VERVE

8/28/2026 08.00 am CEST

Christoffer Jennel, Analyst
46731589555
christoffer.jennel@inderes.com

INDERES CORPORATE CUSTOMER

COMPANY REPORT

Soft Q2, sell-off offers support

Verve's Q2 results fell short of our expectations across the board, as macroeconomic headwinds dampened organic growth more severely than we had anticipated. The sluggish top-line development cascaded down to profitability, which already carried the weight of planned front-loaded growth investments. The structurally higher gross margin held up as the bright spot, while customer metrics were solid overall. Cash flow, our key focus, was modest but reassuring given a fully drawn securitization program and a normal seasonal working-capital tie-up. Management reiterated its full-year guidance, but with H1 tracking soft, we now see a lower-end outcome as more likely, so we trim our estimates and lower our target price to SEK 15 (was SEK 20). We nonetheless reiterate our Accumulate recommendation, where we believe the sharp post-Q2 sell-off leaves the share pricing in a great deal of bad news, creating an asymmetric risk/reward where downside looks limited and even a stabilizing H2 could support a re-rating.

Organic growth disappoints, but customer metrics solid

Reported revenue of 152 MEUR (Q2'25: 106 MEUR) grew 6.5% like-for-like but fell short of both our 158 MEUR estimate and the 162 MEUR consensus. The miss was driven by softer-than-anticipated underlying demand, with organic growth of just 3.5%, well below the low-double-digit expansion we had modeled. According to the company, the advertising market proved more selective than anticipated, as macroeconomic pressures from tariffs and elevated oil prices constrained ad spend in key verticals such as travel, consumer packaged goods, and automotive. KPIs were overall solid, with net dollar expansion rate (NDER) improving to 95%, retention at 99%, and the customer base still expanding. Adjusted EBITDA of 30 MEUR was slightly below our estimate, and reported EBITDA of 21 MEUR was dragged by 9 MEUR of one-offs tied to e.g., US-listing preparation and efficiency measures, while the like-for-like gross margin held up as the bright spot at 40.0% (Q2'25: 33.1%). Cash flow was modest, but reassuring, given the fully drawn securitization program and normal seasonality, leaving adjusted leverage at 3.3x.

Trimming estimates as the H2 bar rises

Following Q2, we lower our 2026 revenue estimate to 667 MEUR (was 681 MEUR) on softer-than-expected organic growth, and cut adjusted EBITDA to 149 MEUR (was 162 MEUR), now at the lower end of the 145-175 MEUR guidance range. Management guided for a broadly flat gross margin year-on-year in H2, which removed the seasonal Q4 uplift we had previously assumed. Below that, our adjusted EBIT falls to ~104 MEUR (was ~120 MEUR) on a higher D&A base, while we now carry ~20 MEUR of items affecting comparability for FY26 (was ~7 MEUR) as well as a higher net financials assumption, both of which weigh further on unadjusted earnings. We trim our FCFF estimate by ~12% and now expect leverage to decline to ~3.0x by year-end 2026 (was 2.7x), and within the 1.5-2.5x target range during 2027, a path underpinned by the securitization program expansion that management expects to sign within weeks.

Low expectations tilt the risk/reward upward

Verve trades at depressed absolute multiples (2026e adjusted EV/EBIT of ~6x, EV/EBITDA of ~4x, and EV/FCFF of ~9x), which are well below both its own history and comparable ad tech peers. We believe this continues to reflect the market's skepticism about the company's ability to execute, convert earnings into free cash flow, and reduce its elevated leverage. The Q2 report did not fully resolve those questions, leaving the decisive proof points increasingly concentrated in H2 and beyond. However, at the current share price level, we think a great deal of bad news is already priced in. The implied earnings- and FCFF-based multiples at our SEK 15 target sit around the lower end of our acceptable valuation ranges, which we consider warranted given the increasing execution risk, soft underlying cash conversion, and high leverage. Meanwhile, the structurally higher gross margin and improving customer metrics support the case that the underlying business is healthier than the multiples imply. With expectations this low, we see the risk/reward as increasingly asymmetric, where even a stabilizing, lower-end H2 delivery could support the stock, while any acceleration toward the mid-upper end of guidance leaves clear re-rating potential.

