Management is responsible for the preparation and fair presentation of these consolidated annual financial statements in accordance with EU IFRSs, and for such internal control as management determines is necessary to enable the preparation

of consolidated annual financial statements that are free from material misstatement, whether due to fraud or error.

In preparing the consolidated annual financial statements, management is responsible for assessing the Group's ability to continue as a going concern, disclosing, as applicable, matters related to going concern and using the going concern basis of accounting unless management either intends to liquidate the Group or to cease operations, or has no realistic alternative but to do so.

Those charged with governance are responsible for overseeing the Group's financial reporting process.

Auditors' responsibilities for the audit of the consolidated annual financial statements

Our objectives are to obtain reasonable assurance about whether the consolidated annual financial statements as a whole are free from material misstatement, whether due to fraud or error, and to issue an auditors' report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with Hungarian National and International Standards on Auditing will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in the aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated annual financial statements.

As part of an audit in accordance with Hungarian National and International Standards on Auditing, we exercise professional judgment and maintain professional scepticism throughout the audit. We also:

- ▶ Identify and assess the risks of material misstatement of the consolidated annual financial statements, whether due to fraud or error, design and perform audit procedures responsive to those risks, and obtain audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control.
- ▶ Obtain an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control.
- ▶ Evaluate the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by management.
- ▶ Conclude on the appropriateness of management's use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditors' report to the related disclosures in the consolidated annual financial statements or, if such disclosures are inadequate, to modify our

opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditors' report. However, future events or conditions may cause the Group to cease to continue as a going concern.

- ▶ Evaluate the overall presentation, structure and content of the consolidated annual financial statements, including the disclosures, and whether the consolidated annual financial statements represent the underlying transactions and events in a manner that achieves fair presentation.
- ▶ Obtain sufficient appropriate audit evidence regarding the financial information of the entities or business activities within the Group to express an opinion on the consolidated annual financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We communicate with those charged with governance regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

Budapest, 31 May 2017



Bartha Zsuzsanna
Ernst & Young Kft.
1132 Budapest, Váci út 20.
Registration No. 001165



Bartha Zsuzsanna
Registered auditor
Chamber membership No.:005268

WABERER'S International ZRt.
CONSOLIDATED STATEMENT OF FINANCIAL POSITION

data in EUR

Description	Note	31.12.2014	31.12.2015	31.12.2016
NON-CURRENT ASSETS				
Property	7	15,972,261	17,995,891	21,174,973
Fixed assets not yet capitalized	7	2,680,605	4,940,740	3,117,236
Vehicles	7	227,001,566	235,625,070	233,302,656
Other equipment	7	5,208,625	5,708,837	6,619,085
Total property, plant and equipment		250,863,057	264,270,538	264,213,950
Intangible assets	6	1,020,616	1,144,032	2,005,707
Goodwill	6	18,262,009	18,502,088	18,502,088
Other Financial investments - Debt instruments - Long term	9	-	-	26,306,728
Other Financial investments - Equity instruments - Long term	9	-	-	17,994,385
Other non-current financial assets	9	684,594	812,467	931,022
Reinsurance amount of technical reservers	-	-	-	14,584,004
Deferred tax asset	32	346,857	462,926	557,304
TOTAL NON-CURRENT ASSETS		271,177,133	285,192,051	345,095,188
CURRENT ASSETS				
Inventories	10	3,262,669	2,877,932	3,314,497
Current income taxes	32	253,584	1,615,659	2,537,435
Trade receivables	11-12	82,624,817	87,621,441	88,126,518
Other current assets and derivatives	13	37,412,962	48,423,174	41,039,802
Cash and cash equivalents	15	20,939,007	10,439,523	31,665,305
Assets classified as held for sale	14	1,923,861	4,550,122	2,068,319
TOTAL CURRENT ASSETS		146,416,900	155,527,851	168,751,876
TOTAL ASSETS		417,594,033	440,719,902	513,847,064
SHAREHOLDERS' EQUITY				
Share capital	16	5,128,910	5,128,910	5,037,513
Reserves and retained earnings		85,590,301	95,525,261	101,317,836
Translation difference		(228,713)	(137,140)	(736,505)
Total equity attributable to the equity holders of the parent company		90,490,498	100,517,031	105,618,844
Non-controlling interest		4,303,430	4,729,127	7,855,965
TOTAL SHAREHOLDERS' EQUITY		94,793,928	105,246,158	113,474,809
LIABILITIES				
LONG-TERM LIABILITIES				
Long-term portion of long-term loans	20	19,548,050	8,622,375	-
Long-term portion of leasing liabilities	17	153,889,616	146,852,798	162,244,189
Deferred tax liability	30	5,764,715	5,065,663	3,443,489
Provisions	18	957,116	949,920	16,868,591
Other long-term liabilities	19	6,114,822	6,311,990	-
Other insurance technical provision - long term	21	-	-	30,229,923
TOTAL LONG-TERM LIABILITIES		186,274,319	167,802,746	212,786,192
CURRENT LIABILITIES				
Short-term loans and borrowings	22	-	29,910,880	14,981,432
Short-term portion of leasing liabilities	17	51,230,071	51,153,118	65,872,100
Trade payables	34	75,289,235	70,329,330	83,999,380
Current income taxes (corporation and special tax, business tax)	30	640,195	238,293	195,461
Provisions	19	2,189,539	4,603,025	2,771,753
Other current liabilities and derivatives	22	7,176,746	11,436,352	12,802,827
Other insurance technical provision - short term	21	-	-	6,963,110
TOTAL CURRENT LIABILITIES		136,525,786	167,670,998	187,586,063
TOTAL LIABILITIES		322,800,105	335,473,744	400,372,255
TOTAL EQUITY AND LIABILITIES		417,594,033	440,719,902	513,847,064

Date: Budapest, 31 May 2017


Manager of Company
(representative)

WABERER'S International ZRt.
CONSOLIDATED STATEMENT OF COMPREHENSIVE INCOME

Description	Note	Financial year 2014	Financial year 2015	Financial year 2016
		Total	Total	Total
Continuing activities				
Revenue	23, 5	496,199,940	522,480,448	572,351,812
inter-segment revenue	5			
Revenue		496,199,940	522,480,448	572,351,812
Direct wages, benefits & allowances	24	(64,175,800)	(70,004,445)	(86,589,999)
Fuel	25	(123,096,699)	(107,820,034)	(104,653,741)
Toll Fees & Transit Costs	26	(86,288,374)	(93,590,286)	(94,229,000)
Cost of Subcontractors and reinsurance fee	27	(81,498,341)	(92,207,557)	(110,549,029)
Cost of goods sold		(11,833,687)	(16,765,427)	(13,649,638)
Other cost	28	(32,765,093)	(41,309,317)	(46,934,161)
Net gain on fleet sales		8,258,681	6,134,342	4,037,809
Gross Profit		104,800,627	106,917,724	119,784,053
Indirect Wages & Benefits		(19,200,055)	(23,055,037)	(27,680,811)
Other services		(12,404,616)	(15,371,871)	(18,320,987)
other operating income	29	9,358,138	6,996,109	6,208,245
other operating expense	30	(14,417,880)	(5,184,196)	(10,808,446)
Profit before interest, tax, depreciation and amortization (EBITDA)		68,136,214	70,302,729	69,182,054
Depreciation and Amortization		(41,891,884)	(49,555,878)	(52,012,130)
Profit before interest and tax (EBIT)		26,244,330	20,746,851	17,169,924
Interest	31	(9,016,239)	(2,874,955)	(3,126,371)
PROFIT (LOSS) BEFORE INCOME TAX		17,228,091	17,871,896	14,043,553
Income taxes	32	(6,147,489)	(5,452,007)	(4,869,626)
PROFIT (LOSS) FOR THE YEAR		11,080,602	12,419,889	9,173,927
DISCONTINUED OPERATION				
Profit/loss from discontinued operation (decreased with deferred tax)				
CURRENT YEAR PROFIT/LOSS		11,080,602	12,419,889	9,173,927
Attributable to:				
Equity holders of the parent		9,929,833	11,267,883	6,235,602
Non-controlling interest		1,150,769	1,152,006	2,938,325
		11,080,602	12,419,889	9,173,927
OTHER COMPREHENSIVE INCOME				
<i>Items to be reclassified subsequently to profit or loss</i>				
Fair-value of cash-flow hedge transaction (fuel and FX) - less deferred tax	20	(675,394)	(1,383,057)	1,795,726
Translation difference from foreign entities	20	4,679	131,554	(599,364)
OTHER COMPREHENSIVE INCOME		(670,715)	(1,251,503)	1,196,362
TOTAL COMPREHENSIVE INCOME		10,409,887	11,168,386	10,370,289
Attributable to:				
Equity holders of the parent		9,259,118	10,016,380	7,540,017
Non-controlling interest		1,150,769	1,152,006	2,830,272
		10,409,887	11,168,386	10,370,289
Earnings per Share				
Number of shares		14,496,362	14,494,112	14,469,149
Basic and diluted EPS (EUR/share)		0.68	0.78	0.43

Date: Budapest, 31 May 2017


Manager of Company
(representative)

WABERER'S INTERNATIONAL ZRT.
CONSOLIDATED STATEMENT OF CASH FLOWS

data in EUR

Description	Note	financial year 2014	financial year 2015	financial year 2016
Profit/loss before tax		17,228,091	17,871,896	14,043,553
Non-realised exchange loss/gain on leases (-)	31	280,524	(24,111)	(14,710)
Non-realised exchange loss/gain on other FX assets and liabilities (-)	31	503,254	208,773	(694)
Booked depreciation and amortisation		-	49,555,878	52,012,130
Impairment	12	41,891,884	173,963	507,239
Interest expense	31	5,004,372	6,373,537	4,311,568
Interest income		7,218,850	(84,260)	(94,945)
Difference between provisions allocated and used	18	(80,562)	2,406,290	706,848
Changes of Insurance technical reserves		(1,026,337)	-	2,288,375
Result from sale of tangible assets		(151,414)	(27,090)	(6,166)
Result from sale of non-current assets held for sale	14	(8,182,232)	(6,107,253)	(4,031,643)
Net cash flows from operations before changes in working		62,686,430	70,347,623	69,721,555
Changes in inventories	10	3,733,044	312,417	(665,026)
Changes in trade receivables	11	-	(5,001,079)	(806,734)
Changes in other current assets and derivative financial instruments	13	(3,182,152)	1,055,261	(7,453,261)
Changes in trade payables	34	(8,104,775)	(6,484,972)	15,012,872
Changes in other current liabilities and derivative financial instruments	22	10,788,478	1,460,209	3,722,499
Changes in Insurance technical liabilities		(2,006,850)	-	(1,645,817)
Income tax paid	32	(6,058,330)	(7,767,666)	(6,720,589)
I. Net cash flows from operations		57,855,845	53,921,793	71,165,499
Tangible asset additions	6	(44,104,937)	(33,928,049)	(4,867,393)
Income from sale of tangible assets	6	413,295	194,176	1,089,376
Income from sale of non-current assets held for sale	14	42,868,916	30,012,811	33,265,547
Changes in other non-current financial assets	9	121,281	(127,873)	(118,555)
Changes in Financial investments (Equity and Debt instruments)		-	-	(2,885,850)
Prepayment made for acquisition	13	-	(12,714,962)	-
Cash and cash equivalents acquired		-	-	1,251,583
Interest income	31	80,562	84,260	94,945
Borrowing repayment from related company		-	-	820,000
Borrowing to related company		-	-	(820,000)
II. Net cash flows from investing activities		(620,883)	(16,479,637)	27,829,653
Borrowings	33	36,492,370	23,603,705	-
Repayment of loans, borrowings	33	(8,347,216)	-	(7,552,115)
Lease payment	17	(40,495,753)	(39,292,122)	(40,473,715)
Lease payment related to sold assets	17	(32,621,666)	(24,920,084)	(24,948,811)
Interest paid	31	(7,218,850)	(6,373,537)	(4,311,568)
Dividend paid		-	(959,602)	(483,161)
III. Net cash flows from financing activities		(52,191,115)	(47,941,640)	(77,769,370)
IV. Changes in cash and cash equivalents		5,043,847	(10,499,484)	21,225,782
Cash and cash equivalents as at the beginning of the year	15	15,895,160	20,939,007	10,439,523
Cash and cash equivalents as at the end of the year	15	20,939,007	10,439,523	31,665,305

Date: Budapest, 31 May 2017

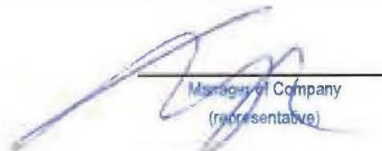

Manager of Company

WABERER'S INTERNATIONAL Zrt.
CONSOLIDATED STATEMENT OF CHANGES IN EQUITY

data in EUR

	Note	Subscribed capital	Reserves and retained earnings	Translation difference	Total equity attributable to the equity holders of the parent company	Non controlling interest	Total shareholders' equity
Opening value as at 1 January 2014		5,128,910	76,351,007	(233,392)	81,246,525	3,777,984	85,024,509
Fair-value of cash-flow hedged transaction (FX) - less deferred tax	16,34	-	(675,394)	-	(675,394)	-	(675,394)
Exchange difference on foreign operations		-	-	4,679	4,679	-	4,679
Other comprehensive income		-	(675,394)	4,679	(670,715)	-	(670,715)
Profit/Loss for the year		-	9,929,833	-	9,929,833	1,150,769	11,080,602
Total comprehensive income		-	9,254,439	4,679	9,259,118	1,150,769	10,409,887
Increase due to business combination		-	-	-	-	233,684	233,684
Dividend paid to external owners		-	-	-	-	(665,171)	(665,171)
Other movements		-	(15,145)	-	(15,145)	(193,836)	(208,981)
Closing value as at 31 December 2014		5,128,910	85,590,301	(228,713)	90,490,498	4,303,430	94,793,928
Opening value as at 1 January 2015		5,128,910	85,590,301	(228,713)	90,490,498	4,303,430	94,793,928
Fair-value of cash-flow hedged transaction (FX) - less deferred tax	16,34	-	(1,383,057)	-	(1,383,057)	-	(1,383,057)
Exchange difference on foreign operations		-	-	131,554	131,554	-	131,554
Other comprehensive income		-	(1,383,057)	131,554	(1,251,503)	-	(1,251,503)
Profit/Loss for the year		-	11,267,883	-	11,267,883	1,152,006	12,419,889
Total comprehensive income		-	9,884,826	131,554	10,016,380	1,152,006	11,168,386
Increase due to business combination		-	-	-	-	240,079	240,079
Dividend paid to external owners		-	-	-	-	(959,602)	(959,602)
Other movements		-	50,134	(39,981)	10,153	(6,786)	3,367
Closing value as at 31 December 2015		5,128,910	95,525,261	(137,140)	100,517,031	4,729,127	105,246,158
Opening value as at 1 January 2016		5,128,910	95,525,261	(137,140)	100,517,031	4,729,127	105,246,158
Fair-value of cash-flow hedged transaction (FX) - less deferred tax	16,34	-	1,795,726	-	1,795,726	-	1,795,726
Exchange difference on foreign operations		-	-	-599,365	(599,365)	-	(599,365)
Other comprehensive income		-	1,795,726	(599,365)	1,196,361	-	1,196,361
Profit/Loss for the year		-	6,235,602	-	6,235,602	2,938,325	9,173,927
Total comprehensive income		-	8,031,328	(599,365)	7,431,963	2,938,325	10,370,288
Dividend paid to non-controlling interest		-	-	-	-	(483,161)	(483,161)
Translation difference related to business combination		-	(445,949)	-	(445,949)	-	(445,949)
Acquisition of treasury shares		(91,397)	(1,130,479)	-	(1,221,876)	-	(1,221,876)
Changes in non controlling interest		-	(669,890)	-	(669,890)	669,890	-
Other movements		-	7,565	-	7,565	1,784	9,349
Closing value as at 31 December 2016		5,037,513	101,317,836	(736,505)	105,618,844	7,855,965	113,474,809

Date: Budapest, 31 May 2017



Member of Company
(representative)

0. Preparation of special financial statements

For the purposes of this Offering Circular and in accordance with the requirements of Commission Regulation (EC) No. 809/2004 of 29 April 2004 of the European Parliament and of the Council we have prepared these special financial statements (hereafter: "consolidated financial statements"). The consolidated financial statements cover the consolidated financial statements of 2014, 2015 and 2016, approved by the Annual General Meeting, and the additional notes, which became necessary because of the regulations applicable to listed companies.

1. Reporting entity

Waberer's International Zrt. (hereafter: "Company") is an enterprise based in Hungary. Registered office: 1239 Budapest Nagykörösi út 351. The consolidated financial statements as at and for the year ended 31 December 2016 comprise the Company and its subsidiaries (hereinafter collectively referred to as: the "Group", and separately as "Group entities") as well as the Group's interests in associates and jointly controlled entities. The Group's core activity is transportation, forwarding and logistics services.

2. Basis of preparation

(a) Statement of compliance

The Group's consolidated financial statements were prepared in accordance with International Financial Reporting Standards (IFRS) as adopted by the European Union.

The IFRS comprise accounting standards issued by the IASB and its predecessor, as well as interpretations issued by the International Financial Reporting Interpretations Committee (IFRIC) and its predecessor.

The consolidated financial statements were approved by the Board of Directors on 31 May 2017.

(b) Basis of measurement

With the exception of derivative financial instruments, which were measured at fair value, the consolidated primary financial statements were prepared on a historic cost basis.

The methods used for fair value measurement are detailed in Note 34.

(c) Functional and presentation currency

On 31 December 2012, management decided to change the Company's presentation currency. The Group's sales revenues are generated and its costs incur predominantly in EUR and changes in the local Hungarian economy have very little effect on EUR rates. 95% of the Company's business is done within the European Union. The Group is financed in EUR and, owing to the special and EU-wide nature of the Company's business, the CDS rates for Hungary are barely considered by the Group's funders and creditors when establishing their interest premiums. Accordingly, the consolidated financial statements are prepared in EUR which has been the Company's presentation currency since 1 January 2013.

The change in the presentation currency according to IAS 8 qualifies as a change in the accounting policy. Therefore items shown in the notes for prior periods are presented as if the currently used currency has always been in place

(d) Use of estimates and judgments

The preparation of financial statements in accordance with the following accounting policies requires management to make judgments, estimates and assumptions that affect the application of accounting policies and the reported amounts of assets, liabilities, income and expenses. Actual results may differ from these estimates.

Estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised and in any future periods affected.

Information about significant areas of estimation uncertainty and critical judgments in applying accounting policies that have the most significant effect on the amounts recognised in the financial statements are described in the notes below:

- measurement of recoverable amount of cash-generating unit containing goodwill (see Note 6. a)
- provisions and contingent items (see Notes 18 and 35)
- measurement of financial instruments (Note 34. d)
- classification of leases (Note 3. g)
- recording of gain on fleet sales (Note 3. h).

3. Significant accounting policies

The accounting policies set out below have been applied consistently to all periods presented in these consolidated financial statements and have been applied consistently by Group entities.

(a) Basis of consolidation

(i) Subsidiaries

Subsidiaries are entities controlled by the Group. Control exists when the Group has the power to govern the financial and operating policies of an entity so as to obtain benefits from its activities. In assessing control, potential voting rights that presently are exercisable are taken into account. The financial statements of subsidiaries are included in the consolidated financial statements from the date that control commences until the date that control ceases. The accounting policies of subsidiaries were amended if this was necessary to ensure consistency with the policies applied by the Group.

