

Appeninn

Recommendation: Accumulate

Target price 12M: HUF 743

Equity Analyst

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Company purchased real estate at Balaton

- Appeninn purchased 75% stake of a real estate developer, and via this transaction, the firm gained an indirect possession of a plot ca. 37 ha. and management rights for further ca. 10 ha. in Balatonvilagos. Purchase price is so far unknown.
- The transaction is in line with the strategy of Appeninn to develop 90,000 m² single tenant units across the country but this transaction seems too large to be solely developed for retail units and there could be other options to develop outside retail e.g. touristic related projects.
- In this regard, the implementation of the strategy is positive, however it would be better to have more visibility on the financial background of the transaction in order to accurately assess the impact.
- In nutshell, the transaction seems to be consistent with the strategy Appeninn presented a few months ago.

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