Recommendation
Accumulate
(prev. Accumulate)

Target price:
SEK 15.00
(prev. SEK 20)

Share price:
SEK 11.80

Business risk

Valuation risk

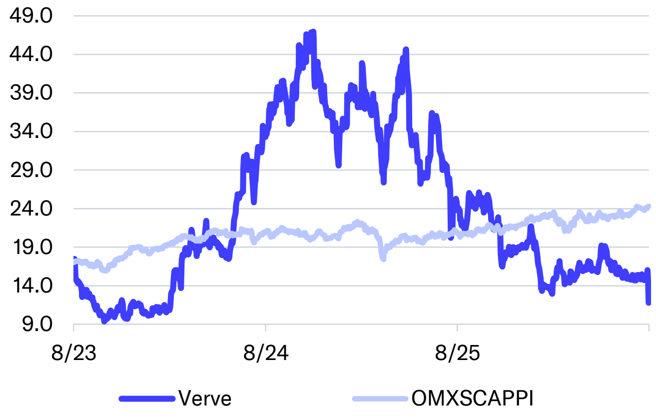
	2025	2026e	2027e	2028e
Revenue	550.9	667.4	718.5	776.3
growth-%	26%	21%	8%	8%
EBIT adj.	99.0	103.9	127.7	157.3
EBIT-% adj.	18.0 %	15.6 %	17.8 %	20.3 %
Net Income	0.7	2.6	34.8	58.1
EPS (adj.)	0.15	0.21	0.34	0.46
P/E (adj.)	8.5	5.0	3.1	2.3
P/B	0.6	0.5	0.5	0.4
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	7.1	6.4	4.9	3.6
EV/EBITDA	5.3	4.5	3.6	2.8
EV/S	1.3	1.0	0.9	0.7

Source: Inderes

Guidance (Unchanged)

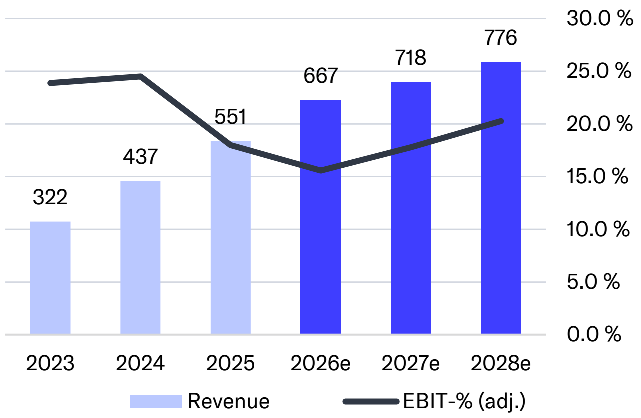
For FY26 Verve expects:
Revenue between 680-730 MEUR
Adjusted EBITDA between 145-175 MEUR

Share price



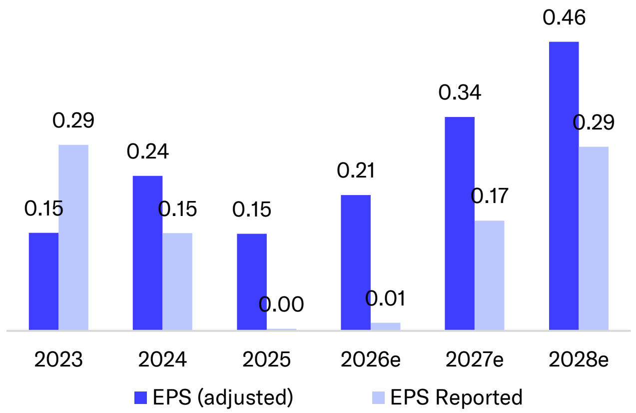
Source: Millistream Market Data AB

Revenues and operating profit-%



Source: Inderes

Earnings per share



Source: Inderes

Value drivers

- High single-digit growth in the programmatic ad market over the medium to long term, with In-app and CTV markets growing even faster
- Market-leading mobile In-App SSP in the US
- Proprietary targeting solutions designed for an increasingly fragmented and privacy-constrained identifier landscape
- Strong and increasing industry recognition could boost revenue growth
- A trusted end-to-end omnichannel platform
- Own first-party content that provides data to the ad platform

Risk factors

- Failing to maintain/increase market share in programmatic advertising
- Market disruption due to technological (e.g. AI) or regulatory reasons
- Macroeconomic challenges could constrain marketing budgets and decelerate growth
- Heightened execution risk following the platform outage, weak cash flow generation, and elevated leverage
- Credibility gap after operational setbacks increases risk if 2026 delivery falls short