(ii) Associates and jointly-controlled entities (equity accounted investees)

Associates are those entities in which the Group has significant influence, but not control, over the financial and operating policies. Significant influence is presumed to exist when the Group holds between 20% and 50% of the voting power of another entity. Jointly-controlled entities are those entities over whose activities the Group has joint control, established by contractual agreement and where unanimous consent is required for strategic financial and operating decisions.

Associates and jointly-controlled entities are accounted for using the equity method (equity accounted investees), and are initially recognised at cost. The Group's investments include goodwill identified on acquisition, net of any accumulated impairment losses. The consolidated financial statements include the Group's share of the income and expenses and equity movements of equity-accounted investees, after adjustments to align the accounting policies with those of the Group, from the date that significant influence or joint control commences until the date that significant influence or joint control ceases. When the Group's share of losses exceeds its interest in an equity accounted investee, the carrying amount of that interest (including any long-term investments) is reduced to nil and the recognition of further losses is discontinued except to the extent that the Group has an obligation or has made payments on behalf of the investee.

(iii) Transactions eliminated on consolidation

Intra-group balances, and any unrealised income and expenses arising from intra-group transactions are eliminated in preparing the consolidated financial statements. Unrealised gains arising from transactions with equity accounted investees are eliminated against the investment to the extent of the Group's interest in the investee. Unrealised losses are eliminated in the same way as unrealised gains, but only to the extent that there is no evidence of impairment.

(b) Foreign currency

(i) Foreign currency transactions

Transactions in foreign currencies are translated to the respective functional currencies of Group entities at exchange rates at the dates of the transactions. Monetary assets and liabilities denominated in foreign currencies at the reporting date are retranslated to the functional currency at the exchange rate at that date. The foreign currency gain or loss on monetary items is the difference between amortised cost in the functional currency at the beginning of the period, adjusted for effective interest and payments during the period, and the amortised cost in foreign currency translated at the exchange rate at the end of the period. Non-monetary assets and liabilities denominated in foreign currencies that are measured at fair value are retranslated to the functional currency at the exchange rate at the date that the fair value was determined. Gains and losses arising on remeasurement are included in the consolidated profit or loss for the period, with the exception of gains and losses on the remeasurement of available-for-sale equity instruments.

(ii) Foreign operations

The assets and liabilities of foreign operations, including goodwill and fair value adjustments arising on acquisition, are translated to Hungarian forints at exchange rates at the reporting date. The income and expenses of foreign operations are translated to forints at exchange rates at the dates of the transactions.

Foreign currency differences are recognised directly in equity, in the foreign currency translation reserve (translation reserve). When a foreign operation is disposed of, in part or in full, the relevant amount in the translation reserve is transferred to profit or loss.

Foreign exchange gains and losses arising from a monetary item receivable from or payables to a foreign operation, the settlement of which is neither planned nor likely in the foreseeable future, are considered to form part of a net investment in a foreign operation and are recognised directly in equity in the foreign currency translation reserve.

(c) Financial instruments

(i) Non-derivative financial instruments

Non-derivative financial instruments comprise investments in equity and debt securities, trade and other receivables, cash and cash equivalents, loans and borrowings, and trade and other payables.

Non-derivative financial instruments are recognised initially at fair value plus, for instruments not at fair value through profit or loss, at fair value adjusted for any directly attributable transaction costs. Subsequent to initial recognition non-derivative financial instruments are measured as described below.

Cash and cash equivalents comprise cash balances and call deposits.

Available-for-sale financial assets

The Group's investments in equity securities and certain debt securities are classified as available-for-sale financial assets. Subsequent to initial recognition they are measured at fair value, and changes therein, other than impairment losses, and foreign exchange gains and losses on available-for-sale monetary items, are recognised directly in equity. When an investment is derecognised, the cumulative gain or loss in equity is transferred to profit or loss.

Other

Other non-derivative financial instruments are measured at amortised cost using the effective interest method, less any impairment losses.

(ii) Borrowing costs

Borrowing costs that are directly attributable to the acquisition or construction of a qualifying asset are capitalised as part of the cost of the given asset. Other borrowing costs are expensed when incurred.

(iii) Derivative financial instruments

The Group holds derivative financial instruments to hedge its foreign currency risk exposures.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value and changes therein are recognised through profit and loss.

Derivatives are recognised initially at fair value; attributable transaction costs are recognised in profit or loss when incurred. Subsequent to initial recognition, derivatives are measured at fair value at year-end; the effective part of the fair value is recognised directly in other comprehensive income while the ineffective part is recognised through profit or loss. In the case of hedging transactions closed in the reporting period and in accordance with the company's accounting policies, any realised profit or loss is recognised in the same way as for the hedged product, i.e. under direct costs: raising the incomes in the case of a gain and lowering the income in the case of a loss.

(iv) Share capital

Ordinary shares

Ordinary shares are classified as equity. Incremental costs directly attributable to the issuance of new ordinary shares are recognised as a deduction from equity, net of any tax effects.

Repurchase of share capital (treasury shares)

When share capital recognised as equity is repurchased, the amount of the consideration paid, including directly attributable costs, is recognised as a deduction from equity net of any tax effects. Repurchased shares are classified as treasury shares and are presented as a deduction from total equity. When treasury shares are sold or subsequently reissued, the amount received is recognised as an increase in equity, and the resulting surplus or deficit on the transaction is transferred to/from retained earnings.

(d) Property, plant and equipment

(i) Recognition and measurement

Items of property, plant and equipment are measured at cost less accumulated depreciation and impairment losses. The cost values of individual assets in the categories of property, plant and equipment were determined on 1 January 2007, when the Group switched to IFRS reporting, based on their fair values as of 1 January 2006.

Cost includes expenditures that are directly attributable to the acquisition of the asset. The cost of self-constructed assets includes the cost of materials and direct labour, any other costs directly attributable to bringing the asset to a working condition for its intended use, and the costs of dismantling and removing the assets and restoring the site on which they are located. Borrowing costs related to the acquisition, construction or production of qualifying assets are capitalised to the cost of the asset.

When parts of an item of property, plant and equipment have different useful lives, they are accounted for as separate items (major components) of property, plant and equipment.

Gains and losses on the disposal of an item of property, plant and equipment are determined by comparing the proceeds from the disposal with the carrying amount of the item and are recognised net in profit or loss among other income.

(ii) Subsequent costs

The cost of replacing part of an item of property, plant and equipment is recognised in the carrying amount of the item if it is probable that the future economic benefits embodied within the part will flow to the Group and its cost can be measured reliably. The carrying value of the replaced part is derecognised. The costs of the day-to-day servicing of property, plant and equipment are recognised in profit or loss as incurred.

(iii) Depreciation

Depreciation is recognised in profit or loss on a straight-line basis over the estimated useful lives of each part of an item of property, plant and equipment and based on the amount of the depreciable asset value. The depreciable amount of an asset is its cost less any residual value. Leased assets are depreciated over the shorter of the lease term and their useful lives, unless it is reasonably certain that the Group will obtain ownership by the end of the lease term. Land is not depreciated.

The estimated useful lives for the current and comparative period are as follows:

- | | |
|-------------------------------|-----------|
| • buildings | 30 years |
| • plant and equipment | 7 years |
| • vehicles | 4-5 years |
| • other fixtures and fittings | 7 years |

The average useful life of the Company's leased trucks is four years during which their acquisition cost is written off on a straight line basis to a 48% residual value, in case of trailers, the useful life is five years. If the lease term is prolonged for two more years, the residual value changes accordingly so that straight line depreciation applies for two more years to the new residual value.

Depreciation methods, useful lives and residual values are reassessed at each reporting date.

(e) Intangible assets

(i) Goodwill

Goodwill (negative goodwill) arises on the acquisition of subsidiaries, associates and jointly-controlled entities.

Cost of goodwill

On 1 January 2007 the Company decided to apply IFRS 3 *Business Combinations* retrospectively for business combinations created on or after 1 January 2006. The carrying value on 1 January 2006 of the goodwill from business combinations pre-dating 1 January 2006 is the carrying value as at 1 January 2006 determined on the basis of Hungarian accounting standards. For subsequent business combinations the Company determines the goodwill as the difference between the consideration paid and the fair value of the net assets acquired.

Acquisition of non-controlling interests

Acquisitions of non-controlling interests in subsidiaries are treated as transactions between equity holders and as such the results are recorded directly in equity upon the acquisition.

Subsequent measurement

Goodwill is measured at cost less accumulated impairment losses. In respect of equity accounted investees, the carrying amount of goodwill is included in the carrying amount of the investment.

(ii) Other intangible assets

Other intangible assets acquired by the Group which have definite useful lives are recognised at cost less accumulated amortisation and accumulated impairment losses.

(iii) Subsequent expenditure

Subsequent expenditure is capitalised only when it increases the future economic benefits embodied in the specific asset to which it relates. All other expenditure, including expenditure on internally generated goodwill and brands, is recognised in profit or loss when incurred.

(iv) Amortisation

Amortisation is recognised in profit or loss on a straight-line basis, with the exception of goodwill, over the estimated useful lives of intangible assets, from the date that they are available for use. The estimated useful lives for the current and comparative period are as follows:

- software 3 years
- rights and concessions 6 years

(f) Investment property

Investment property is held to earn rentals or for capital appreciation or both, and is therefore not held for sale in the ordinary course of business, or for use for the production or supply of goods or services, or for administrative purposes. Investment property is measured at cost less accumulated depreciation.

(g) Leased assets

Leases in terms of which the Group assumes substantially all the risks and rewards of ownership are classified as finance leases. When lease transactions are classified the risk derived from the change in the residual value of the leased assets is taken into account.

Upon initial recognition the leased asset is measured at an amount equal to the lower of its fair value and the present value of the minimum lease payments. Subsequent to initial recognition, the asset is accounted for in accordance with the accounting policy applicable to that asset.

Other leases are operating leases and are not recognised on the Group's statement of financial position.

(h) Gain on fleet sales

The net result of the sale of the fixed assets held for sale (mainly vehicles purchased from the financial lease contract) is recognized in other income or other expense.

(i) Inventories

Inventories are measured at the lower of cost and net realisable value. The cost of spare part inventories is determined at average price and the cost of tank inventories is based on the FIFO principle, and includes expenditure incurred in acquiring the inventories, their production or transformation costs, and other costs incurred in bringing them to their existing location and condition.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and selling expenses.

(j) Impairment loss

(i) Financial assets

A financial asset is assessed at each reporting date to determine whether there is any objective evidence that it is impaired. A financial asset is considered to be impaired if objective evidence indicates that one or more events have had a negative effect on the estimated future cash flows of that asset.

An impairment loss in respect of a financial asset measured at amortised cost is calculated as the difference between its carrying amount and the present value of the estimated future cash flows discounted at the original effective interest rate. Impairment losses for available-for-sale financial assets are calculated at fair value.

Individually significant financial assets are tested for impairment on an individual basis. The remaining financial assets are assessed collectively in groups that share similar credit risk characteristics.

All impairment losses are recognised in profit or loss. If impairment must be recognised, any cumulative loss that had been recognised directly in equity in relation to available-for-sale financial assets is recognised in the statement of comprehensive income.

An impairment loss is reversed if the reversal can be related objectively to an event occurring after the impairment loss was recognised. For financial assets measured at amortised cost and available-for-sale financial assets that are debt securities, the reversal is recognised in profit or loss. For available-for-sale financial assets that are equity securities, the reversal is recognised directly in equity.

(ii) Non-financial assets

The carrying amounts of the Group's non-financial assets, other than inventories and deferred tax assets, are reviewed at each reporting date to determine whether there is any indication of impairment. If any such indication exists then the asset's recoverable amount is estimated. For goodwill and intangible assets that have indefinite useful lives or that are not yet available for use, the recoverable amount is estimated at each reporting date.

The Group examines on an annual basis whether there are any indications of impairment, and reviews whether the recording of impairment may be justified for goodwill. Accordingly, the recoverable amount of the cash-generating unit to which the goodwill is related must be estimated. To determine the recoverable amount the Group assesses the future cash flows of the cash-generating unit, and selects an appropriate discount rate to calculate the present value of the cash flows.

The recoverable amount of an asset or cash-generating unit is the greater of its value in use and its fair value less costs to sell. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount rate that reflects current market assessments of the time value of money and the risks specific to the asset. For the purpose of impairment testing, assets are grouped together into the smallest group of assets that generates cash inflows from continuing use that are largely independent of the cash inflows of other assets or groups of assets ("cash-generating unit"). The goodwill acquired in a business combination, for the purpose of impairment testing, is allocated to cash-generating units that are expected to benefit from the synergies of the combination.

An impairment loss is recognised if the carrying amount of an asset or its cash-generating unit exceeds its recoverable amount. All impairment losses are recognised in profit or loss. Impairment losses recognised in respect of cash-generating units are allocated first to reduce the carrying amount of any goodwill allocated to the units and then to reduce the carrying amount of the other assets in the unit (group of units) on a pro rata basis.

An impairment loss in respect of goodwill is not reversed. In respect of other assets, impairment losses recognised in prior periods are assessed at each reporting date for any indications that the loss has decreased or no longer exists. An impairment loss is reversed if there has been a change in the estimates used to determine the recoverable amount. An impairment loss is reversed only to the extent that the asset's carrying amount does not exceed the carrying amount that would have been determined, net of depreciation or amortisation, if no impairment loss had been recognised.

(k) Non-current assets held for sale

Non-current assets (or disposal groups comprising assets and liabilities) whose carrying amount will be recovered principally through a sale transaction rather than through continuing use are considered to be non-current assets classified as held for sale. Immediately prior to the classification as held for sale the assets (or components of the disposal group) are re-measured in accordance with the Group's accounting policies. Thereafter, the assets (or disposal group) are measured at the lower of the carrying value and the fair value less cost to sell.

Impairment losses related to a disposal group are allocated initially to goodwill and then proportionally to the other assets, apart from inventories, financial assets, deferred tax assets, employee-benefit related assets and investment properties, to which losses are not allocated, and which are still measured in accordance with the Group's accounting policies. Impairment losses related to the initial classification as held for sale and any subsequent gains or losses following re-measurement are recognised in profit or loss. Gains are recognised up to the amount of any cumulative impairment loss.

When classifying the assets back the Group compares the carrying value less impairment of the assets held for sale with the value that would have prevailed if the assets had been depreciated when carried as held for sale, before proceeding to use the lower figure, if this was not higher than the recoverable amount of the asset.

(l) Employee benefits

(i) Defined contribution plans

Defined contribution plans are post-employment benefit plans under which an enterprise pays fixed contributions into a separate entity but has no legal or constructive obligation to pay further contributions. Payments to defined contribution pension-benefit plans are recognised in profit and loss as employee benefit related expense when incurred.

(ii) Termination benefits

Termination benefits are recognised as expense when the Group is demonstrably committed to a detailed formal plan to terminate employment before the normal retirement date or to provide termination benefits as a result of an offer made in order to encourage voluntary redundancy, without a realistic possibility of withdrawal. Termination benefits for voluntary redundancies are recognised as expense if the Group has made an offer encouraging voluntary redundancy, it is probable that the offer will be accepted and the number of acceptances can be estimated reliably.

(iii) Short-term employee benefits

Short-term employee benefit obligations are measured on an undiscounted basis and are expensed as the related service is provided.

A liability is recognised for the amount expected to be paid under short-term cash bonus or profit-sharing plans if the Group has a present legal or constructive obligation to pay this amount as a result of past service provided by the employee and the obligation can be estimated reliably.

(m) Provisions

A provision is recognised if, as a result of a past event, the Group has a present legal or constructive obligation that can be estimated reliably, and it is probable that an outflow of economic benefits will be required to settle the obligation. Provisions are determined by discounting the expected future cash flows at a pre-tax rate that reflects current market assessments of the time value of money and the risks specific to the liability.

(n) Revenues

Net sales revenues include amounts billed to customers for products or services delivered during the financial year. Net sales revenues are recognised when the amount of revenues becomes evident or when it is probable that the Group will be able to realise the billed amount. Sales revenues include the billed amounts less VAT and any applicable discounts.

(i) Services

Revenues from services rendered are recognised in profit and loss in accordance with the percentage of completion of the transaction on the reporting date. The percentage of completion is determined by assessing the work performed.

(ii) Rental revenue

Revenue from renting investment property is recognised evenly in profit and loss over the term of the rental. Rental incentives provided are recognised as an integral part of the total rental revenue over the term of the rental.

(o) Leasing fees

Lease payments made under operating leases are recognised in profit and loss on a straight-line basis over the term of the lease. Lease incentives received are recognised as an integral part of the total lease expense, over the term of the lease. Minimum lease payments made under finance leases are apportioned between finance expense and the reduction of the outstanding liability. The finance charge shall be allocated to each period during the lease term so as to produce a constant periodic rate of interest on the remaining balance of the liability.

(p) Finance income and expense

Finance income comprises the following: interest income on investments (including available-for-sale financial assets), dividend income, gains from the sale of available-for-sale financial assets and changes in the fair value of financial assets at fair value through profit or loss. Interest income is recognised as it accrues, using the effective interest method. Dividend income is recognised on the date that the Group's right to receive payment is established, which in the case of quoted securities is the ex-dividend date.

Finance expenses comprise the following: interest expense on borrowings, unwinding of the discount on provisions, changes in the fair value of financial assets at fair value through profit or loss, and impairment losses recognised on financial assets.

Exchange gains and losses are recognised net.

(q) Income tax

Income tax expense comprises current and deferred income taxes. Income tax expense is recognised in profit or loss except to the extent that it relates to items recognised directly in equity, in which case it is recognised in equity.

Current tax is the expected tax payable on the taxable income for the year, using tax rates enacted or substantively enacted at the reporting date, and any adjustment to tax payable in respect of previous years.

Hungarian municipal business tax payable is also presented as an income tax.

Deferred tax is recognised using the balance sheet method, providing for temporary differences between the carrying amounts of assets and liabilities for financial reporting purposes and the amounts used for taxation purposes. Deferred tax is not recognised for the following temporary differences: the initial recognition of assets or liabilities in a transaction that is not a business combination and that affects neither accounting nor taxable profit, and differences relating to investments in subsidiaries and jointly controlled entities to the extent that they probably will not reverse in the foreseeable future. In addition, deferred tax may not be recognised for temporary taxable differences related to the initial recognition of goodwill. Deferred tax is measured at the tax rates that are expected to be applied to the temporary differences when they reverse, based on the laws that have been enacted or substantively enacted by the reporting date.

Deferred tax assets and deferred tax liabilities should be offset on the statement of financial position only if the entity has the legal right to offset current tax assets with current tax liabilities, and they are related to income taxes levied by the same taxing authority on the same taxable entity, or on different entities that intend to realise their current tax assets and settle their current tax liabilities either on a net basis or at the same time.

A deferred tax asset is recognised to the extent that it is probable that future taxable profits will be available against which the temporary difference can be utilised. Deferred tax assets are reviewed at each reporting date and are reduced to the extent that it is no longer probable that the related tax benefit will be realised.

(s) Insurance receivables

Insurance receivables are recognised when due and measured on initial recognition at the fair value of the consideration received or receivable. Subsequent to initial recognition, insurance receivables are measured at amortised cost, using the effective interest rate method. The carrying value of insurance receivables is reviewed for impairment whenever events or circumstances indicate that the carrying amount may not be recoverable, with the impairment loss recorded in the income statement. Insurance receivables are derecognised when the derecognition criteria for financial assets have been met.