Valuation	2026e	2027e	2028e
Share price (EUR)	1.06	1.06	1.06
Number of shares, millions	200.1	200.1	200.1
Market cap (MEUR)	213	213	213
EV (MEUR)	666	628	565
P/E (adj.)	5.0	3.1	2.3
P/E	82.0	6.1	3.7
P/B	0.5	0.5	0.4
P/S	0.3	0.3	0.3
EV/Sales	1.0	0.9	0.7
EV/EBITDA	4.5	3.6	2.8
EV/EBIT (adj.)	6.4	4.9	3.6
EV/FCFF (adj.)*	8.8	7.5	5.8
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Macroeconomic headwinds drove broad quarterly miss (1/2)

Macroeconomic headwinds weighed on organic growth

Reported revenue came in at 152 MEUR (Q2'25: 106 MEUR), corresponding to 44% reported growth, but fell short of both our 158 MEUR estimate and the 162 MEUR consensus, as softer-than-anticipated underlying demand drove top-line development below our expectations. On a like-for-like basis, revenue grew by 6.5%, underpinned by modest organic growth of 3.5%. This was a clear miss compared to our expectation of low-double-digit organic expansion. Furthermore, inorganic growth from acquisitions contributed 4.6%, while currency headwinds had a negative impact of 1.7%.

According to the company, the advertising market proved more selective than anticipated, as macroeconomic pressures from tariffs and elevated oil prices constrained ad spend in key verticals such as travel, consumer packaged goods, and automotive. Management also noted that this more selective ad market favored “walled gardens” over the publisher-based open internet, as marketing departments place increasing emphasis on measurable outcomes and tangible proof of return on ad spend.

These macroeconomic headwinds outlined by the company contrasted somewhat with our prior view of a broadly stable market environment, based on peers’ Q2 commentary.

Key customer metrics were, in our view, solid overall. The total number of customers grew 36% (y/y) to 4,176 (Q2'25: 3,079), number of large software clients (annual revenue >USD 100k) rose 22% to 1,159 (Q2'25: 954*), and the retention rate remained high at 99% (Q2'25: 98%). The net dollar expansion rate (NDER) improved to 95% (Q2'25: 92%), reversing the recent downtrend, although management noted it did not develop as strongly as it had hoped against a weak comparison base. Management continues to point to the inclusion of recent acquisitions and the deliberate optimization of lower-margin customers, which reduces the transparency of the underlying organic NDER.

Management reiterated the full-year 2026 guidance of 680-730 MEUR revenue and 145-175 MEUR adjusted EBITDA, and continues to point at the points to seasonally stronger Q3/Q4, ramping sales-team productivity, and scaling retail media (now rolling out in the US after Germany) as the drivers of the expected acceleration. We would note, however, that the reiteration looks less demanding than the headline suggests: following another upward restatement of the like-for-like comparison base, the unchanged range now implies only ~7-15% growth, versus the 13-21% it implied when set in February.

Lower revenue base and growth investments pressured earnings

The sluggish top-line growth filtered through to profitability, causing adjusted EBITDA to land at 30 MEUR, missing our 33 MEUR estimate. However, the gross margin improved notably from last year at 40.0% (Q2'25: 33.1%), driven by the platform unification. It nonetheless edged down from Q1's 41.0%, which management attributed to a greater focus on strategic partnerships expected to support more sustainable long-term partner revenues. That said, the lower absolute revenue base exacerbated the margin impact of the company's front-loaded investments in the global sales team and retail media, which we had already factored into our baseline expectations. Consequently, adjusted EBIT also fell short of our forecasts.

Estimates	Q2'25	Q2'26	Q2'26e	Q2'26e	Consensus			Difference (%)	2026e
MEUR / EUR	Comparison	Actualized	Inderes	Consensus	Low		High	Act. vs. inderes	Inderes
Reported revenue	106	152	158	162	154	-	183	-4%	667
EBITDA (adj.)	29.5	30.1	32.7	33.4	32.6	-	35.5	-8%	162
EBITDA	27.0	20.9	30.7	29.7	24.1	-	33.6	-32%	155
EBIT (adj.)	22.8	18.6	22.2	23.6	21.7	-	27.3	-16%	104
EBIT	16.6	4.2	15.3	14.7	7.9	-	19.9	-73%	63.6
EPS (adj.)	0.02	-0.01	0.03	0.02	-0.03	-	0.06	-139%	0.21
Revenue growth-%	-	43.5 %	49.2 %	52.9 %	45.1 %	-	72.4 %	-5.7 pp	21.1 %
EBIT-% (adj.)	21.5 %	12.2 %	14.0 %	14.5 %	14.1 %	-	14.9 %	-1.8 pp	15.6 %

Source: Inderes & Modular Finance IR (consensus include 8 estimates)

*The platform outage in the comparison period led to temporary drop in large software clients (-200 from Q1 to Q2 2025), mainly due to a number of these clients falling below the USD 100K threshold, rather than actual churn.

Macroeconomic headwinds drove broad quarterly miss (2/2)

Total one-off costs (IAC) amounted to 9 MEUR in the quarter, well above our anticipated 2 MEUR, and, coupled with the softer top line, were the key driver behind the notably weaker reported EBITDA of 21 MEUR (Inderes estimate: 31 MEUR) and the corresponding miss at the reported EBIT level.

Modest but reassuring cash flow as the program expansion nears

The cash flow statement, which we had flagged as the single most critical watchpoint heading into the report, showed operating cash flow after working capital changes of 10 MEUR (Q1'26: 45 MEUR, Q2'25: 5 MEUR). This was consistent with our cautious stance: having drawn the securitization program to its 100 MEUR ceiling in Q1, the seasonally weaker Q2 could no longer lean on the same working capital tailwind. However, we view the working capital tied during the quarter (-6 MEUR) as quite normal seasonality for Verve and, in our view, no cause for concern. Before changes in working capital, operating cash flow amounted to 16 MEUR (Q2'25: 15 MEUR). During the earnings call, management stated that the two additional operating units have now largely been onboarded to the securitization program, with some business processes still being fine-tuned. More significantly, the CFO said that an expansion of the program is in final documentation and expected to be signed within the next couple of weeks, describing it as a marked expansion while declining to quantify it as terms are still under negotiation.

After CAPEX of 9 MEUR, the quarter was roughly free-cash-flow neutral, a small improvement from -4 MEUR a year ago. Going forward, we want to continue to see durable, consistent improvements in cash conversion over time. The burden of proof now shifts to the seasonally stronger H2, which typically is period where Verve generates the bulk of its full-year free cash flow. However, we note that the magnitude of it hinges on its ability to successfully onboard the two new entities to its securitization program as well as increasing the program's capacity. On this topic, the indication that an expansion is close to signing is a meaningful de-risking of our H2 estimates, and we assume capacity rises to 125 MEUR from 100 MEUR before year-end. We would emphasize, however, that a larger frame is a financing event rather than an operational improvement: it lifts reported operating cash flow and underpins the deleveraging management pointed to for H2, without in itself evidencing better cash conversion.

To grasp the big picture of Verve's quarterly fluctuations in cash flows, we also monitor the development on a trailing twelve-month basis. LTM OCF (after WC changes) eased to 100 MEUR (Q2'25 LTM: 115 MEUR), while LTM free cash flow was 60 MEUR (LTM-1: 73 MEUR). Net debt rose by 14 MEUR (q/q) to 462 MEUR, driven by the reduced cash position, as interest-bearing debt was broadly unchanged. Cash position amounted to 132 MEUR (Q1'26: 147 MEUR), providing solid liquidity for the upcoming quarters. Adjusted leverage ticked up marginally to 3.3x (Q1'26: 3.1x). Management noted that it expect the positive seasonal effects in Q3 and Q4 to result in deleveraging as the year progresses.

Estimates MEUR / EUR	Q2'25 Comparison	Q2'26 Actualized	Q2'26e Inderes	Q2'26e Consensus	Consensus Low		 High	Difference (%) Act. vs. inderes	2026e Inderes
Reported revenue	106	152	158	162	154	-	183	-4%	667
EBITDA (adj.)	29.5	30.1	32.7	33.4	32.6	-	35.5	-8%	162
EBITDA	27.0	20.9	30.7	29.7	24.1	-	33.6	-32%	155
EBIT (adj.)	22.8	18.6	22.2	23.6	21.7	-	27.3	-16%	104
EBIT	16.6	4.2	15.3	14.7	7.9	-	19.9	-73%	63.6
EPS (adj.)	0.02	-0.01	0.03	0.02	-0.03	-	0.06	-139%	0.21
Revenue growth-%	-	43.5 %	49.2 %	52.9 %	45.1 %	-	72.4 %	-5.7 pp	21.1 %
EBIT-% (adj.)	21.5 %	12.2 %	14.0 %	14.5 %	14.1 %	-	14.9 %	-1.8 pp	15.6 %