(t) Insurance contract liabilities

Non-life insurance contract liabilities include the outstanding claims provision, the provision for unearned premium and the provision for premium deficiency. The outstanding claims provision is based on the estimated ultimate cost of all claims incurred but not settled at the reporting date, whether reported or not, together with related claims handling costs and reduction for the expected value of salvage and other recoveries. Delays can be experienced in the notification and settlement of certain types of claims, therefore, the ultimate cost of these cannot be known with certainty at the reporting date. The liability is calculated at the reporting date using a range of standard actuarial claim projection techniques, based on empirical data and current assumptions that may include a margin for adverse deviation. The liability is not discounted for the time value of money. No provision for equalisation or catastrophe reserves is recognised. The liabilities are derecognised when the obligation to pay a claim expires, is discharged or is cancelled.

(u) Insurance revenue

Gross premiums

Gross recurring premiums on life and investment contracts with DPF are recognised as revenue when payable by the policyholder. For single premium business, revenue is recognised on the date on which the policy is effective. Gross general insurance written premiums comprise the total premiums receivable for the whole period of cover provided by contracts entered into during the accounting period. They are recognised on the date on which the policy commences. Premiums include any adjustments arising in the accounting period for premiums receivable in respect of business written in prior accounting periods. Rebates that form part of the premium rate, such as no-claim rebates, are deducted from the gross premium; others are recognised as an expense. Premiums collected by intermediaries, but not yet received, are assessed based on estimates from underwriting or past experience and are included in premiums written. Unearned premiums are those proportions of premiums written in a year that relate to periods of risk after the reporting date. Unearned premiums are calculated on a daily pro rata basis. The proportion attributable to subsequent periods is deferred as a provision for unearned premiums.

(v) IFRS and IFRIC interpretations adopted in current year

The Group has adopted the following new or amended IFRS and IFRIC interpretations during the year. Apart from the description below, the new amendments did not have significant impact on the Group's financial statement, however, it resulted in additional disclosure requirements.

- Amendments to IFRS 10, IFRS 12 and IAS 27 standards: relating to Investment Entities
 - IAS 32: Financial assets and liabilities pooling – IAS 32 amendments
 - IFRIC 21 Tax burden
 - The recoverable amount of non-financial assets – amendments of IAS 36 Impairment of Assets
 - IAS 39 Renewal of derivative transactions and continuation of hedge accounting
 - Amendments to IAS 19 Standards – Defined benefit plans: Employee contributions
- Waberer's International Zrt. presents data in EUR, apart from the financial statements from 2014, unless otherwise stated.
- IFRS improvements for the years 2010-2012
 - IFRS improvements for the years 2011-2013

The main impacts of the amendments are the following:

Amendments to IFRS 10, IFRS 12 and IAS 28 Investment entities

The amendments are applicable from 1 January 2014, or the following financial years. The amendments to IFRS 10 clarify that the exemption from presenting consolidated financial statements applies to a parent entity that is a subsidiary of an investment entity, when the investment entity measures all of its subsidiaries at fair value.

IAS 32: Financial assets and liabilities pooling – IAS 32 amendments

These amendments clarify the statement that "one has a lawful right to pool the balances" and the requirements of that, more specifically, the instance when the balances are not cleared at the same time, how can they be pooled. The amendments are applicable from 1 January 2014, or the following financial years.

IFRIC 21 Tax burden

This provides guidelines for accounting for liabilities that arise from the government's taxing requirements, especially in instances when the tax burden should be accounted for according to the IAS 37 Provisions, contingent liabilities and contingent assets and also when the balance and the timing of the tax burden is certain. The amendments are applicable from 1 January 2014, or the following financial years.

The recoverable amount of non-financial assets – amendments of IAS 36 Impairment of Assets

Following the amendments, the effect for cash-generating units, in the instances where goodwill or other intangible assets with undefined useful lives are related to the cash-generating units, it is not mandatory to present the recoverable amount if impairments or reversal of impairments were not made. The amendments are applicable from 1 January 2014, or the following financial years.

IAS 39 Renewal of derivative transactions and continuation of hedge accounting

The aim of the amendments is to create exceptions for the abolition of hedge accounting in instance where the renewal of derivative transactions meet certain requirements. The amendments are applicable from 1 January 2014, or the following financial years.

Amendments to IAS 19 Standards – Defined benefit plans: Employee contributions

IAS 19 demands the consideration of third party contributions when accounting for fixed benefit plans. In the instances where the benefits are tied to a service, they need to be presented as negative contributions during the time of service for a certain period. If the amount of the contribution is independent of the time spent in service, the entity may present the contributions as a reduction from the service expense. Waberer's International Zrt. presents data in EUR, except for the 2014 consolidated financial statements, unless otherwise stated item by item, in the period in which the employee fulfils his/her service instead of dividing it amongst the number of periods spent in service. The amendments are applicable from 1 January 2014, or the following financial years.

IFRS improvements for years 2010-2012

These amendments are in effect from 1 January 2014.

IFRS 2 Share-based payments

The amendment is applied prospectively, and in many places it clarifies the definition of the proportion of vesting conditions dependent on performance and services

- the condition dependent on performance also has to include an element dependent on service;
- the condition dependent on performance has to be fulfilled while the other party is performing services;
- the condition dependent on performance can relate to the operation or activity of the entity or other entities of the Group.
- the condition dependent on performance can related to the market as well as independent of the market;

If the party performing the services abandons its duties of performing the service during the period of the service, then the requirements related to the services are considered unfulfilled.

IFRS 3 Business combinations

The amendment is applied prospectively, and it determines that any agreements including contingent consideration arising from business combinations that are presented as liabilities (payables) or assets (receivables) should be presented at fair value, regardless of the fact that it falls under the articles of IFRS (or IAS 39).

IFRS 8 Operating segments

The amendment applies retrospectively:

- The management's assumptions must be presented by the entity, which are brought together using segments based on IFRS 8.12, including a brief description of the consolidated operating segments, as well as used characteristics of economy (Eg. Sales and gross margins), by which determined that the segments are "similar."
- The reconciliation of segment assets from total asset value is only necessary in that case, if anyway the main decision-making gets the report of reconciliation of the segment assets as for the liabilities segments.

IAS 16 Fixed assets and IAS 38 Intangible assets

IAS 16 and IAS 38 are applied retrospectively. In regards to this, the revaluation of an assets can be based on gross and net book values as well, depending on what kind of data is available for interpretation. Furthermore, the accumulated depreciation and impairment is the difference between the gross value and the net book value.

IAS 24 Related party disclosures

IAS 24 amendments are applied retrospectively, and in regards to these amendments, entities that provide upper-management services are considered related parties and they have to be declared as such. If the entity makes use of the upper-management services, it must present the related expenses as such.

IFRS annual improvements, 2011-2013

These amendments are in effect from 1 January 2014.

IFRS 3 Business combination

The amendment applies prospectively clarify that what do not fall under the scope of IFRS 3:

- Not only in the joint ventures, but also the collective agreements do not fall under the scope of IFRS 3
- This exception only concerns joint agreements of its financial statements.

IFRS 13 Fair value

The amendment applies prospectively determine whether dismissal of a portfolio basis not only for the financial assets and liabilities, but for all others, what are applied under IFRS 9 (IAS 39) contracts.

IAS 40 Investment property

The concept of additional services to the IAS 40 standard distinguishes investment property and owner-occupied property (fixed assets), the amendment prospectively applies determines that not IAS 40 additional services definition, but IFRS 3 determines that the transaction in asset or business combination is considered.

t) Standards issued but not yet effective

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Group's financial statements are disclosed below. The Group intends to adopt these standards, if applicable, when they become effective.

IFRS 9 Financial Instruments

In July 2014, the IASB issued the final version of IFRS 9 Financial Instruments that replaces IAS 39 Financial Instruments: Recognition and Measurement and all previous versions of IFRS 9. IFRS 9 brings together all three aspects of the accounting for financial instruments project: classification and measurement, impairment and hedge accounting. IFRS 9 is effective for annual periods beginning on or after 1 January 2018, with early application permitted. Except for hedge accounting, retrospective application is required but providing comparative information is not compulsory. For hedge accounting, the requirements are generally applied prospectively, with some limited exceptions.

The Group is currently assessing the impact of the standard and plans to adopt the new standard on the required effective date.

IFRS 15 Revenue from Contracts with Customers

IFRS 15 was issued in May 2014 and establishes a five-step model to account for revenue arising from contracts with customers. Under IFRS 15, revenue is recognised at an amount that reflects the consideration to which an entity expects to be entitled in exchange for transferring goods or services to a customer. The new revenue standard will supersede all current revenue recognition requirements under IFRS. Either a full retrospective application or a modified retrospective application is required for annual periods beginning on or after 1 January 2018. Early adoption is permitted.

The Group is currently assessing the impact of the standard and plans to adopt the new standard on the required effective date.

Amendments to IFRS 10 and IAS 28: Sale or Contribution of Assets between an Investor and its Associate or Joint Venture
The amendments address the conflict between IFRS 10 and IAS 28 in dealing with the loss of control of a subsidiary that is sold or contributed to an associate or joint venture. The amendments clarify that the gain or loss resulting from the sale or contribution of assets that constitute a business, as defined in IFRS 3, between an investor and its associate or joint venture, is recognised in full. Any gain or loss resulting from the sale or contribution of assets that do not constitute a business, however, is recognised only to the extent of unrelated investors' interests in the associate or joint venture. The IASB has deferred the effective date of these amendments indefinitely, but an entity that early adopts the amendments must apply them prospectively.

The Group is currently assessing the impact of the standard and plans to adopt the new standard on the required effective date.

IAS 7 Disclosure Initiative – Amendments to IAS 7

The amendments to IAS 7 Statement of Cash Flows are part of the IASB's Disclosure Initiative and require an entity to provide disclosures that enable users of financial statements to evaluate changes in liabilities arising from financing activities, including both changes arising from cash flows and non-cash changes. On initial application of the amendment, entities are not required to provide comparative information for preceding periods. These amendments are effective for annual periods beginning on or after 1 January 2017, with early application permitted.

Application of amendments will result in additional disclosure provided by the Group.

IAS 12 Recognition of Deferred Tax Assets for Unrealised Losses – Amendments to IAS 12

The amendments clarify that an entity needs to consider whether tax law restricts the sources of taxable profits against which it may make deductions on the reversal of that deductible temporary difference. Furthermore, the amendments provide guidance on how an entity should determine future taxable profits and explain the circumstances in which taxable profit may include the recovery of some assets for more than their carrying amount.

Entities are required to apply the amendments retrospectively. However, on initial application of the amendments, the change in the opening equity of the earliest comparative period may be recognised in opening retained earnings (or in another component of equity, as appropriate), without allocating the change between opening retained earnings and other components of equity. Entities applying this relief must disclose that fact.

These amendments are effective for annual periods beginning on or after 1 January 2017 with early application permitted. If an entity applies the amendments for an earlier period, it must disclose that fact.

These amendments are not expected to have any impact on the Group.

IFRS 2 Classification and Measurement of Share-based Payment Transactions — Amendments to IFRS 2

The IASB issued amendments to IFRS 2 Share-based Payment that address three main areas: the effects of vesting conditions on the measurement of a cash-settled share-based payment transaction; the classification of a share-based payment transaction with net settlement features for withholding tax obligations; and accounting where a modification to the terms and conditions of a share-based payment transaction changes its classification from cash settled to equity settled.

On adoption, entities are required to apply the amendments without restating prior periods, but retrospective application is permitted if elected for all three amendments and other criteria are met. The amendments are effective for annual periods beginning on or after 1 January 2018, with early application permitted.

The Group is currently assessing the impact of the standard and plans to adopt the new standard on the required effective date.

IFRS 16 Leases

IFRS 16 was issued in January 2016 and it replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease. IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases under a single on-balance sheet model similar to the accounting for finance leases under IAS 17. The standard includes two recognition exemptions for lessees – leases of 'low-value' assets (e.g., personal computers) and short-term leases (i.e., leases with a lease term of 12 months or less). At the commencement date of a lease, a lessee will recognise a liability to make lease payments (i.e., the lease liability) and an asset representing the right to use the underlying asset during the lease term (i.e., the right-of-use asset). Lessees will be required to separately recognise the interest expense on the lease liability and the depreciation expense on the right-of-use asset.

Lessees will be also required to remeasure the lease liability upon the occurrence of certain events (e.g., a change in the lease term, a change in future lease payments resulting from a change in an index or rate used to determine those payments). The lessee will generally recognise the amount of the remeasurement of the lease liability as an adjustment to the right-of-use asset.

Lessor accounting under IFRS 16 is substantially unchanged from today's accounting under IAS 17. Lessors will continue to classify all leases using the same classification principle as in IAS 17 and distinguish between two types of leases: operating and finance leases.

IFRS 16 also requires lessees and lessors to make more extensive disclosures than under IAS 17.

IFRS 16 is effective for annual periods beginning on or after 1 January 2019. Early application is permitted, but not before an entity applies IFRS 15. A lessee can choose to apply the standard using either a full retrospective or a modified retrospective approach. The standard's transition provisions permit certain reliefs.

The Group is currently assessing the impact of the standard and plans to adopt the new standard on the required effective date.

4. Earnings per share

The share capital of Waberer's International Zrt. is EUR 5,128,910 comprising 14,654,028 registered dematerialised ordinary shares of a nominal value of EUR 0.35 each.

Therefore the issued share capital of Waberer's International Zrt. was EUR 5,128,910 at 31 December 2014, 2015 and 2016. In 2014 Delta-Rent Kft sold treasury shares held in Waberer's International Zrt to minority shareholders which resulted in an increase of weighted average ordinary shares in 2015. In 2016 the Group acquired treasury shares which decreased shared capital in the amount of EUR 261,133. On 31 December 2016 the weighted average number of ordinary shares of Waberer's International Zrt is 14,469,149. EPS is calculated based on the net profit for the year attributable to equity holders of the parent and the weighted average number of ordinary shares.

Earnings per share	2014	2015	2016
Net profit after tax EUR	9,929,833	11,267,883	6,235,602
Weighted average ordinary shares	14,486,444	14,494,112	14,469,149
Earnings per share EUR	0.69	0.78	0.43

5. Segment Information

With a view to ensuring transparent operations, IFRS 8 Operating Segments requires listed companies to provide enhanced disclosures about their operating segments. The Group has identified two operating segments (International and Domestic) as set out below and the Group's overall operations are directed by Group management as aligned to these segments. The two operating segments include the following activities:

- International Transportation:** international FTL transport and shipping, and international forwarding
- Regional Contract Logistics:** domestic FTL and LTL transport and shipping, warehousing, and vehicle repairs for third parties
- Other:** domestic non-life insurance for third parties

Financial information about the Group's segments is presented below.

2014

Description	International Transportation	Regional Contract Logistics	Inter-segment transfers	Total
Continuing activities				
Revenue	424,971,209	79,024,588	(7,795,857)	496,199,940
inter-segment revenue	(6,349,936)	(1,445,921)		
Revenue	418,621,273	77,578,667		496,199,940
Direct wages, benefits & allowances	(54,758,313)	(9,417,487)	-	(64,175,800)
Fuel	(112,316,277)	(10,792,524)	12,102	(123,096,699)
Toll Fees & Transit Costs	(78,032,921)	(8,458,155)	202,702	(86,288,374)
Cost of Subcontractors and reinsurance fee	(64,054,516)	(17,443,825)	-	(81,498,341)
Cost of goods sold	(11,620,390)	(6,506,417)	6,293,120	(11,833,687)
Other cost	(23,111,743)	(9,981,271)	327,921	(32,765,093)
Net gain on fleet sales	7,104,853	1,153,828		8,258,681
Gross Profit	88,181,902	17,578,737	(960,012)	104,800,627
Indirect Wages & Benefits	(16,368,899)	(2,831,156)	-	(19,200,055)
Other services	(8,589,745)	(4,719,000)	904,129	(12,404,616)
other operating income	8,628,118	707,149	22,871	9,358,138
other operating expense	(11,754,585)	(2,696,307)	33,012	(14,417,880)
Profit before interest, tax, depreciation and amortization (EBITDA)	60,096,791	8,039,423	-	68,136,214
Depreciation and Amortization	(37,293,746)	(4,598,138)	-	(41,891,884)
Profit before interest and tax (EBIT)	22,803,045	3,441,285	-	26,244,330
Interest	(7,118,548)	(1,897,691)	-	(9,016,239)
PROFIT (LOSS) BEFORE INCOME TAX	15,684,497	1,543,594	-	17,228,091
Income taxes	(4,992,770)	(1,154,719)	-	(6,147,489)
PROFIT (LOSS) FOR THE YEAR	10,691,727	388,875	-	11,080,602

DISCONTINUED OPERATION Profit/loss from discontinued operation (decreased with deferred tax)				
CURRENT YEAR PROFIT/LOSS	10,691,727	388,875	-	11,080,602
Attributable to: Equity holders of the parent Non-controlling interest				9,929,833 1,150,769
				11,080,602
OTHER COMPREHENSIVE INCOME <i>Items to be reclassified subsequently to profit or loss</i> Fair-value of cash-flow hedge transaction (fuel and FX) - less deferred tax Translation difference from foreign entities	(675,394) -	- 4,679	- -	(675,394) 4,679
OTHER COMPREHENSIVE INCOME	(675,394)	4,679	-	(670,715)
TOTAL COMPREHENSIVE INCOME	10,016,333	393,554	-	10,409,887
Attributable to: Equity holders of the parent Non-controlling interest				9,259,118 1,150,769
				10,409,887
Earnings per Share Number of shares Basic and diluted EPS (EUR/share)				14,496,362 0.68

Reported EBITDA Non-recurring items Recurring EBITDA	60,096,791 - 60,096,791	8,039,423 - 8,039,423		68,136,214 - 68,136,214
Reported EBIT Non-recurring items Recurring EBIT	22,803,045 - 22,803,045	3,441,285 - 3,441,285		26,244,330 - 26,244,330
Reported Net Profit Non-recurring items Recurring Net Profit	10,691,727 - 10,691,727	388,875 - 388,875		11,080,602 - 11,080,602

Sales revenues and key comprehensive income statement items:

	International Transportation	Regional Contract Logistics	Inter-segment transfers	Total
Sales to third parties	418,621,273	77,578,667		496,199,940
Inter-segment sales	6,349,936	1,445,921	(7,795,857)	-
Sales revenues	424,971,209	79,024,588	(7,795,857)	496,199,940
EBITDA	60,096,231	8,039,423	-	68,136,214
Depreciaton, Amortization and impairment	37,293,746	4,598,138	-	41,891,884
EBIT	22,802,485	3,441,285	-	26,244,330

2015

Item	International Transportation	Regional Contract Logistics	Inter-segment transfers	Total
Sales to third parties	435,016,199	87,464,249		522,480,448
Inter-segment sales	7,112,119	623,439	(7,735,558)	-
Sales revenues	442,128,318	88,087,688	(7,735,558)	522,480,448
EBITDA	58,837,716	11,465,013	-	70,302,729
Depreciaton, Amortization and impairment	43,844,102	5,711,766	-	49,555,878
EBIT	14,993,614	5,753,237	-	20,746,851

Financial information about the Group's segments is presented below.

Description	International Transportation	Regional Contract Logistics	Inter-segment transfers	Total
Continuing activities				
Revenue	442,128,318	88,087,688	(7,735,558)	522,480,448
inter-segment revenue	(7,112,119)	(623,439)		
Revenue	435,016,199	87,464,249		522,480,448
Direct wages, benefits & allowances	(61,618,496)	(8,385,949)	-	(70,004,445)
Fuel	(100,365,107)	(7,465,259)	10,332	(107,820,034)
Toll Fees & Transit Costs	(82,706,694)	(11,144,600)	261,008	(93,590,286)
Cost of Subcontractors and reinsurance fee	(68,558,482)	(24,826,302)	1,177,227	(92,207,557)
Cost of goods sold	(13,799,150)	(7,303,406)	4,337,129	(16,765,427)
Other cost	(31,741,338)	(9,736,130)	168,151	(41,309,317)
Net gain on fleet sales	5,122,159	1,012,183	-	6,134,342
Gross Profit	88,461,210	20,238,225	(1,781,711)	106,917,724
Indirect Wages & Benefits	(19,083,394)	(3,971,643)	-	(23,055,037)
Other services	(12,364,088)	(4,763,913)	1,756,130	(15,371,871)
other operating income	6,367,986	610,046	18,077	6,996,109
other operating expense	(4,543,998)	(647,702)	7,504	(5,184,196)
Profit before interest, tax, depreciation and amortization (EBITDA)	58,837,716	11,465,013	-	70,302,729
Depreciation and Amortization	(43,844,102)	(5,711,776)	-	(49,555,878)
Profit before interest and tax (EBIT)	14,993,614	5,753,237	-	20,746,851
Interest	(1,920,232)	(954,723)		(2,874,955)
PROFIT (LOSS) BEFORE INCOME TAX	13,073,382	4,798,514	-	17,871,896
Income taxes	(4,433,892)	(1,018,115)		(5,452,007)
PROFIT (LOSS) FOR THE YEAR	8,639,490	3,780,399	-	12,419,889

DISCONTINUED OPERATION				
Profit/loss from discontinued operation (decreased with deferred tax)				-
CURRENT YEAR PROFIT/LOSS	8,639,490	3,780,399		12,419,889
Attributable to:				
Equity holders of the parent				11,267,883
Non-controlling interest				1,152,006
				12,419,889

OTHER COMPREHENSIVE INCOME <i>Items to be reclassified subsequently to profit or loss</i>				
Fair-value of cash-flow hedge transaction (fuel and FX) - less deferred tax	(1,383,057)			(1,383,057)
Translation difference from foreign entities	-	131,554		131,554
OTHER COMPREHENSIVE INCOME	(1,383,057)	131,554		(1,251,503)

TOTAL COMPREHENSIVE INCOME	7,256,433	3,911,953		11,168,386
Attributable to:				
Equity holders of the parent				10,016,380
Non-controlling interest				1,152,006
				11,168,386
Earnings per Share				
Number of shares				14,494,112
Basic and diluted EPS (EUR/share)				0.78

Reported EBITDA	58,837,716	11,465,013		70,302,729
Non-recurring items	1,208,000			1,208,000
Recurring EBITDA	60,045,716	11,465,013		71,510,729
Reported EBIT	14,993,614	5,753,237		20,746,851
Non-recurring items	1,208,000	-		1,208,000
Recurring EBIT	16,201,614	5,753,237		21,954,851
Reported Net Profit	8,639,490	3,780,399		12,419,889
Non-recurring items	1,208,000	-		1,208,000
Recurring Net Profit	9,847,490	3,780,399		13,627,889

2016

Item	International Transportation	Regional Contract Logistics	Other	Inter-segment transfers	Total
Sales to third parties	443,422,026	97,970,177	31,911,271		572,351,812
Inter-segment sales	7,979,410	951,662	-	(8,931,072)	-
Sales revenues	451,401,436	97,970,177	31,911,271	(8,931,072)	572,351,812

EBITDA	52,143,806	13,044,250	3,993,998	-	69,182,054
Depreciaton, Amortization and impairment	45,389,840	6,570,726	51,564	-	52,012,130
EBIT	6,753,966	6,473,524	3,942,434	-	17,169,924

Financial information about the Group's segments is presented below.

Description	International Transportation	Regional Contract Logistics	Other	Inter- segment transfers	Total
Continuing activities					
Revenue	451,401,436	97,970,177	31,911,271	(8,931,072)	572,351,812
inter-segment revenue	(7,979,410)	(951,662)			
Revenue	443,422,026	97,018,515	31,911,271		572,351,812
Direct wages, benefits & allowances	(75,534,341)	(11,055,658)	-	-	(86,589,999)
Fuel	(95,890,574)	(8,774,123)	-	10,956	(104,653,741)
Toll Fees & Transit Costs	(80,584,905)	(13,884,460)	-	240,365	(94,229,000)
Cost of Subcontractors and reinsurance fee	(70,232,096)	(25,193,353)	(16,378,651)	1,255,071	(110,549,029)
Cost of goods sold	(13,697,252)	(5,124,668)	-	5,172,282	(13,649,638)
Other cost	(27,087,933)	(9,667,436)	(10,530,271)	351,479	(46,934,161)
Net gain on fleet sales	3,915,190	100,551	22,068	-	4,037,809
Gross Profit	92,289,525	24,371,030	5,024,417	(1,900,919)	119,784,053
Indirect Wages & Benefits	(21,416,774)	(5,418,467)	(845,570)	-	(27,680,811)
Other services	(13,667,245)	(5,920,381)	(567,853)	1,834,492	(18,320,987)
other operating income	4,729,912	988,871	456,276	33,186	6,208,245
other operating expense	(9,791,612)	(976,803)	(73,272)	33,241	(10,808,446)
Profit before interest, tax, depreciation and amortization (EBITDA)	52,143,806	13,044,250	3,993,998	-	69,182,054
Depreciation and Amortization	(45,389,840)	(6,570,726)	(51,564)	-	(52,012,130)
Profit before interest and tax (EBIT)	6,753,966	6,473,524	3,942,434	-	17,169,924
Interest	(2,346,235)	(728,998)	(51,138)	-	(3,126,371)

PROFIT (LOSS) BEFORE INCOME TAX	4,407,731	5,744,526	3,891,296	-	14,043,553
Income taxes	(2,325,615)	(1,368,748)	(1,175,263)	-	(4,869,626)
PROFIT (LOSS) FOR THE YEAR	2,082,116	4,375,778	2,716,033	-	9,173,927
DISCONTINUED OPERATION Profit/loss from discontinued operation (decreased with deferred tax)					-
CURRENT YEAR PROFIT/LOSS	2,082,116	4,375,778	2,716,033	-	9,173,927
Attributable to: Equity holders of the parent Non-controlling interest					6,235,602 2,938,325
					9,173,927

OTHER COMPREHENSIVE INCOME <i>Items to be reclassified subsequently to profit or loss</i> Fair-value of cash-flow hedge transaction (fuel and FX) - less deferred tax	1,795,726	-	-		1,795,726
Translation difference from foreign entities	-	41,683	(641,047)		(599,364)
OTHER COMPREHENSIVE INCOME	1,795,726	41,683	(641,047)	-	1,196,362
TOTAL COMPREHENSIVE INCOME	3,877,842	4,417,461	2,074,986	-	10,370,289
Attributable to: Equity holders of the parent Non-controlling interest					7,540,017 2,830,272
					10,370,289
Earnings per Share Number of shares Basic and diluted EPS (EUR/share)					14,469,149 0.43

Reported EBITDA	52,143,806	13,044,250	3,993,998	69,182,054
Non-recurring items	4,247,642		165,000	4,412,642
Recurring EBITDA	56,391,448	13,044,250	4,158,998	73,594,696
Reported EBIT	6,753,966	6,473,524	3,942,434	17,169,924
Non-recurring items	4,247,642	-	165,000	4,412,642
Recurring EBIT	11,001,608	6,473,524	4,107,434	21,582,566
Reported Net Profit	2,082,116	4,375,778	2,716,033	9,173,927
Non-recurring items	4,247,642	-	165,000	4,412,642
Recurring Net Profit	6,329,758	4,375,778	2,881,033	13,586,569

Actual income taxes:

Item	2014		2015		2016		Other
	International Transportation	Regional Contract Logistics	International Transportation	Regional Contract Logistics	International Transportation	Regional Contract Logistics	
actual income taxes	4,198,192	1,028,236	3,525,485	771,936	(2,325,615)	1,368,748	1,175,263
-income taxes paid	4,846,862	864,449	4,124,931	881,185	3,881,906	1,150,055	830,238
-deferred tax	(648,670)	163,787	(442,434)	(109,249)	(1,556,292)	218,694	345,025

Non-current assets:

Item	2014		2015		2016		Other
	International Transportation	Regional Contract Logistics	International Transportation	Regional Contract Logistics	International Transportation	Regional Contract Logistics	
Properties	14,172,269	1,799,992	15,902,844	2,093,047	15,230,530	5,944,443	-
Capital expenditures	2,219,651	460,954	4,424,271	516,469	2,063,082	1,054,154	-
Vehicles	208,802,435	18,199,131	210,021,752	25,603,318	203,937,429	29,365,227	-
Other equipment	2,859,991	2,348,634	3,463,836	2,245,001	2,606,082	3,618,566	394,437
Intangible assets	559,711	460,905	728,269	415,763	1,190,812	525,704	289,191
Goodwill	15,925,168	2,336,841	15,925,167	2,576,921	15,925,167	2,576,921	-
Other long-term financial assets	415,664	268,930	812,212	255	930,765	257	44,301,113
Reinsurance amount of technical reserves	-	-	-	-	-	-	14,584,005
Deferred tax assets	209,856	-	450,360	12,566	361,133	-	196,171

Events without significant cash movements:

Item	2014		2015		2016		Other
	International Transportation	Regional Contract Logistics	International Transportation	Regional Contract Logistics	International Transportation	Regional Contract Logistics	
Unrealised foreign exchange gain or loss on leases	-	(280,524)	-	24,111	-	14,710	-
Unrealised foreign exchange gain or loss on other foreign exchange assets and liabilities	(320,746)	(182,508)	(164,468)	(44,305)	(1,626)	76,880	(74,560)
Impairment loss	3,241,404	1,762,968	41,841	132,122	444,333	62,906	-
Difference between provisions made and released	677,932	348,405	2,363,012	43,278	797,702	(90,854)	-

The Group identified the below non-recurring expenses in respect of the professional fees related to IPO / Employee Share Option Program ("ESOP") (see details in Note 18), the extraordinary indirect labour costs related to change of control and ESOP provision (see details in Note 18).

Non-recurring expenses	2014	2015	2016
Professional fees related to IPO / ESOP (see details in Note 18)	-	(1,208,000)	(3,138,642)
Extraordinary indirect labour costs related to change of control	-	-	(797,190)
ESOP provision (see details in Note 18)	-	-	(476,810)
Total	-	(1,208,000)	(4,412,642)
Recurring profit / loss	2014	2015	2016
Current year profit / loss	11,080,602	12,419,889	9,173,927
Non-recurring profit / loss	-	(1,208,000)	(4,412,642)
Recurring profit / loss	11,080,602	13,627,889	13,586,569

6. Intangible assets

Opening at 1 January 2014

Gross value	11,602,926	18,262,009	29,864,935
Cumulative amortisation and impairment	10,060,071	-	10,060,071
Net value	1,542,855	18,262,009	19,804,864

Changes in 2014

Additions and capitalisations	750,565	-	750,565
Amortisation	(1,232,596)	-	(1,272,804)
Disposals	-	-	-
Net closing value	1,020,616	18,262,009	19,282,625

Closing at 31 December 2014

Gross value	12,333,449	18,262,009	30,595,458
Cumulative amortisation and impairment	11,312,833	-	11,312,833
Net value	1,020,616	18,262,009	19,282,625

Changes in 2015

Additions and capitalisations	1,386,547	240,079	1,626,626
FX changes shown in foreign currencies	(26,263)	-	(26,623)
Amortisation	(1,236,868)	-	(1,236,868)
Disposals	-	-	-
Net closing value	1,144,032	18,502,088	19,646,120

Closing at 31 December 2015

Gross value	13,707,411	18,502,088	32,209,499
Cumulative amortisation and impairment	12,563,379	-	12,563,379
Net value	1,144,032	18,502,088	19,646,120

Changes in 2016

Additions and capitalisations	1,153,981	-	1,153,981
FX changes shown in foreign currencies	2,789	-	2,789
Additions from acquisitions	196,595	-	196,595
Amortisation	(1,137,364)	-	(1,137,364)
Disposals	-	-	-
Net closing value	2,005,707	18,502,088	20,507,795

Closing at 31 December 2016

Gross value	15,410,145	18,502,088	33,912,233
Cumulative amortisation and impairment	13,404,438	-	13,404,438
Net value	2,005,707	18,502,088	20,507,795

(a) Goodwill

Goodwill generated by means of business combinations is allocated at the time of the acquisition to cash-generating units that are likely to benefit from the impacts of the business combination. Most of the carrying value of goodwill is allocated to the international transportation and forwarding cash-generating unit in its entirety and totalled EUR 15,925,167 at the end of 2014. On 26 April 2013, Waberer's Logisztika Kft. acquired 60%, and therefore controlling influence, in Szemerey Transport Zrt. in a share swap transaction. In line with the Group's accounting policies goodwill of EUR 2,336,842 is presented in the consolidated balance sheet. In 2015, the goodwill on Szemerey Transport was adjusted. As a result, goodwill increased by EUR 240,079 in 2015. The amount of goodwill related to the acquisition of Szemerey Transport Zrt. is not attributable to the assets as it reflects a fair value difference at the time of the acquisition and was recognised against non-controlling interest interest.

After the acquisition of Wáberer Hungária Biztosító Zrt. and its subsidiary Közdülő Invest Kft. on 28 May 2016, the management of Waberer's International Zrt. evaluated the business combination in accordance with IFRS and the assessment concludes that goodwill is not identified.

The fair values of the identifiable assets and liabilities of Wáberer Hungária Biztosító Zrt. as at the date of acquisition were:

Fair value recognised on acquisition

Assets

Property, plant and equipment	3,503,163
Intangible assets	199,597
Other non-current financial assets - Debt instruments	35,361,011
Other non-current financial assets - Equity instruments	6,054,252
Deferred tax asset	781,840
Deposits with reinsurers on insurance technical provisions	10,708,681
Cash and cash equivalents	957,303
Trade receivables	14,841
Other current assets	2,035,770
	59,616,458

Liabilities

Insurance technical provisions	37,488,595
Trade payables	22,127
Current income taxes (corporation and special tax, business tax)	79,677
Other current liabilities and derivatives	284,255

Insurance technical payables	8,608,925
Other current liabilities	303,391
	<hr/> 46,786,970
Total identifiable net assets at fair value	<hr/> 12,829,488
Non-controlling interest measured at fair value	(97,122)
Gain on bargain purchase	-
Purchase consideration transferred	12,732,366

Initially the management identified that the acquisition would have been resulted in a gain on bargain purchase. However the management reassessed the fair value of Wáberer Hungária Biztosító Zrt. Based on IFRS 3.36 the acquirer shall, at the acquisition date, allocate the cost of a business combination by recognising the acquiree's identifiable assets, liabilities and contingent liabilities that satisfy the recognition criteria. The management assessed that the value of property, plant and equipment should be decreased to its book value which resulted in no difference between the purchase consideration transferred and the fair value of the total identifiable net assets.

The basis for the recoverable amount calculation is the three-year plans approved by management, on which basis the cash flows are projected for the purpose of determining the value in use.

The annual plans for 2018-2020 are expressed in EUR and if the items arise in HUF, it can be converted to HUF at a 313 HUF/EUR rate if necessary the basis year is 2016 and reflected actual figures at the time of the planning. Compared to 2016, the fleet is expected to increase by 5.6% in 2017 and then by 170 vehicles on average in each year afterwards. The target is a fleet of 3,490 vehicles by the end of 2020 in international shipping and a fleet of 990 for domestic shipping. Fuel costs are expected to fall by 1.1% in 2017 compared to 2016 and are expected to remain unchanged in the ensuing years. Transit costs are expected to increase by 5.5% in 2017 and no significant change is expected in the ensuing years. Driver costs are planned to increase by an annual average of 5%, however, maintenance costs after 2016 are expected to decrease at an average of 2.6% as a result of an increasingly younger fleet with an average vehicle age of less than two years. Insurance costs are expected to decrease as a result of a decreased mandatory vehicle insurance premiums due to a declining number of damage incidents. All other costs are planned to increase by 0.5% and 1.5% respectively, while payroll costs are expected to increase at inflation +1% for administrative staff and slightly higher for trading staff.

The plans predict a considerable increase in the number of kilometres driven (120 km/truck per month each year), and cargo capacity levels are also expected to increase by 0.05% over the year.

The plans were based on the existing company structure with the only difference that the percentage of franchise fleet will increase along with the importance of having agency offices abroad in the international shipping line.

The plans were compiled in a KPI-driven model in which the three main factors – influencing cash flows – were the fuel price, the number of kilometres driven and the fee level.

Changes in main factors at EBIT level:

- an increase in fuel prices by 1 euro cent would cause a cash decrease of EUR 1.4 million.
- an increase in the number of kilometres driven by 1 million kilometres would raise the cash generating ability by EUR 0.23 million
- one euro cent increase in fees would improve the cash generating ability by EUR 4.8 million

Main changes expected at Group level in comparison to 2015 used for the 2016 planning:

- 5.6% growth in fleet
- 1.2% increase in the number of kilometres driven
- 1.5% reduction in fees
- 1.2% reduction in fuel prices (in EUR)

- 0.4% increase in driving cost
- 0.1% increase in truck load

(b) Intangible assets with indefinite useful lives

Other than goodwill, the Group has no assets with indefinite useful lives recorded under intangible assets.