Source: Inderes & Modular Finance IR (consensus include 8 estimates)

Cuts across the P&L, with cash flow hinging on the securitization expansion (1/2)

Estimate revisions

- Following the Q2 report, we have made modest downward adjustments to our revenue estimates and more substantial reductions below the adjusted EBITDA line. On revenue, our FY26 reported estimate moves to 667 MEUR (was 681 MEUR), reflecting clearly softer-than-expected organic growth in Q2 (~3.5%, with like-for-like revenue growth of 6.5% against our low-double-digit expectation) into a deteriorating US macro backdrop, partly offset by a broadly in-line inorganic contribution. We have trimmed our H2 organic growth assumptions to reflect the softer exit rate and continued soft, albeit sequentially recovering, NDER trajectory, while keeping the inorganic component largely unchanged while moving FX to broadly neutral at spot. Our 2027-2028 revenue estimates are lowered by ~3% on the lower base, as we await clearer evidence of an organic recovery and clearer NDER improvements before assuming a stronger reacceleration.
- Investors should note that the comparison basis moved again in Q2. FY25 like-for-like revenue is now 637 MEUR versus the 602 MEUR presented in the Q1 deck, and Q1'26 has been restated to ~142 MEUR from 137 MEUR, which reduces the like-for-like growth Verve reported for that quarter from 3.7% to approximately zero and puts consistent-basis H1'26 growth at ~3%. We think this matters for the guidance, given that the guidance set in February was against the then-current 602 MEUR base, where the 680-730 MEUR range implied 13-21% growth, whereas against today's 637 MEUR base the unchanged range implies only 7-15%. With CTV migration roughly half complete and management flagging a further effect in Q3, we expect the basis to move again.
- On profitability, Q2 adjusted EBITDA of 30.1 MEUR came in below our 32.7 MEUR estimate, with the miss reflecting the softer revenue and continued front-loaded sales force costs. The gross margin of 40.0% was 6.9pp above the restated prior-year comparative, and we continue to regard the platform unification gains as durable. However, management guided to the current level plus or minus one percentage point for the remainder of the year, citing rebate-driven strategic partnerships. That removes the Q4 seasonal margin uplift we had assumed and implies broadly flat Q4 gross profit year-on-year despite revenue growth. We lower our FY26 adjusted EBITDA estimate to 149 MEUR (was 162 MEUR), reflecting the softer topline, weaker underlying operating performance, and a more cautious view of the H2 margin ramp. This places us at the lower end of the 145-175 MEUR guidance range. We also reduce our adjusted EBITDA in 2027 estimates by ~6% on the lower base and a more cautious margin path.
- Our adjusted EBIT estimate falls further, to ~104 MEUR (was ~120 MEUR), and some -14% for 2027e, as the lower EBITDA is compounded by a D&A base running above our assumption, prompting us to align our estimates better to the current run-rate.

Estimate revisions MEUR / EUR	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %	2028e Old	2028e New	Change %
Revenue	681	667	-2%	740	718	-3%	803	776	-3%
EBITDA	155	129	-17%	184	161	-12%	197	185	-6%
EBIT (exc. NRIs)	120	104	-13%	149	128	-14%	166	157	-5%
EBIT	93.0	63.6	-32%	130	94.9	-27%	146	124	-15%
PTP	37.9	3.1	-92%	85.6	46.4	-46%	102	77.5	-24%
EPS (excl. NRIs)	0.29	0.21	-25%	0.42	0.34	-19%	0.48	0.46	-5%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