7. Tangible assets

Opening at 1 January 2014	Properties	Construction in progress	Vehicles	Other equipment	Total
Gross value	22,791,676	946,387	252,180,121	15,188,553	291,106,737
Cumulative depreciation and impairment loss	5,163,807	-	76,603,201	11,131,846	92,898,854
Net value	17,627,869	946,387	175,576,920	4,056,707	198,207,883

Changes in 2014

Additions and commissioning	2,194,218	136,483,516	128,455,747	3,324,074	270,457,555
Movements in FX assets due to FX rate fluctuations	(213,079)	(13,888)	(655,579)	(51,675)	(934,221)
Depreciation	(904,307)	-	(37,882,628)	(1,832,145)	(40,619,080)
Impairment	(2,731,551)	(761,371)	(66,426)	-	(3,559,348)
Derecognition	(889)	-	(1,945,860)	(288,336)	(2,235,085)
Reclassified to held for sale	-	(133,974,039)	(36,480,608)	-	(170,454,647)
Closing net value	15,972,261	2,680,605	227,001,566	5,208,625	250,863,057

Closing at 31 Dec. 2014

Gross value	24,771,668	2,680,605	299,032,717	16,482,370	342,967,360
Cumulative depreciation and impairment loss	8,799,407	-	72,031,151	11,273,745	92,104,303
Net value	15,972,261	2,680,605	227,001,566	5,208,625	250,863,057

Changes in 2015

Additions and capitalisations	3,105,034	89,896,675	81,709,675	2,821,662	177,532,516
FX effect on assets carried in FX	(21,350)	-	169,967	(116,747)	31,870
Depreciation, impairment	(1,060,054)	-	(45,232,920)	(2,026,036)	(48,319,010)
Derecognition	-	-	-	(178,667)	(178,667)
Capitalisation	-	(87,636,010)	-	-	(87,636,010)
Reclassification to non-current assets held for sale	-	-	(28,023,218)	-	(28,023,218)
Closing net value	17,995,891	4,940,740	235,625,070	5,708,836	264,270,538

Closing at 31 Dec. 2015

Gross value	27,874,334	4,940,740	323,656,273	18,806,776	375,278,123
Cumulative depreciation and impairment loss	9,878,443	-	88,031,202	13,097,940	111,007,585
Net value	17,995,891	4,940,740	235,625,071	5,708,836	264,270,538

Changes in 2016

Additions and capitalisations	1,955,419	72,649,080	69,605,432	2,911,733	147,121,664
FX effect of assets carried in FX	25,501	-	171,565	15,992	213,058
Additions from the acquisition	3,076,656	-	-	229,832	3,306,488
Depreciation, impairment	(1,179,197)	-	(47,830,851)	(1,864,718)	(50,874,766)
Derecognition	(699,297)	-	-	(382,590)	(1,081,887)
Capitalisation	-	(74,472,584)	-	-	(74,472,584)
Reclassification to non-current assets held for sale	-	-	(27,639,827)	-	(27,639,827)
Closing net value	21,174,973	3,117,236	233,302,656	6,619,085	264,213,950

**Closing at 31 December
2016**

Gross value	34,441,639	3,117,236	329,889,518	18,907,427	386,355,820
Cumulative depreciation and impairment loss	13,266,666	-	96,586,861	12,288,342	122,141,870
Net value	21,174,973	3,117,236	233,302,656	6,619,085	264,213,950

(a) Properties

The following table includes the Groups' most significant properties as at 31 December 2016.

Name of property	Country	Functionality	Net value
Budapest, Nagykörösi út 349-351	Hungary	Head Office	7,854,950
PILK (Pestszerlőrinc Logisztika Centrum)	Hungary	Logistics Warehouse	3,056,172
Balatonvilágos Hotel	Hungary	Hotel	2,579,962
Pécs	Hungary	Logistics Warehouse	347,548
Miercurea Ciuc Hargita	Romania	Office and Rented warehouse	1,678,432
Balatonszárszó	Hungary	Logistics Warehouse	196,997
Győr	Hungary	Logistics Warehouse	342,449
Miskolc	Hungary	Logistics Warehouse	185,229

(b) Movements in tangible assets

In 2008, Waberer's Romania carried out a major property investment and acquired a new business site and constructed an office building plus service buildings. The investment was capitalised in 2009; the carrying value of the property in Csíkszereda as at 31 December 2013 was EUR 2,948 thousand. As a result of a fair valuation by property values, an impairment loss totalling EUR 1,040 has been recognised on the site in Romania in 2014.

Properties worth EUR 3.3 million acquired in 2013 as the result of the acquisition of Szemerey Zrt. were revalued at the end of 2014 and a total impairment loss of EUR 1,692 thousand was recognised as a result.

In 2016 the value of properties increased significantly, which is mostly due to the acquisition of Közdülő-Invest Kft's PILK property that has a value of EUR 3,056,172.

(c) Mortgaged assets

The Group repaid all its loans in 2014 and therefore the above listed properties became unencumbered. None of the Group's properties presented in the balance sheet as at 31 December 2016 are mortgaged.

(d) Leased assets

Tangible assets contain assets acquired by the Group as a result of financial leases. The gross value of assets leased as at 31 December 2014 totalled EUR 237,977 thousand, with a cumulative depreciation of EUR 65,260 thousand and a carrying value of EUR 208,717 thousand. The gross value of assets leased as at 31 December 2015 totalled EUR 277,025 thousand, with a cumulative depreciation of EUR 74,336 thousand and a carrying value of EUR 202,689 thousand. At 31 December 2016, the gross value of leased assets totalled EUR 312,728 thousand, cumulative depreciation EUR 84,172 thousand and a carrying value of EUR 228,556 thousand.

As in 2014 and 2015 the Group continued its vehicle acquisition practice also in 2016 and replaced four-year old vehicles with ones equipped with EURO 6 engines under a financial lease and an export enhancing development loan totalling EUR 68 million.

(e) Commitments as of reporting date to purchase assets

The Group has general agreements for asset purchases for three years, which relate only to recommended quantities but do not imply any future obligations.

(f) Tentative construction cost of properties as at 1 January 2007

The initial cost of property, plant and equipment was determined on 1 January 2007, when the Group adopted IFRS reporting, and are based on their fair values as at 1 January 2006. The Group continues to depreciate properties based on the useful lives determined on 1 January 2006.

The initial cost of the PILK property acquired during the acquisition of Közdülő Invest Kft. in 2016 was determined during the calculation of the business combination in the acquisition process.

8. Investments in subsidiaries and joint ventures

Company	Country	Scope of activities	Ownership ratio 2014	Ownership ratio 2015	Ownership ratio 2016
Waberer's - Szemerey Logisztika Kft.	Hungary	in land transportation and forwarding, logistics	60.00%	60.00%	60.00%
Delta Rent Kft.	Hungary	vehicle trade	100.00%	100.00%	100.00%
Waberer's Románia SA	Romania	international transportation and forwarding	100.00%	100.00%	100.00%
Waberer's Deutschland GmbH	Germany	international transportation	100.00%	100.00%	100.00%
Waberer's Espana	Spain	international transportation	100.00%	100.00%	100.00%
Royalsped Románia	Romania	in land transportation and forwarding, logistics	95.00%	95.00%	merged into Waberer's Romania SA
Waberer's Polska	Poland	international transportation	100.00%	100.00%	100.00%
Waberer's Slovakia	Slovakia	logistics	100.00%	100.00%	100.00%
Waberer's France	France	trading agent	100.00%	100.00%	100.00%
Waberer's UK Limited	Great Britain	trading agent	100.00%	100.00%	100.00%
Waberer's Benelux B.V.	The Netherlands	trading agent	-	100.00%	100.00%
Waberer's Italia SRL	Italy	trading agent	-	100.00%	100.00%
Cseri Intertrans Kft.	Hungary	international transportation	100.00%	51.00%	51.00%
Simon Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Molnár S Intertrans Kft.	Hungary	international transportation	100.00%	100.00%	51.00%
Kovács Á Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Molnár N Intersped Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Réthi Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Vágenhoffer Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
VT Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	100.00%

Pálinkás Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Székely Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Szabó Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Kerekes Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	100.00%
Veres Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Zsemlye Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Bódi Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
S Tóth Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	51.00%
Vándor Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	100.00%
Transpont Hungária Kft.	Hungary	international transportation	51.00%	51.00%	100.00%
Kanczler Intertrans Kft.	Hungary	international transportation	51.00%	51.00%	100.00%
TT Intertrans Kft.	Hungary	international transportation	100.00%	100.00%	100.00%
Euro-Unió Trans Kft.	Hungary	international transportation	100.00%	100.00%	100.00%
Rapid Teherautószervez	Hungary	vehicle repair	51.00%	51.00%	51.00%
Waberer's Network Kft.	Hungary	international groupage forwarding	99.00%	99.00%	99.00%
Gervin Trans Kft.	Hungary	international transportation	-	51.00%	51.00%
MIS Transport Kft.	Hungary	international transportation	-	51.00%	51.00%
Crossroad Transport Kft.	Hungary	international transportation	-	51.00%	51.00%
Cosmos-Transport Kft.	Hungary	international transportation	-	51.00%	51.00%
Lean Logistic Kft.	Hungary	international transportation	-	51.00%	51.00%
Del af Europa Transp. Kft.	Hungary	international transportation	-	51.00%	51.00%
PM Intersped Kft.	Hungary	international transportation	-	51.00%	100.00%
Return Transport Kft.	Hungary	international transportation	-	100.00%	100.00%
VB-Transport Kft.	Hungary	international transportation	-	100.00%	100.00%
JIT Euro Trans Kft.	Hungary	international transportation	-	100.00%	51.00%
Tracking Transport Kft.	Hungary	international transportation	-	51.00%	51.00%
Mojo Trans Kft.	Hungary	international transportation	-	51.00%	51.00%
WM Log Kft.	Hungary	international transportation	-	51.00%	51.00%
SZ-M Cargo Kft.	Hungary	international transportation	-	51.00%	51.00%
SOLID Transport Kft.	Hungary	international transportation	-	100.00%	100.00%
Cargo Hungária Kft.	Hungary	international transportation	-	100.00%	100.00%
Szala Transport Kft.	Hungary	international transportation	-	100.00%	51.00%

TMT International Kft.	Hungary	international transportation	-	100.00%	100.00%
Wáberer Hungária Biztosító Zrt.	Hungary	insurance	-	-	100.00%
Közdülő Invest Kft.	Hungary	property rental	-	-	98.55%
WB Station et Services	Belgium	vehicle repair	-	-	100.00%

In 2010 the Group's Management decided to establish a franchise company involving nine international hauliers, a service franchise company and a separate groupage freight company operating as part of Waberer's International Zrt. The Group continued the establishment of franchise companies in 2011 and another eight new companies were founded as a result. In 2012 one new franchise was established and a former external subcontractor was involved in the acquisition of ownership of a franchise system. In 2013, the Group's management decided to establish three more franchise companies and 18 more franchise companies were established in 2015.

On 26 April 2013, Waberer's Logisztika Kft. acquired 60%, and therefore controlling influence, in Szemerey Transport Zrt. in a share swap transaction while the former private person owner of Szemerey Transport Zrt. acquired Waberer's International Zrt's 40% share in Waberer's Logisztika Kft. In view of the draft pre-merger balance sheet of Szemerey Transport Zrt. as at 30 June 2013, the owners of Waberer's Logisztika Kft. and Szemerey Transport Zrt. decided to merge Szemerey Transport Zrt. into Waberer's Logisztika Kft. at book value as at 31 December 2013. Following the merger, from 1 January 2014, the company's name changed to Waberer's-Szemerey Logisztika Kft. On 30 June 2015, Locosped Kft., Waberer-Szemerey Logisztika Kft's 100% subsidiary, merged into its parent company.

In 2014, the Group's management decided to open trade agencies across Europe, with the first in Paris, the second in Warsaw and the third in London successfully started their activity. Further trading agencies were opened in 2015 in Amsterdam and in Milan.

On 28 December 2015 Waberer's International Zrt. entered into a sales contract with the owners of Waberer Hungária Biztosító Zrt. As per the sales contract the sale of the property was subject to approval of the Hungarian, Slovakian and the MNB (Hungarian National Bank). After undergoing the approval procedure on 4 May 2016 the 4 billion HUF advance already paid in previous years was used to purchase the ownership for 4 billion HUF by Waberer's International Zrt., a company that restructured itself into a private limited company.

9. Other Financial investments - Debt and Equity instruments - Long term, Other Non-Current financial assets

- Other Non-Current Financial Assets

	31 December 2014	31 December 2015	31 December 2016
Loan to franchise owners	272,644	651,918	661,204
Hungaroring Rt. Interest	139,380	139,380	139,380
Locosped kft. Interest	268,930	merge into Waberer's-Szemerey Kft.	
Other	3,640	21,169	130,438
Total	684,594	812,467	931,022

For the information of the market value of the other non-current assets refer to section 34.

- Other Financial investments - Debt and Equity instruments - Long term

Wáberer Hungária Biztosító Zrt, the new subsidiary of the Group, has a financial assets of securities which are held for investment purposes until maturity and is considered risk-free from a credit risk point of view. This portfolio consists of

government bonds and T-bills.

Apart from holding self-managed term deposits in the amount of EUR 44,301,113, the entity manages its investments through three trustees.

10. Inventories

	31 December 2014	31 December 2015	31 December 2016
Inventories			
Fuel inventories	1,583,253	1,825,554	2,445,956
Spare parts, tyres, lubricants, other materials	763,496	718,548	545,476
Other materials	915,920	333,830	323,065
Total:	3,262,669	2,877,932	3,314,497

Fuel inventories as at the reporting date show the fuel in the lorries and at the filling station. The values of these inventories were determined as follows:

- inventory at filling station by means of a physical stock count
- fuel in lorries using an estimate based on the data in the route registration system.

11. Receivables

	31 December 2014	31 December 2015	31 December 2016
Trade receivables	85,445,453	90,408,149	90,024,540
Impairment loss on doubtful receivables	(2,820,636)	(2,786,708)	(1,898,022)
Total	82,624,817	87,621,441	88,126,518

Receivables increased significantly by EUR 5 million from 31 December 2014 to 31 December 2015 primarily as a result of increased sales revenues. The turnover of debtors remained 61.5 days in both 2014 and 2015.

The balance of receivables at 31 December 2016 did not change significantly as compared to the year 2015. The Group's sales revenues increased by 3.5% as compared to the previous year (excluding the insurance business line) is compensated by the 3% improvement in the receivable turnover, thus the open receivable balances this year exceeds last year's balances by 0.5%. The average receivable turnover period decreased from 61.5 days to 59.6 days as compared to last year.

As a result of the Group's rigorous credit rating and collection processes, the provision made for doubtful debts slightly decreased on the previous year.

12. Movements in impairment loss

	Impairment of debtors	Impairment of inventories	Non-current assets held for sale	Other impairment losses
1 January 2014	3,427,174	84,246	22,891	2,312,447
Increase	316,195	-	-	591,186
Decrease	922,733	10,842	-	302,817
31 December 2014	2,820,636	73,404	22,891	2,600,816
Increase	94,958	72,320	-	260,866
Decrease	128,885	116,886	-	568,021
31 December 2015	2,786,709	28,858	22,891	2,293,661
Increase	93,582	217,334	-	83

Decrease	1,252,591	28,858	22,891	-
31 December 2016	1,627,700	217,334	-	2,293,744

The reduction in the group amount of impairment loss on receivables in 2014 and in 2015 too was due to the derecognition of previously fully impaired bad debts.

The decline in the balance of gross receivable impairment at the value of EUR 952,865 at the end of year 2016 is due to the already impaired receivables in previous years and the written off bad debts in the current financial year.

In the current year impairment losses increased by EUR 288,130 which is 1.1% of the total sales revenue. The decline in impairment losses in the amount of EUR 223,955 is thanks to the effective work of the credit and collection group.

On 31 December 2016 the Group's management inspected the inventories of the repair shop on the basis of the technology description of the vehicles purchased in the previous two years. As a result of this inspection the Group's vehicle parts in the amount of EUR 217,334 were written off as impairment losses.

Other impairment loss was recorded on other current assets, including debts of former employees, receivables from insurance companies, receivables related to guarantees and loans disbursed. Other impairment losses did not change significantly compared to last year, which is due to the decrease in the fluctuation of drivers as well as the improvement in the efficiency of the credit management procedures.

13. Other current assets and derivative financial instruments

	31 December 2014	31 December 2015	31 December 2016
Foreign VAT and excise tax	20,657,822	18,085,653	21,975,690
Tax receivables	2,554,087	3,167,160	2,534,498
Loans granted	1,173,114	737,287	1,469,896
Receivables from employees	951,543	1,137,482	1,293,059
Advances receivable	1,828,565	12,714,962	-
Accruals	5,842,681	6,517,096	5,601,952
Other	1,236,616	1,514,721	1,788,246
Derivative transactions	3,178,534	4,548,813	3,140,287
Technical insurance receivables	-	-	3,236,174
Total	37,412,962	48,423,174	43,880,604

Most other current assets include MWST and excise tax, which is derived from VAT and excise tax receivables from foreign tax authorities. As of 2012, excise tax can be reclaimed not only on fuel purchased abroad but also on fuel purchased inland.

The balance of the foreign VAT receivable as at 31 December 2016 is EUR 11,723,396 as opposed to the balance of EUR 12,316,955 last year. The 5% decline in foreign VAT is due to the lower expenses proportionally.

The balance of the excise tax receivable is EUR 10,252,293 at 31 December 2016, as opposed to the balance of EUR 5,763,698 last year. The increase is due to the fact that more fuelling is happening in Belgium and France, where the average yearly tax refund exceeded the previous year's demands by 60%.

The Group switched to collective VAT payment as of 1 August 2013 and the taxes payable and reclaimed by the Group members are netted off as a result.

The value of derivatives at the reporting date is determined using a measurement technique based solely on market inputs. Accordingly, any gain on the year-end revaluation of derivative contracts open at the year-end was recognised among other current assets, while any revaluation loss was recognised among other current liabilities.

Advance payments receivable include a contractual advance payment of HUF 4 billion (12,714,962 EUR) paid by the Company to buy Wáberer Hungária Zrt. of the related sale-purchase covenants met so far. Dominating influence in Wáberer Hungária Biztosító Zrt was obtained and transaction was closed in 2016 as detailed in Note 8.

Among the technical receivables interest the subsidiaries' reinsurance receivables from the Hungarian Insurance Association (MABISZ) and other non-client related receivables.

As at 31 December 2014 the Company had the following open derivative contracts:

Partnerbank	Contract type	Currency	Amount of trade
ING Bank N.V	Forward – sale	EUR	113,500,000 EUR
ING Bank N.V	Forward – purchase	EUR	98,500,000 EUR
K&H Bank.	Forward – sale	EUR	13,800,000 EUR
K&H Bank.	Forward – purchase	EUR	18,800,000 EUR
UniCredit Bank.	Forward – sale	EUR	12,000,000 EUR
UniCredit Bank.	Forward – purchase	EUR	12,000,000 EUR
Citibank Plc	Forward – sale	EUR	47,850,000 EUR
Citibank Plc	Forward – purchase	EUR	37,850,000 EUR

As at 31 December 2015, the Company had the following open derivative contracts:

Partner bank	Contract type	Currency	Amount of trade
ING Bank N.V	Forward – sale	EUR	56,000,000 EUR
K&H Bank.	Forward – purchase	EUR	5,000,000 EUR
UniCredit Bank.	Forward – sale	EUR	20,000,000 EUR
Citibank Plc	Forward – sale	EUR	30,000,000 EUR
Erste Bank	Forward – sale	EUR	6,000,000 EUR
K&H Bank.	Commodity swap – diesel – purchase	Mt	10,600 Mt

As at 31 December 2016, the Company had the following open derivative contracts:

Partner bank	Contract type	Currency	Amount of trade
ING Bank N.V	Forward – purchase	EUR	24,000,000 EUR
K&H Bank.	Forward - sale	EUR	90,000,000 EUR
UniCredit Bank.	Forward – purchase	EUR	15,000,000 EUR
Citibank Plc	Forward – sale	EUR	39,800,000 EUR
K&H Bank.	Commodity swap – diesel – purchase	Mt	2,000 Mt

Market value information related to the derivatives is detailed in note 34. The above open derivative contracts mature within one year.

14. Non-current assets held for sale

	31 December 2014	31 December 2015	31 December 2016
Amount	1,923,861	4,550,122	2,068,319
Number of assets	201	173	233

Non-current assets held for sale includes vehicles, the lease contract of which has expired and the Group intends to sell them. The Group acquires the vehicles from the lessor at their residual value specified in the lease contract, then upon the sale it realises the difference between the sales price and the carrying value as profit or loss: this resulted in a gain of EUR 8,182,232 in 2014, EUR 6,134,342 in 2015 and EUR 4,037,809 in 2016.

Movements in non-current assets held for sale were as follows:

1 January 2014	129,937
Reclassified from Tangible assets	36,480,608
Disposals	34,686,684
31 December 2014	1,923,861
Reclassified from Tangible assets	28,023,218
Disposals	25,396,957
31 December 2015	4,550,122
Reclassified from Tangible assets	27,639,827
Disposals	30,131,630
31 December 2016	2,068,319

15. Liquid Assets

Liquid assets include petty cash and bank balances. At 31 December 2014 the amount of the liquid assets was higher by an amount of EUR 5,043,847 than at 31 December 2013. The total amount of the balances at 31 December 2015 was 10.499.484 EUR lower than at 31 December 2014. The significant decrease in cash-flows in 2015 was due to the advance payment referred to in note 8.

The total amount of the balances at 31 December 2016 was EUR 31,665,305. The significant increase in this year's cash flow is thanks to cash-generating capacity of the new subsidiaries acquired in the current year, which is closely EUR 11 million.

16. Equity

At 31 December 2016 the share capital of Waberer's International Zrt. was 14,654,024 dematerialized shares each with a face value of EUR 0.35, therefor the share capital at 31 December 2015 is EUR 5,128,910.

The share capital of Waberer's International Zrt at 31 December 2016 was 14,654,028 dematerialized shares each with a face value of EUR 0,35. In 2016 the Company acquired 261,133 shares from minority shareholders. The total face value was EUR 91,396.55 . The reacquired share are presented as share capital decrease under IAS 32. The purchase price was EUR 1,221,876, which is presented in the consolidated equity movements table. At 31 December 2016 the share capital decreased to EUR 5,037,513, due to the face value of the reacquired shares.

Reserves include the profits and losses of previous years, the reporting year profit or loss, and the results of transactions with equity holders, as presented in the statement of changes in equity. The reserves row does not represent the dividend payable because the dividend is determined based on the figures presented in the stand alone statutory financial statements prepared in accordance with the Hungarian accounting law. In the consolidated financial statements, the dividends payable based on the Hungarian statutory annual report to the minority shareholders are disclosed in the changes in equity in the year when the disbursement was made.

Main rights and obligations of the shareholders

Shareholders shall be entitled to exercise shareholder rights vis-à-vis the Company in possession of the shares or certificate of ownership, following their entry into the register of shareholders. No certificate of ownership is required for the exercising of shareholder rights, if entitlement is verified by way of the shareholder identification procedure.

1. Right to receive dividend

Shareholders shall be entitled to receive a share from the Company's profit that is available and has been ordered for distribution by the General Meeting in the percentage consistent with the nominal value of their shares. Dividends shall be paid to the shareholders that are listed in the register of shareholders at the date of the shareholder identification relating to the dividend payment date announced by the Company. The date of the shareholder identification relating to the dividend payment date cannot be earlier than the fifth trading date following the general meeting resolving on the dividend payment. Dividends may be paid by means other than cash. Shareholders shall be entitled to receive dividends based on the capital contributions they have already paid up.

The Company shall pay dividend to the shareholders by way of bank transfer as of the date specified by the relevant resolution of the General Meeting. The dividend payment period shall commence on the date determined in the resolution of the General Meeting on the approval of the annual financial statement prepared in accordance with the Accounting Act and the utilization of after tax profit. However, at least ten business days shall expire between the date of the first publication of the communication containing the resolution of the General Meeting on the amount of dividend to be paid and the date of commencement of dividend payment and the date of commencement of the distribution of dividend.

Shareholders may claim the dividend as from the date of commencement of dividend payment until the expiry of the limitation period specified by law (five years). Thereafter any claim for dividend shall lapse.

The General Meeting, and pursuant to Section 3:263 (3) of the Civil Code, the Board of Directors shall also be entitled to adopt a decision on the payment of interim dividends between the approval of two consecutive financial statements if the legal conditions are met.

Dividends payable in respect of treasury shares shall be considered as distributions due to the shareholders entitled to receive dividends in proportion to the nominal value of their shares.

2. Right to information and to attend the General Meeting

The Board of Directors shall provide information to all shareholders which are necessary for the discussions held in connection with the items placed on the agenda of the General Meeting in such manner that, upon written request submitted by the shareholder at least eight days before the date set for the General Meeting, the relevant information is provided to the shareholder at the latest three days before the date set for the General Meeting.

The Board of Directors shall disclose to the shareholders the key data of the financial statements and the key data of the report of the Board of Directors and the Supervisory Board prepared in connection with the financial statements at least twenty-one (15) days before the General Meeting.

Each shareholder shall be entitled participate in, request information and make comments and proposals, as well as

to vote at the General Meeting, if it holds shares with voting rights. Shareholders may exercise their voting rights, only if they have performed their capital contribution. Shareholders may also exercise their shareholder rights through authorized proxy. Shareholders may not be represented by a member of the Board of Directors, a member of the Supervisory Board or the auditor. The authorization for representation shall be prepared in the form of a notarial deed or a private deed of full evidentiary force. Shareholders may appoint nominees to exercise their rights vis-à-vis the Company, and upon being registered in the register of shareholders, such nominee shall exercise shareholder rights vis-à-vis the Company in his own name and for the benefit of the shareholder. Only those shareholders or shareholder proxies may attend the General Meeting who were entered into the register of shareholders by no later than on the second business day preceding the date of commencement of the General Meeting. Each share having a nominal value of EUR 0.35 shall carry one vote. Each shareholder must cast all of his votes in the same way.

The General Meeting shall have a quorum if it was convened in accordance with the relevant rules and regulations, and if the Shareholders representing more than 50% of the registered capital of the Company are present. The General Meeting adopts its resolutions by a simple majority of the votes considered upon the establishment of a quorum, except for the matters indicated by the law and specified in the Articles of Association, in respect of which the General Meeting adopts its resolutions by a three-quarters majority of the votes. Any resolution of the General Meeting which discriminates against the rights attached to a certain series of shares may only be passed, if the shareholders of the share series in question grant their explicit consent.

3. Minority rights

Shareholders of the Company who control at least 5% of the voting rights may at any time request that the General Meeting be convened, indicating the reason and purpose thereof. If the Board of Directors fails to take measures for convening the General Meeting for the earliest date possible within eight days from receipt of the request, the General Meeting shall be convened, upon the request of the shareholders making the proposal, by the court of registry, or the court of registry shall empower the requesting shareholders to convene the meeting. The expected costs of such meeting shall be advanced by the requesting shareholders. At the meeting convened upon the request of minority shareholders the General Meeting shall resolve whether the costs incurred are to be borne by the shareholders making the proposal or the Company.

If the General Meeting has refused to consider or put to vote a proposal that the last annual financial statement or any financial event or undertaking which occurred in relation to the activity of the management in the past two years be examined by an auditor to be specifically entrusted with this task, upon request by the shareholder or shareholders controlling at least 5% of the voting rights, which request is to be submitted within thirty days from the date of the relevant General Meeting under penalty of forfeiture of rights, the court of registry shall order such examination at the cost of the Company and appoint the auditor.

If the General Meeting has refused to consider or put to vote a proposal that a claim by the Company against any shareholder, Board member, member of the Supervisory Board, or the auditor be enforced, the shareholders controlling at least 5% of the voting rights may also enforce such claim themselves on behalf of and to the benefit of the Company within thirty days from the date of the relevant General Meeting under penalty of forfeiture of rights.

If shareholders controlling at least 5% of voting rights in the Company notify the Board of Directors about a proposal regarding additions to the agenda in accordance with the provisions on setting the items of the agenda, or a draft resolution concerning any item already on the agenda or to be put on the agenda within eight (8) days from the publication of the notice on the convening of the General Meeting, the Board of Directors shall publish a communication on the supplemented agenda and the draft resolutions submitted by the shareholders upon being notified of the proposal. The issues indicated in the notice shall be deemed to have been put on the agenda.

4. Shareholders of the Company controlling at least 5% of voting rights and any creditor of the Company with a claim which is not yet due at the time of distribution and reaches 10% of the registered capital until the expiry of the one year limitation period as from the date of distribution may request, with the simultaneous advancing of costs, that the

court of registry appoint an auditor to examine whether such disbursement is lawful. Any payment made in cash or otherwise shall be construed as a distribution, with the exception of employee shares provided without compensation or at a discounted price, as well as shares provided without compensation from the share capital increased by the conversion of assets which do not form part of the share capital into share capital.

17. Leasing liabilities

The Company acquires the vehicles it needs for its basic operations using finance leases.

For trucks, the maturity of the Group's lease contracts is 4 years, while for trailers it is 5 years.

The Company acquires the vehicles directly from the manufacturers, who provide a repurchase guarantee not only for the end of the term but also during the term.

The following table shows the break-down of future lease payments (capital and interest) by maturity:

	Within 6 months	6-12 months	1-2 years	2-5 years	Over 5 years	Total
31 December 2014						
Finance lease liabilities, capital	26,718,272	24,511,799	52,716,584	99,394,698	1,778,334	205,119,687
Finance lease liabilities, interest	2,427,719	2,065,075	3,113,771	2,303,410	30,042	9,940,017
Total	29,145,991	26,576,874	55,830,355	101,698,108	1,808,376	215,059,704
31 December 2015						
Finance lease liabilities, capital	25,620,371	25,532,747	56,700,350	90,152,448	-	198,005,916
Finance lease liabilities, interest	1,614,727	1,375,182	1,977,231	1,620,080	-	6,587,220
Total	27,235,098	26,907,929	58,677,581	91,772,528	-	204,593,136
31 December 2016						
Finance lease liabilities, capital	31,227,490	34,644,610	52,644,966	108,621,453	977,769	228,116,289
Finance lease liabilities, interest	1,724,936	1,362,809	1,997,224	1,836,029	28,616	6,949,614
Total	32,952,426	36,007,419	54,642,190	110 457 483	1 006 385	235,065,903

The table shows the maturity and interest payments of lease liabilities as at 2014, 2015 and 2016 year-end, but it does not take into account that as the assets are continuously replaced the maturing lease agreements are constantly replaced with new ones.

The interest charges on the lease liabilities are calculated based on the EURIBOR valid on the current year at 31 December and the increased interest premiums.

18. Provisions

	Litigations	Claims	Other	Bonus	Total
Opening at 1 January 2014	2,453,297	-	566,221	1,135,359	4,154,877
Allocation and review of previous estimates	2,256,336		394,430	1,795,110	4,445,876
Interest impact	17,725				17,725
Exchange difference	(32,267)				(32,267)
Release	(153,729)				(153,729)
Use	(3,584,246)		(566,221)	(1,135,359)	(5,285,826)
Closing at 31 December 2014	957,116	-	394,429	1,795,109	3,146,655
Allocation and review of previous estimates	183,553	-	1,997,142	2,605,883	4,786,578
Interest impact	20,719	-	-	-	20,719
FX gain/loss	20,292	-	-	-	20,292
Release	(102,451)	-	-	-	(102,451)
Use	(129,309)	-	(394,429)	(1,795,110)	(2,318,848)
Closing at 31 December 2015	949,920	-	1,877,142	2,725,883	5,552,945
Allocation and review of previous estimates	710,515	4,425,637	971,580	2,276,983	8,384,715
Opening after acquisition	-	11,553,568	-	-	11,553,568
Interest impact	14,216	-	-	-	14,216
FX gain/loss	225	-	-	-	225
Release	(452,153)	-	-	-	(452,153)
Use	(99,637)	-	(1,877,142)	(2,725,883)	(99,637)
Closing at 31 December 2016	1,123,086	15,268,695	971,580	2,276,983	19,640,344

Short-term portion 2014	-	-	394,430	1,795,110	2,189,539
Long-term portion 2014	957,116	-	-	-	957,116
Short-term portion 2015	-	-	1,997,142	2,605,883	4,603,025
Long-term portion 2015	949,920	-	-	-	949,920
Short-term portion 2016	-	-	971,580	1,800,173	2,771,753
Long-term portion 2016	1,123,086	15,268,695	-	476,810	16,868,591

As at 31 December 2014 the Group made a provision of EUR 957,116 for contingent liabilities from litigations that are not expected to incur within one year (31 December 2013: EUR 2,453,297). The most significant amounts include provisions made and released for road toll penalties: EUR 1,929,793 was made in the first three months of 2014 and EUR 2,732,991 paid in the last months of the year (of which EUR 1,929,793 was made in 2014 and EUR 874,459 at the end of 2013).

At 31 December 2015 and 31 December 2016, the Group made provisions in the amount of EUR 949,920 and EUR 1,123,086 for possible future liabilities arising from litigations beyond the one-year horizon.

The Group made provisions in the amount of EUR 15,268,695 for the technical insurance liabilities of the subsidiary Wáberer Hungária Zrt. acquired during the year. These liabilities contain the loss events created by other subsidiaries. These liabilities are presented among the long-term provisions in the consolidated financial statements.

Wáberer Hungária is the subsidiaries' partner for MTLP, property, and CMR insurances, it takes care of all the insurance services.

Based on the successful operations in 2014, the Group approved the payment of bonuses to employees amounting to EUR 1,396,973 which will be paid in H1 FY 2015. As a result, the Company made a provision for this amount plus the related taxes and social security totalling EUR 1,795,110.

In view of the Group's results achieved in 2015, a provision of EUR 2,605,883 was made for bonuses to employees, EUR 378,738 was made for untaken vacations and further provision of EUR 1,585,734 was made for bonus of drivers.

In view of the Group's results achieved in 2016, a provision of EUR 1,457,630 was made for bonuses to employees, which is a gross of EUR 1,800,173 including contributions. Thus provisions were made for EUR 1,800,173. The bonuses are paid in early 2017.

The owners of the Group started an Employee ShareOption Program organization with the aim of handling the financial instruments according to the remuneration policy framework following the acquisition of the leading influence in the acquired subsidiary.

ESOP is a new form of employee remuneration program in Hungary introduced by the State, which ensures a favorable taxation for employers and/or employees. Although ESOP Organization is an independent legal entity duly registered by the Company Registry, it does not qualify a business entity or company as its existence does not serve a tangible business purpose and, in this particular case, acts merely as an "intermediary" between Waberer's and its employees under Waberer's Compensation and Rewards Policy. At the same time, the concept of ESOP Organization is out of the scope of IFRS 10 but in scope of IAS 19 as it is an other long-term employee benefit plan. Based on the definition in IAS 19, any reward extended by the ESOP Organization qualifies as other long-term employee benefit (i.e. any employee benefit other than a short-term employee benefit, a post-employment benefit or a termination benefit).

The management of the Company reviewed the aims of the ESOP organization and based on this assessment made provisions of EUR 476,810 for covering future benefits.

The Group made provisions in the amount of EUR 971,580 for untaken employee holidays as at 31 December 2016..

19. Other long-term liabilities

	31 December 2014	31 December 2015	31 December 2016
Loans from non-related companies	6,114,822	6,311,990	0
Total	6,114,822	6,311,990	0

On 30 June 2009, two of the Group's subsidiaries received a loan of EUR 5 million with a term of 4 years from one of their main suppliers. In the hope of a fruitful co-operation, on 30 June 2012, the loan was prolonged until 30 June 2015 and then for another two years. The fee of the loan is integrated into the price of the monthly service performed by the lender. This increase was due to a similar increase in loans during 2014 in line with the significant fleet growth.

Based on the decision of the Group's management the contract expiring in the following year will be renewed, however in the financial statements the loan is classified to Short-term loans and borrowings line presented in the amount of EUR 6,359,057.

20. Long-term loans

	31 December 2014	31 December 2015	31 December 2016
EXIM project loan	19,548,050	8,622,375	-
Total	19,548,050	8,622,375	-

The Group signed a loan agreement with Raiffeisen Bank, the refinancers of EXIM Bank, for a total loan facility of EUR 30 million. Of this amount, EUR 19,548,050 was used in October and November 2014 to purchase vehicles. The loan is repayable in two years in one instalment at the end of the term of the agreement. The interest is 2.5% for a year.

On 3 July 2015 the Group signed loan agreements with CIB Bank, the refinancers of EXIM Bank for EUR 10 million, of which EUR 8,622,375 was used in the past two years to purchase vehicles.

The loans are repayable in two years in one instalment at the end of the loan terms. In line with this, EUR 8,622,375 was reclassified as short-term liabilities from long-term liabilities in this year's balance sheet.

21. Insurance technical provisions

Insurance technical provisions include those insurance reserves that were set aside at the end of the financial year for covering Wáberer Hungária's third-party insurance contracts as per the Insurance laws related to reserves. These reserves are the following:

- Reserves for unearned premiums

Contains the balance of fees determined in 2016 but concerning the next financial year.

- Outstanding claim reserves

The reserve is recognized on the basis of two articles related to loss events. First, it includes reserves created to cover claims not yet settled but reported in, or before the year 2016. For each loss event a loss reserve is created, which includes the balance of the damage claim, costs related to settling the claim. Each loss reserve is reduced by the expected recoverable regress claims.

Additionally, in accordance with insurance laws, the reserve also includes claim reserves created for each sector based on insurance triangles, or earned premiums (in cases where the insurance company does not have data from the past three years). These claim reserves are created to cover claims that incurred but year have been reported.

- Other reserves

The entity created cancellation reserves for liabilities relating to bondholders based on the percentages determined in the accounting standards on the basis of two articles. First, based on the aging of outstanding receivables. Second, based on historical data considering lapse of interest.

In order to reduce the risks of its insurance contracts, the entity signed reinsurance contracts for the aforementioned technical reserves. Based on the reinsurance contracts, the proportionate amounts of technical reserves have been presented in Fixed Assets.

22. Other current liabilities and derivative financial instruments

	31 December 2014	31 December 2015	31 December 2016
Payments to personnel	5,675,704	6,637,065	9,932,133
Taxes	90,255	360,980	595,563
Accruals & Other liabilities	29,122	637,859	18,742
Derivative contracts	693,145	3,800,447	1,166,961
Insurance technical liabilities	688,520	-	536,691
Total	7,176,746	11,436,352	12,250,090

Starting from 1 August 2013, the Group switched to group VAT payments, which resulted in a significant decrease in the net amounts of other receivables and other liabilities. The group VAT significantly improved the Group's liquidity.

Differences arising from the year end losses are presented among the liabilities arising from the derivative financial instruments. See note 13.

Insurance technical liabilities include prepayments from policyholders, other amounts paid in advance, other outstanding claim payables at 31 December 2016 that not yet have been paid off as well as they include payables to insurance agents.

The content of the payment to personnel is related to the wage which is not yet paid for the direct labour. Liabilities from derivative contracts include revaluation losses as presented in Note 13.

23. Sales revenue, consignment services

<i>Revenues from regular business activities</i>	2014	2015	2016
International transportation and forwarding	412,273,038	427,779,916	437,409,213
Domestic transportation, logistics	72,074,724	78,186,861	89,934,094
Insurance	-	-	31,911,271
Total:	484,347,762	505,966,777	559,254,578
<i>Revenues from non-regular business activities</i>			
Vehicle repair	1,042,412	1,586,063	1,485,810
Property rental	1,078,204	1,481,958	390,013
Vehicle rental	359,464	635,331	618,718
Other services	3,557,773	4,775,320	4,176,805
Sale of fuel	4,619,861	6,956,990	4,954,223
Other sales	1,194,464	1,078,009	1,471,665
Total:	11,852,178	16,513,671	13,097,234
Total sales revenue	496,199,940	522,480,448	572,351,812

Group-wide sales revenues increased by 5.3%, of which international transport and forwarding increased by 3.7% and domestic transport and logistics grew by 8.5% in 2015. In mileage, the increase in international transport was 16 million km (4.4%) as opposed to a 1.3 million (3%) decrease in domestic transport. The increase in sales per km was distorted by the lower prices due to lower fuel costs. However, this effect was set off by increased truckloads.