Source: Inderes

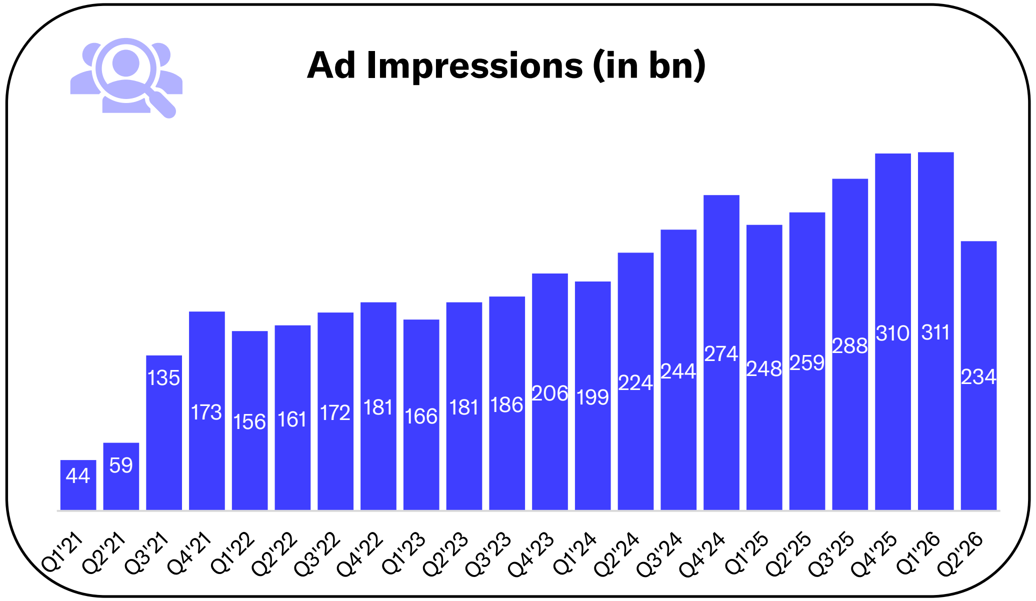
Cuts across the P&L, with cash flow hinging on the securitization expansion (2/2)

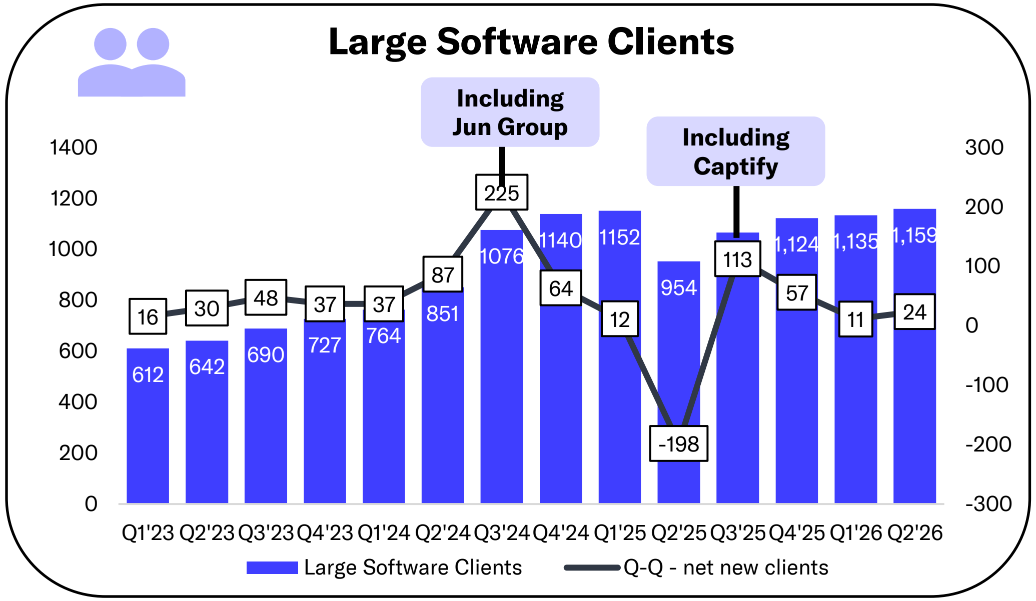
- Items affecting comparability (“IAC”) reached 9 MEUR in the quarter and 14 MEUR in H1, against 12 MEUR for the whole of 2025 and the 2 MEUR we had assumed for Q2. Management guided to a further ~8 MEUR in H2 and described 3-4 MEUR per quarter as normal, which in our view concedes that these charges are an increasingly structural element in the P&L. We now carry ~20 MEUR of IAC for FY26 (was ~7 MEUR), resulting in our EBITDA estimates being reduced considerably more, where we have slashed our 2026e EBITDA by 17%.
- Net financials remained elevated at ~15.5 MEUR in Q2, in line with the Q1 run-rate and still showing little of the relief from the 2025 bond refinancing that management originally signposted, as the lower coupon has been offset by a larger debt base following M&A and the 50 MEUR bond tap. Combined with the weaker operating result and a ~60% increase in D&A (y/y), this pushed PTP to -11 MEUR in the quarter and -18 MEUR in H1. We raise our FY26 net financial expense assumption to ~60 MEUR (was ~55 MEUR) on the H1 run-rate.
- We have also lowered our FCFF estimates (~12%), principally as a consequence of the downward earnings revisions. H1 operating cash flow of 55 MEUR was flattered by the Q1 redraw of the receivables securitization program and by collections from the Q4'25 peak. With the program drawn to its 100 MEUR ceiling at the end of Q2, it can contribute nothing further on an unchanged frame, all else equal. Regarding the capacity of the program, management stated that a marked expansion is in final documentation (but did not quantify it) and expected to be signed within weeks. Our FCFF estimates therefore hinge on two conditions outside the P&L: that Verve successfully completes the enrollment of the two additional operating units announced in May (CFO noted that these are now “largely” on the program), and that the program's capacity is lifted to 125 MEUR (from 100 MEUR) before year end. Should neither materialize, we see downside to our H2 cash flow estimates. We would stress that an expanded frame is a financing event: it would lift reported operating cash flow and support the leverage reduction management expects in H2 without necessarily reflecting any improvement in underlying cash conversion.
- Based on these revisions, we now estimate Verve's leverage ratio to decline to ~3.0x by year-end 2026 (was 2.7x, Q2'26: 3.3x), with the long-term target range of 1.5-2.5x likely reached during 2027.