A 2.25% increase in 2016 in sales revenue in international transportation and forwarding from last year is due to the following reasons:

- the Group's fleet increased its mileage by 4.48% because 53 new vehicles have been added to the fleet, furthermore the mileage per vehicle increased by 284km/vehicle
- with the decreasing price of fuel on the international transportation market, the freight rates have decreased, which means a 2 euro cent decrease in freight costs per km
- loading ratio increased by 0.3%
- the international transportation business line realized its previous year sales revenue in the current year

Domestic transportation and logistics have increased significantly, 15% from the previous year (2015). The increase is due to the following factors:

- the Group's fleet enhanced its mileage by 18.64% ,which lead to an increase in its fleet by 63 vehicles as well as mileage per vehicle increased by 387km/vehicle
- with the decreasing price of fuel on the international transportation market, the freight rates have decreased by 1.5% per km.
- domestic logistics services, similarly to transportation services, increased significantly by more than 10%, which is due to the increased demand of complex logistics services from customers

Among the revenue from insurance services, the sales revenue for 1 April 2016 – 31 December 2016 of the new subsidiary acquired in 2016 is presented.

For its domestic and international goods transportation operations the Group not only uses its own vehicles but also employs subcontractors, along with other related services, which are sold on in unchanged form to its clients (such as ferry tickets and other crossing services, and motorway tolls). The aforementioned sales revenue is presented in revenues from non-regular business activities.

24. Salaries, allowances, contributions

	2014	2015	2016
Fixed salaries	20,448,398	23,109,409	25,523,400
Variable wages	37,663,627	40,076,650	52,979,474
Payroll contributions	6,063,775	6,818,386	8,087,125
Total:	64,175,800	70,004,445	86,589,999

Within salaries, allowances, contributions, the Group presents the payroll costs and contributions of international and domestic drivers, service colleagues, and domestic storage colleagues.

Due to the increase in sales revenue, the number of drivers employed increased significantly. This increase was 9% in the international business line, and 18% domestically.

According to the average employed people during the year, the number of employees was 4,070 in the international transportation and 720 in the domestic transportation. In line with this the fixed salaries increased 10.5% as compared to previous year. At 31 December 2016, the Group employed 4,170 as international drivers, 920 domestic drivers, 230 storage workers and 133 service workers.

In order to remain competitive on the European job market, as well as to decrease employee fluctuation, the Group increased the salaries for international drivers significantly by around 15% starting from 1 January 2016. As a result of this, in addition to growth caused by additional employee headcount and the increase in the conducting factor, variable salaries increased by 40.1% as compared to previous year.

The change in payroll contributions is due to the increase in employee head count mentioned above.

25. Fuel costs

	2014	2015	2016
International fuel costs	112,316,277	100,365,107	95,890,574
Domestic fuel costs	10,780,422	7,454,927	8,763,167
Total fuel costs	123,096,699	107,820,034	104,653,741

The international transportation of fuel costs in the current year was 4.5 million euro less than the previous year. The most significant decline in fuel costs due to the decline in world oil prices, which resulted a decrease of 9.88% in fuel price measured in EUR

The mileage increased 4.47% in the current year compared to the previous year, which was offset by a decrease in fuel prices referred to above.

The fuel cost of the domestic transport exceeded the previous year's figure over 1.3 million. The decline in world oil prices has resulted in a 7% reduction in fuel prices of the domestic transportation against the international 9.88%, this is due to the refundable excise tax was changed in Hungary.

26. Toll Fees & Transit Costs

Toll fees & transit costs are presented as inter-segment transfers are allocated to respective expense types.

	2014	2015	2016
International transport costs	77,830,219	82,484,630	80,425,561
from this: Highway fee	52,299,546	55,159,813	53,345,029
toll facilities	20,984,449	22,850,389	24,213,983
other costs during the service	4,546,224	4,474,428	2,866,549
domestic transport cost	8,458,155	11,105,655	13,803,439
From this: Highway fee	4,206,772	3,715,117	5,523,006
Transport, loading, packaging	3,765,430	6,824,777	8,121,907
other costs during the service	485,953	565,761	158,526
Total highway and other costs	86,288,374	93,590,286	94,229,000

The decline in the highway fee of the international transport against the 4.48% increase of transport performance due to the fleet has been switched to new EURO6 classification vehicles. In 2016, the international fleet of EURO6 classification was 71%, compared to 50% of the previous year.

A significant increase of the domestic transportation toll service due to the increase of the mileage and the freight structure was continuously changed. The transport, loading, packing in income categories are recognized external service providers used for packing, order picking, labelling, repackaging and other warehouse services in complex logistics services in domestic

27. Cost of Subcontractors and reinsurance fee

	2014	2015	2016
Subcontractor costs	81,498,341	92,207,557	93,132,120
Reinsurance costs	-	-	17,416,909
Total other costs	81,498,341	92,207,557	110,549,029

Wáberer Hungária Insurance, the subsidiary acquired in 2016 covers its most significant risks by reinsurance contracts. The reinsurance coverage is 75% for international transport insurance (CMR and delivery), 50% for CASCO, housing and elements of other property insurance, and 50% for Motort-Third Party Liability Insurance.

28. Other costs

	2014	2015	2016
Repair, installation costs	12,177,945	13,405,189	14,115,570
Direct rent costs	4,295,954	4,491,688	5,429,911
Vehicle weight tax and other transportation-related taxes	2,524,358	2,734,163	1,891,094
Insurance costs and expenses	11,978,455	19,273,388	24,368,373
Other indirect costs	1,788,381	1,404,889	1,229,662
Total other costs	32,765,093	41,309,317	46,934,161

Items listed under insurance costs and expenses changed significantly after the acquisition of the new subsidiary. In 2015 and before the date of the acquisition in 2016 (in the first three months of the year), the Group presented its insurance-related costs paid to Wáberer Hungária Zrt. After the acquisition, when the Group became the sole owner of Wáberer Hungária, these insurance-related costs were not relevant, and instead, in the rest of 2016, Wáberer Hungária's loss expenses are presented on

this line. This includes all loss expenses incurred by Wáberer Hungária, not only the Group's loss expense, but third-party clients as well. In the first three months insurance costs totalled to EUR 5,927 thousand. Following the acquisition, loss expenses and its contributions totalling EUR 18,441 thousand are present on this line.

29. Other income

	2014	2015	2016
Reversal of provisions	3,567,006	511,550	555,872
Damages received	2,293,625	1,446,663	2,162,421
Fines, penalties, default interest	119,701	1,421,674	15,134
Employee refunds	918,199	741,307	1,245,972
Support received	326,382	521,919	21,673
Reversal of receivable amortization	154,912	448,093	223,955
Interest received on the insurance term deposits for covering loss reserves		-	859,986
Other income	1,978,313	1,904,903	1,123,232
Total	9,358,138	6,996,109	6,208,245

The penalty, default interest, the reason of the significant reduction of the fine return is that the group could have availed by amnesty law in case of the paid motorway fine in 2014 as a result in 2015 that EUR of 1,315,000 previously paid penalty became entitled to a refund, which was recognized as other income in the previous year as one off item, there was no such item in the operation in the current year.

30. Other expenses

	2014	2015	2016
Damages paid	1,289,540	1,346,721	1,653,736
Provisions	2,650,766	820,158	888,781
Impairment of receivables	1,050,581	358,083	288,132
Penalties, fines	3,391,741	1,101,205	1,356,169
Impairment of inventories		72,320	228,461
Credit loss	27,977	191,654	17,914
Impairment loss on fixed assets	3,559,348	-	-
Provisions of Insurance damages	-	-	4,425,637
Various other expenses	2,447,927	1,294,055	1,949,616
Total:	14,417,880	5,184,196	10,808,446

Income and expenses related to damage comprise damages in vehicles and goods during transport and damage suffered during customs guarantee activities, as well as the associated insurance pay-outs. The majority of the other income and the damage-related expense recognised under other expenses is connected to Waberer's International Zrt., Euro-Unió Trans Kft. and to franchise companies. Revenues from damage events exceed the expense related to damage as a result of self-funded repairs.

The amount of provision for loss events that is booked as an expense is presented among the provisions.

31. Interest

	2014	2015	2016
Interest received	98,286	84,260	94,945
Interest paid	(7,218,850)	(6,373,537)	(4,311,568)
Realised foreign exchange difference	(783,778)	64,537	(166,387)
Unrealised foreign exchange difference	(287,815)	(184,662)	29,193
Realised gain/loss on derivatives	(888,157)	3,510,570	1,205,383
Result of sale of investment	23,992	23,877	182,834
Other	40,083	0	(160,771)
Total	(9,016,239)	(2,874,955)	(3,126,371)

Within the Group, Waberer's International Zrt. and Waberer's - Szemerey Kft. had significant finance leases in 2014. The interest expense on finance leases fell significantly in 2015 as a result of reduced loan interest rates and a shift in financing towards the asset purchase loans described above.

As of 1 January 2013, most of the companies switched over to EUR as its functional currency (except Waberer's-Szemerey Transport Zrt., which company use HUF as its functional currency). As a result, most of the Group is free from further FX exposures as all the Group's revenues are earned and 70% of its costs is incurred in EUR. The HUF GL figures of Waberer's-Szemerey Logisztika Kft. are consolidated as translated into EUR. As a result, any FX fluctuations caused by CHF and EUR leases are reflected in the consolidated figures.

Assets and liabilities denominated in foreign exchange are presented in Note 34. c)

32. Income tax expense

The income tax expense disclosed in the consolidated financial statements for the Group as of 31 December 2015 and 2016 comprised the following components

	2014	2015	2016
Current income tax expense	6,632,372	6,003,690	5,862,199
Deferred taxes	(484,883)	(551,683)	(992,573)
Total income tax expense	6,147,489	5,452,007	4,869,676

The Group treats the Hungarian corporate tax and local business tax as income taxes, along with the corresponding foreign income taxes; the impacts of the different tax bases are presented in the breakdown of the difference between the expected tax and the recognised income tax.

In view of the functional currency switch-over to EUR as of 1 March 2013, the parent company determined the effective rate for the calculation of deferred tax assets and liabilities to be 14%. The Company reviewed this assumption in 2016 and approved the 11% effective rate from 01.01.2017

Detailed deferred tax:

	31 December 2014	31 December 2015	31 December 2016
Waberer's International Zrt. deferred tax	5,259,700	4,945,925	3,086,076
Delta-Rent Kft. deferred tax	93,043		
Waberer's-Szemerey Logisztika Kft. deferred tax	-	-	179,813
Cash-flow hedge deferred tax	398,402	119,738	177,599
Deferred tax on interim profit (Waberer's International)	13,570	-	-
Deferred tax liability in the balance sheet	5,764,715	5,065,633	3,443,489

	31 December 2014	31 December 2015	31 December 2016
Wáberer Hungária Biztosító Zrt. deferred tax	-	-	(196,171)
Waberer's Logisztika Kft. deferred tax	(137,001)	(12,566)	-
Delta Rent Kft. deferred tax	-	(8,452)	(5,140)
Franchise companies' deferred tax	(209,856)	(441,908)	(355,993)
Differed tax asset in statement of financial position	(346,857)	(462,926)	(557,304)

Based on the 2015-2018 strategic plans, the Group reviewed the recovery of the deferred tax asset derived from the loss carry forward of the Romanian subsidiary. As a result of this review, the company did not recognise more deferred tax assets.

The group all in 2015, all his above decision was reviewed by 5 year ones according to laws taken into consideration on the Romanian in 2016 though carry forward his rule and this did not make changes in his basis on his assessment politics. Above group's decision was reviewed according to the Roman's 5 years carry forward law and based on that the evaluation policy has not changed by the group in 2015 and 2016.

Under deferred tax on cash-flow hedges, the deferred tax on the fair value gain accounted for directly in equity from the derivative contracts entered into by the Group was recognised in the sum of EUR 398,402 at 31 December 2014, EUR 119,738 at 31 December 2015 and EUR 177,599 at 31 December 2016.

The difference between the tax payment liability based on the accounting profit and the actual tax liability is broken down in the following table:

	2014	2015	2016
Profit before taxation under IFRS	16,307,030	16,874,322	14,043,553
Income tax expense expected tax (pre-tax profit 14,3% of 2015, 11,3% of 2016)	5,226,428	5,452,007	4,869,626
	2,282,984	2,413,028	1,586,921
Difference	2,943,444	3,038,979	3,282,705

	2014	2015	2016
impact of different tax rates (local business tax)	3,290,758	4,136,050	3,909,325
Effects of permanent differences (penalties, levies)	403,619	150,753	196,010
Development tax allowance (permanent difference)	(301,302)	(447,113)	(225,066)
Change in loss carried forward	281,801	(164,437)	(916,088)
Sport subsidies deducting CIT	(492,235)	-	-
Other	(239,197)	(636,274)	318,524
Total	2,943,444	3,038,979	3,282,705

33. Management of financial risks

During its operations the Group is exposed to various types of financial risk. These risks can be classified into the following groups:

- credit risk
- liquidity risk
- market risk

The management of the Group's financial risks was centralised at the Company's finance department.

This section contains a brief description of how these risks impact on the Group's exposures and what targets, processes and internal policies the Group has elaborated and applies to measure and manage individual risks.

The Company's Board of Directors is responsible for setting the risk management guidelines and frameworks for the Group. Their task is to design and set up a standard risk management policy and strategy, and continuously monitor that to what risks the Group is exposed. The Board of Directors is also responsible for regularly reviewing risk management policies and strategies, as well as updating and modifying them if market circumstances change.

(a) Credit risk

Credit risk is the risk that the Group will incur a loss due to a client not complying with contractual terms and conditions. From the perspective of the Group this primarily means the non-payment risk of clients.

Trade and other receivables

There is not a high concentration of credit risks in the Group. The 10 largest clients account for 20.8% of the total revenue in 2014, 20.8 in 2015 and 20.9% of the total revenue in 2016.

The Company drafted a credit risk management policy based on which a review is carried out on all new clients regarding their operations and public information available at the tax authority. Thereafter, the commercial loan limit is determined based on the system of external and internal evaluations. The Company does not ask for any collateral to secure individual trade receivables.

The Company has developed long-term relationships with clients, and losses are not common. The Company monitors existing clients on a monthly basis to check the size of existing exposures and matured items. If the set limits are reached or exceeded the system automatically blocks further transactions. The individual exposures are grouped according to the number of days in default and the legal status of invoices.

The scope of external services and service-providers used for risk management was widened to mitigate future risks. One segment of clients has loan insurance contracts, while a new service-provider was brought in to help rate clients in Central and Eastern Europe more effectively.

There is centralised risk and receivables management for foreign subsidiaries once they join the central IT system. With the higher headcount in Collections more emphasis is now placed on proactive client management. The calculation of impairment reflects an estimate on the extent of the likely loss for the Group from exposures to clients. The majority of the impairment is made up from individual impairment charges on individually significant items. The other part is the group impairment, which is recorded for incurred but as yet unidentified losses in groups of similar assets. The allocation of group impairment is facilitated by historic loss figures.

(b) Liquidity risk

Liquidity risk is the risk that the Group will be unable to settle its financial liabilities when they fall due. The purpose of liquidity management is to ensure sufficient resources for the settlement of liabilities when they fall due.

To manage liquidity, in 2011, the Group entered into an agreement with a factoring company whose services are used as required. In view of the Group's outstanding liquidity position as at 31 December 2015 and 31 December 2016, the Group did not have to use either its revolving loan or factored loan facility. Accordingly, the Group had an available loan facility of EUR 19 million at 31 December 2016 and an unused factoring facility of EUR 5 million.

With respect to the new asset purchase loans taken by the Company in 2014 and in 2015 as part of an export incentive programme, the lending banks specified the following financial covenants.

Calculation of financial covenants for 2016

Interest coverage	
Total interest coverage	16.40
EBITDA (EUR million)	69.18
Net of the full interest (EUR million)	4.22
Minimum amount:	4.00

Debt service	
Debt service ratio	1.34
Free Cash-flow (EUR million)	69.65
Full debt repayment (EUR million)	52.05
Minimum amount:	1.05

Net debt service	
Debt coverage ratio	2.96
Net debt ⁽¹⁾ (EUR million)	204.95
EBITDA (EUR million)	69.18
Maximum amount:	3.50

The table above shows that Waberer's Group met all the three financial ratio requirements on 31 December 2016.

(c) Market risk

Market risk is the risk that changes in market prices, such as exchange rates, interest rates and share prices will influence the Company's results and the fair values of financial instruments reported in the financial statements. The purpose of managing market risk is to control the exposure affected by market risks in a way that maximises the return achieved. The Company's treasury department focuses on market risk management.

In terms of market risk the Group is primarily exposed to exchange rate risks as well as cash-flow risks derived from changes to interest rates and global fuel price.

Waberer's Group is exposed to substantial market risks during its activity. The actual figures subsequently calculated generally differ from the exchange rates, interest rates and commodity prices used during the planning. Transactions concluded for hedging purposes but not included in hedge accounting are designed to protect the Group from this uncertainty, particularly from impacts adversely affecting the planned cash flow.

Besides, the Company uses a fuel price covenant in its transportation contracts in order to mitigate its exposure to fuel price fluctuations.

(i) Exchange rate risk

Of all the market risks, the Group was less affected by exchange rate risk in 2015 as most of the Group's revenues and expenses of the companies within the Group incurred in its functional currency. At some Group members, the functional currency is RON, and it is HUF at the only domestic logistics company. Therefore, fluctuations in the RON/EUR and in the HUF/EUR rates represent a currency risk for the Company. The ratio and volume of transactions in foreign currencies and in the functional currencies differ. Costs incurring in foreign currencies exceed the revenues earned in foreign currencies. Costs that incur in foreign currencies and are not covered with corresponding revenues (natural cover) are held as an open FX position, the value of which changes along with the relevant FX rate fluctuations. Such FX expenses related to FX rate fluctuations represent uncertainty to our cash flows and are therefore addressed with FX hedges that qualify for hedge accounting (cash flow hedges) under IFRS.

(ii) Interest cash flow risk

The Group pays interest on leases and loans. The interest payable generally comprises a reference interest rate and an interest premium. The reference rate changes constantly based on supply and demand on the interbank money market, central bank decisions and other factors.

Waberer's Group does not enter into speculative derivative contracts, but hedge accounting is not applied for any of the concluded contracts either given that it has yet to elaborate the documentation requirements and hedge effectiveness testing system that is needed for this. The basic rule is still that trades may not focus on one partner and must be diversified.

(d) Equity management

The Company aims to establish a strong equity position to retain the confidence of investors, creditors and the market and support the future development of its business activities. The management continuously monitors returns and the level of dividends due to owners.

The Company's Board of Directors strives to strike a balance between the advantages of a strong equity position, security, and higher borrowings enabling higher returns.

There was no change in equity management processes and methods during 2014, 2015 or in 2016.

Legal regulations applicable for the Company and its Hungarian subsidiaries prescribe the following provisions for equity:

To protect creditors, Section 133 (2) of Act V of 2013 on Civil Code prescribes the following in terms of equity compliance: "If a business association's equity is not sufficient to cover the subscribed capital prescribed for its specific corporate form over two consecutive financial years, and the members fail to provide for the necessary equity within a period of three months after approval of the annual account for the second year, the business association shall be required to adopt a decision within sixty days of this deadline for its transformation. Instead of transformation the business association may opt dissolution without succession or for merger."

All the Hungarian members of the Group, except for five franchise companies, met the minimum equity requirement under the companies act. For the non-conforming companies, Group management will take action to remedy the equity positions of these companies within the statutory deadlines. Of the foreign Group members, only Royalsped Romania failed to meet the Romanian national equity requirements as at 31 December 2015. In November 2015, Group management started the merger of Royal Romania and Waberer's Romania. In view of applicable Romanian regulations, the merger transaction is expected to be concluded in the second half of FY 2016. Once the merger is concluded, compliance with the respective national equity requirements will be ensured for all the foreign subsidiaries.

In accordance with government decree 261/2011. (XIII.7.) Korm. the professional conditions and licensing procedures of domestic and international goods transportation, such activities may only be carried out in Hungary with a licence for transporting goods by road, which is subject to the Company verifying its reputation, professional suitability and appropriate financial background.

The financial position is appropriate if the business entity has the necessary equity to start and pursue its activities without any problems:

- i. equity (wealth) for a vehicle (trailer) or for the first vehicle (trailer) is at least EUR 9,000 and for every additional vehicle (trailer) at least EUR 5,000 and
- ii. the company constantly meets its tax, customs duty and contribution payment requirements as well as its payment requirements to the transport authority.

The Hungarian members of the Group engaged in road transportation activities have the required level of capitalisation.

34. Financial instruments

(a) Credit risk

Maximum exposure to credit risk of the Group is as follows:

	31 December 2014	31 December 2015	31 December 2016
Other investments	684,594	812,467	931,022
Trade receivables	82,624,817	87,621,441	88,126,518
Other current assets and derivative financial instruments	14,201,030	27,211,445	18,675,697
Cash and cash equivalents	20,939,007	10,439,523	31,665,305
Maximum credit risk exposure	118,449,448	126,084,876	139,398,542

Geographical breakdown of maximum carrying value of Group's credit risk exposure to customers

	31 December 2014	31 December 2015	31 December 2016
Domestic	32,861,789	37,886,780	38,627,352
EU countries	46,714,172	49,708,491	49,485,050
Countries outside of EU	3,048,856	26,170	14,156
Maximum credit risk exposure	82,624,817	87,621,441	88,126,558

The maximum possible exposure to credit risk is the balance of trade receivables, which increase from 2015 to 2016 as a result of an expanded fleet and acquisitions.

Impairment loss on trade receivables broken down by maturity:

	31 December 2014		31 December 2015		31 December 2016	
	at cost	impairment	at cost	impairment	at cost	impairment
Not yet due	75,162,058	-	79,417,075	-	79,983,882	-
overdue by 0-90 days	6,773,105	15,719	7,911,670	53,445	7,652,531	6,585
overdue by 91-180 days	278,014	83,513	203,960	66,336	246,421	78,816
overdue by 181-360 days	335,225	321,909	183,838	115,069	284,695	179,996
over due 360 days	2,897,052	2,399,495	2,691,606	2,551,858	1,857,011	1,632,625
trade receivables	85,445,453	2,820,636	90,408,149	2,786,708	90,024,540	1,898,022

Based on historic loss figures, the Company does not consider it necessary to record impairment loss on trade receivables that are not overdue or overdue by no more than 90 days, unless the given receivable is already subject to collection or the client is under liquidation. The majority of the trade receivables balance is from financially sound clients.

(b) Liquidity risk

Financial liabilities broken down by maturity (only liabilities without interest):

31 December 2014					
EUR	within 6 months	6-12 months	1-2 years	2-5 years	over 5 years
Financial lease liabilities	26,718,272	24,511,799	52,716,854	99,394,698	1,778,334
Long-term loans	-	-	19,548,050	-	-
Other long-term liabilities	-	-	-	6,114,827	-
Short-term loans	-	-	-	-	-
Trade payables	75,289,297	-	-	-	-
Other current liabilities and derivative financial instruments	7,176,685	-	-	-	-
Total	109,184,254	24,511,799	72,264,634	105,509,520	1,778,334

31 December 2015					
EUR	within 6 months	6-12 months	1-2 years	2-5 years	over 5 years
Financial lease liabilities	25,620,371	25,532,747	56,700,350	90,152,448	-
Long-term loans	-	-	8,622,375	-	-
Other long-term liabilities	-	-	-	6,311,990	-
Short-term loans	-	29,910,880	-	-	-
Trade payables	71,310,657	-	-	-	-
Other current liabilities and derivative financial instruments	11,436,352	-	-	-	-
Total	108,367,380	55,443,627	65,322,725	96,464,438	-

31 December 2016					
EUR	within 6 months	6-12 months	1-2 years	2-5 years	over 5 years
Financial lease liabilities	31,227,490	34,644,610	52,644,966	108,621,453	977,769
Other long-term liabilities	6,359,057	-	-	-	-
Short-term loans	-	8,622,375	-	-	-
Trade payables	84,552,117	-	-	-	-
Other current liabilities and derivative financial instruments	12,802,827	-	-	-	-
Total	134,941,491	43,266,985	52,644,966	108,621,453	977,769

As at 31 December 2016, long-term and short-term loans included an export incentive loan repayable in one instalment at the end of its two-year term.

The Company determines its Net Debt measure as cash and cash equivalents deducted from short term loans and borrowings and leasing liabilities.

	31.12.2014	31.12.2015	31.12.2016
Long-term portion of long-term loans and Short-term loans and borrowings	19,548,050	38,533,255	14,981,432
Long- and short-term portion of leasing liabilities	205,119,687	198,005,916	228,116,289
Other long-term liabilities	6,114,822	6,311,990	-
Cash and cash equivalents	(20,939,007)	(10,439,523)	(31,665,305)
Net Debt	209,843,552	232,411,638	211,432,416

(c) **Foreign exchange risk**

Group exposures broken down by currency:

	31 December 2014			Total
	EUR	HUF	Other	
Trade receivables	63,928,556	17,862,456	833,805	82,624,817
Loans and borrowing	19,548,050	-	-	19,548,050
Other long-term liabilities	6,114,822	-	-	6,117,790
Finance leases	203,212,298	1,409,002	498,387	205,116,719
Trade payables	54,433,558	20,580,878	274,799	75,289,297
Net position	(219,380,172)	(4,127,424)	60,619	(223,446,977)

	31 December 2015			Total
	EUR	HUF	Other	
Trade receivables	68,258,820	18,686,724	675,897	87,621,441
Loans and borrowing	(38,533,255)	-	-	(38,533,255)
Other long-term liabilities	(6,311,990)	-	-	(6,311,990)
Finance leases	(195,124,074)	(2,582,682)	(299,160)	(198,005,916)
Trade payables	(57,920,887)	(13,498,125)	(525,858)	(71,609,790)
Net position	(229,631,386)	(2,605,917)	(149,121)	(226,859,420)

	31 December 2016			Total
	EUR	HUF	other	
Trade receivables	64,958,306	22,216,149	952,063	88,126,518
Loans and borrowings	(8,622,375)	-	-	(38,533,255)
Other long-term liabilities	(6,311,990)	-	-	(6,311,990)
Financial leases	(219,661,364)	(8,454,925)	-	(228,116,289)
Trade payables	(66,187,476)	(18,020,239)	(344,402)	(84,552,117)
Net position	(235,824,899)	(4,259,015)	(607,661)	(239,476,253)

The Group's receivables and liabilities in HUF and in RON were remeasured as at the reporting date at an exchange rate of 311.02 HUF/EUR and at 4.5411 RON/EUR, and in the business plan for 2017 the rate of 313 HUF/EUR was used based on foreign exchange forecasts.

Remeasuring the open currency position as at 31 December 2016 in the event of a weakening in the exchange rate of 1 HUF/EUR would produce a foreign exchange loss of HUF 235.8m. A 2.7% reasonably probable foreign exchange fluctuation is estimated based on historic figures over a year.

The expected loss from the re-measurement of currency positions outlined above does not reflect the real foreign currency risk, since if the euro strengthens against the forint and the lei, the exchange gain on the Group's sales revenue in euros compensates for any exchange loss on the currency positions.

The Group enters into derivative contracts to mitigate the exchange-rate risk. As at 31 December 2016, the positive fair value of derivative transactions based on remeasurements on the reporting date was EUR 3,140,287 the negative fair value difference was EUR 1,166,961. In 2016, the Group presented a total of EUR 4,548,813 net positive fair value difference and EUR 3,800,447 negative fair value difference in its consolidated financial statements.

(d) Fair value of financial instruments

The following table presents the fair values and carrying values of financial instruments for 2015 and 2016:

	2014		2015		2016	
	Fair value	Book value	Fair value	Book value	Fair Value	Book value
Other investments and	684,594	684,594	-	-	26,306,728	26,306,728
Non-current assets						
equity instrument	-	-	-	-	17,994,385	17,994,385
Non-current assets	-	-	812,467	812,467	931,022	931,022
Reinsurance share of						
technical provisions	-	-	-	-	14,584,005	14,584,005
trade receivables	82,624,817	82,624,817	87,621,441	87,621,441	88,126,518	88,126,518
Other current assets and						
derivative financial						
instruments	14,201,053	14,201,053	27,211,445	27,211,445	18,675,697	18,675,697
Cash and Cash						
equivalents	20,939,007	20,939,007	10,429,523	10,429,523	31,665,305	31,665,305
Total financial assets	118,449,471	118,449,471	126,074,876	126,074,876	198,283,660	198,283,660
Long-term loans	19,548,050	19,548,050	8,622,375	8,622,375	-	-
Finance lease liabilities	205,116,719	205,116,719	198,005,916	198,005,916	228,116,289	228,116,289
Other long-term						
liabilities	6,114,822	6,114,822	6,311,990	6,311,990	6,359,057	6,359,057
Technical provisions	-	-	-	-	30,229,923	30,229,923
Short-term loans	-	-	29,910,880	29,910,880	8,622,375	8,622,375
Trade payables	75,289,235	75,289,235	71,310,657	71,310,657	84,552,117	84,552,117
Other current liabilities						
and derivative financial						
instruments	7,457,709	7,457,709	10,979,287	10,979,287	12,207,264	12,207,264
insurance obligations	-	-	-	-	6,963,110	6,963,110
Total financial liabilities	313,248,540	313,248,540	325,141,105	325,141,105	377,050,135	377,050,135

The fair value of financial assets and liabilities is always the same as their value recognised in the statement of financial position.

The fair values of financial instruments were determined as follows:

- *Fair value of trade receivables:* discounted value of future cash flows of receivables based on the market interest rate on the reporting date. Due to that the turnover of receivables is fast there is no effect of the discounting. As the debtor turnover is quick, discounting has no effect whatsoever.
- *Fair value of derivative transactions:* determined using a measurement technique based solely on market inputs.
- *Fair value of finance lease liabilities and loans:* present value of future cash flows calculated based on market interest rate on reporting date. The market interest rate used to discount finance leases is determined with reference to similar finance lease agreements.
- *Fair value of trade payables:* future cash flows discounted to the reporting date. Due to that the turnover of payables is fast there is no effect of the discounting.

(e) Interest rate risk

Fair value sensitivity review for fixed-income financial instruments

The Group generally does not have fixed-income financial assets and liabilities which are measured at fair value through profit or loss, nor did it conclude interest rate swaps for hedging purposes, and so changes in the interest rate would not affect the Company's profit or loss at the reporting date.

Cash flow sensitivity review for floating interest financial instruments

Based on our analyses an 10-bp change in the EURIBOR would change the interest on leasing liabilities by EUR 228,116 and the interest on loans by EUR 8,622. This change would not affect the Company's profit of a year. This analysis assumed that all other factors (such as currency exchange rates) remained unchanged.

35. Provisions and contingent liabilities

The details of provisions per category and any movements in provisions are presented in Note 16.

Litigations

The following table shows the provisions allocated for legal actions against the Group, broken down by years, and the litigated amount from the legal actions for which the Company did not allocate provisions (contingent liabilities) after deliberating on the information available. In these cases it is more likely the case will be won than lost, and so no cash outflow is expected.

2014	2015	2016
Litigated amount - Contingent liabilities	Litigated amount - Contingent liabilities	Litigated amount - Contingent liabilities
1,130,186	937,690	1,169,552

A number of long protracted significant legal cases ended in 2016 as a result of agreements with the injured persons. The related expenses are presented among other expenses and the related provisions were concurrently released.

The German Customs Authority launched an investigation for the purpose of the Minimal Wage Act (hereinafter MiLog Act) against one of the pilot of one of the franchises. In the fourth quarter the authority sent a letter about the status of the investigation, which stated, that the company did not complied with the law, and the authority drew attention of the company about the upper limit of the penalty.

Considering that the investigation has not been closed, and there is no decision in the case, based on the available information, the Group could not estimate the expected obligation due to the MiLog, but it could be significant. The

Group did not make provision in the consolidated financial statement of 31 December 2015 and 31 December 2016. The Group increased the wages to decrease the financial risk related to the regulation.

36. Transactions with related parties

Transactions with the management and those exercising ultimate control

During the current year The CEE Transport Holding BV gained influence over in the Waberer's International Zrt and also in its Franchise in direct way. From this result the former CEO-Charmain, owner György Wáber has been called back and Ferenc Lajkó has been appointed as a new CEO-Charmain. The former members of the management and their contracts have been broken up during the current year, so with the management and the ultimate control practitioners transactions were ceased.

Benefits to senior management in key positions:

	2014	2015	2016
Payroll	590,345	555,225	1,122,830
Fringe benefits	16,126	13,988	610
Total:	606,471	569,213	1,123,440

During the current year the severances were paid for the former member of the management of the key positions according to ceasing of their employment, allocations and contractual relationship. Two independent members from the members of the Board of Directs get 50 thousand euro each year from the domestic subsidiary companies and the delegated members and the members of a Supervisory Board do their tasks without a remuneration.

Transaction between companies and the companies which has ultimate exercising rights of the company

Waberer's International Zrt. granted a loan of EUR 820,000 to the minority owners of the new franchise company established in the financial year of 2016. Furthermore, EUR of 1,650,000 management fee has been invoiced by the subsidiary company according to the contract during the financial year.

Transactions with related parties were always carried out under normal commercial conditions and at arm's length prices, taking into account volumes, complexity of service, standards and seasonality.

Transaction (purchases) with related parties outside of the Group:

	2014	2015	2016
	5,412,959		2 624 455 (till 31.05.2016)
BILK LOGISZTIKAI ZRT		6,142,794	
WÁBERER HUNGÁRIA BIZTOSÍTÓ ZRT	13,498,539	20,331,721	6 166 817 (till 31.03.2016)
LÁSZLÓTANYA KFT	84,527	88,687	39 388 (till 31.05.2016)
Közdülő-Invest Kft	994,945	814,907	197 734 (till 31.03.2016)
INVITEL Zrt	465,891	432,405	33,462
Multicont Zrt	79,986	-	-
Royal Sped Zrt	60,340	-	-
VN Udvar Kft	47	-	-
Total	20,597,234	27,792,694	9,061,856

Before the acquisition, the contracts with the external related parties were broken up by the group during the financial year with one exception. With the BILK Zrt. bound property lease contract has been extended with the subsidiary company until 30.06.2018.

37. Reconciliation with prior statutory Financial Statements

The Company modified its prior years statutory financial statements due to identified errors and restructuring of Profit and Loss account. These modifications were presented in the statutory financials statements as follows:

In the year 2016, the Group's management restructured its Consolidated Statement of Comprehensive Income in a way that both the revenue and the cost side are presented to the readers of the financial statements in a clear, transparent way. According to the principles of presentation in IAS 1, the entity presented its comparative period information in the same format.

The Group's management also identified an error relating to innovation contribution that affects the previous financial year. The effects of this restatement are summarized in the following schedule:

Impacts on income	2014	2015
Other costs	(921,061)	(997,574)
Impacts on EBITDA	921,061	997,574
Income Tax	921,061	997,574
Profit or loss from continuing operations	-	-

During 2015 the management identified an error regarding deferred tax, which related to the previous year. The error has been corrected by restating each of the affected statutory financial statements line items for the prior periods, as follows:

Impact on equity	31 December 2013	31 December 2014
Deferred tax asset	-	(137,001)
Total assets	-	(137,001)
Reserves and retained earnings	437,177	1,869,834
Total equity attributable to the equity holders of the parent company	437,177	1,869,834
Non-controlling interest	142,977	324,152
Total Shareholders' Equity	580,154	2,193,986
Deferred tax liability	(580,154)	(2,056,985)
Total Liabilities	(580,154)	(2,056,985)
Net impact on equity	580,154	2,193,986

Impact on statement of profit and loss	2014
Income taxes	1,613,834
Net impact on profit for the year	1,613,834
Attributable to	
equity holders of the parent	1,432,659
non-controlling interest	181,175

Impact on basic and diluted earnings per share (EPS)

Earnings per share

31 December, 2014

Basic, profit for the year attributable to
ordinary equity holders of the parent

0.10

38. Subsequent events

The Company's management prolonged a previously fix term contract (until 30 June 2018) signed by the Regional Constructural Logistics Services segment with Budapesti Intermodális Logisztikai Központ Zrt. (BILK) for other 10 years.

The Company as purchaser and Aleksandra Ellert as seller entered into a preliminary share sale agreement for the shares of Link and its subsidiary, Link Services sp. z o.o. Closing of the transaction is conditional upon (i) obtaining an unconditional approval of the completion of the transaction from the relevant Polish and German competition authorities and (ii) commencement of trading in the Company's shares on the Budapest Stock Exchange.

THE COMPANY

WABERER'S INTERNATIONAL ZÁRTKÖRŰEN MŰKÖDŐ RÉSZVÉNYTÁRSASÁG
Nagykőrösi út 351
H-1239 Budapest
Hungary

THE SELLING SHAREHOLDER

CEE Transport Holding B.V.
Herikerbergweg 238, Luna Arena
1101CM Amsterdam
Netherlands

JOINT GLOBAL COORDINATORS AND JOINT BOOKRUNNERS

Citigroup Global Markets Limited
Citigroup Centre, Canada Square
London E14 5LB
United Kingdom

Joh. Berenberg, Gossler & Co. KG
Neuer Jungfernstieg 20
20354 Hamburg
Germany

JOINT BOOKRUNNER AND LEAD MANAGER OF THE HUNGARIAN RETAIL OFFER

Erste Group Bank AG
Am Belvedere 1
1100 Vienna
Austria

JOINT BOOKRUNNER

Renaissance Securities (Cyprus) Limited
Arch. Makariou III, 2-4, Capital Center, 9th Floor, Nicosia, 1065,
Republic of Cyprus

LEGAL ADVISERS TO THE COMPANY

as to United States federal and English law

White & Case LLP
5 Old Broad Street
London EC2N 1DW
United Kingdom

as to Hungarian law

Lakatos, Köves and Partners
Madách Imre út 14.
H-1075 Budapest
Hungary

LEGAL ADVISERS TO THE MANAGERS

as to United States federal and English law

Shearman & Sterling (London) LLP
9 Appold Street
London EC2A 2AP
United Kingdom

as to Hungarian law

Andrékó Kinstellar
Széchenyi rakpart 3.
1054 Budapest
Hungary

INDEPENDENT AUDITOR TO THE COMPANY

Ernst & Young Könyvvizsgáló Korlátolt Felelősségű Társaság
Váci út 20.
H-1132
Hungary