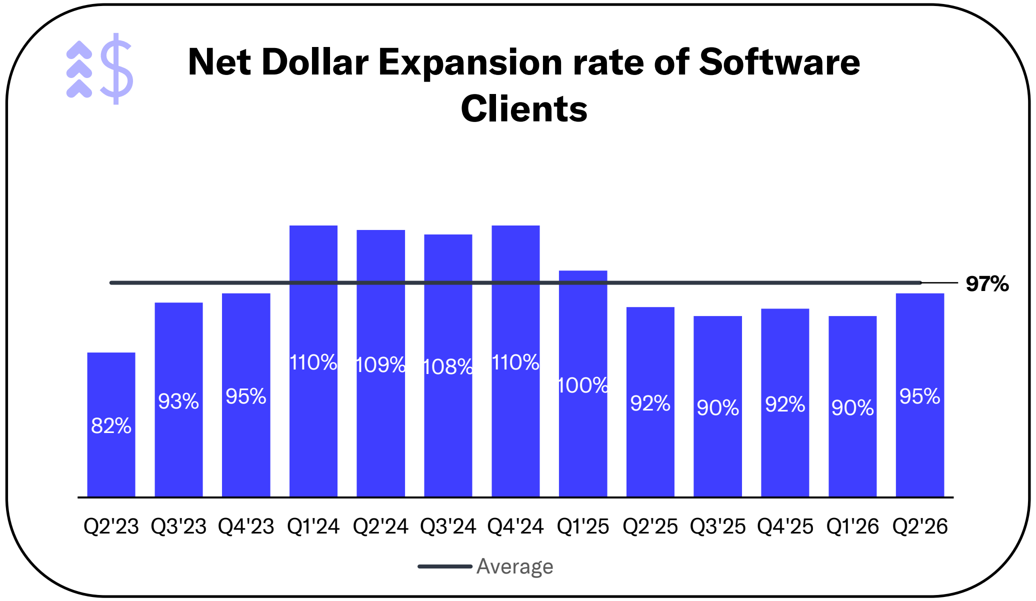
Estimate revisions MEUR / EUR	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %	2028e Old	2028e New	Change %
Revenue	681	667	-2%	740	718	-3%	803	776	-3%
EBITDA	155	129	-17%	184	161	-12%	197	185	-6%
EBIT (exc. NRIs)	120	104	-13%	149	128	-14%	166	157	-5%
EBIT	93.0	63.6	-32%	130	94.9	-27%	146	124	-15%
PTP	37.9	3.1	-92%	85.6	46.4	-46%	102	77.5	-24%
EPS (excl. NRIs)	0.29	0.21	-25%	0.42	0.34	-19%	0.48	0.46	-5%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	

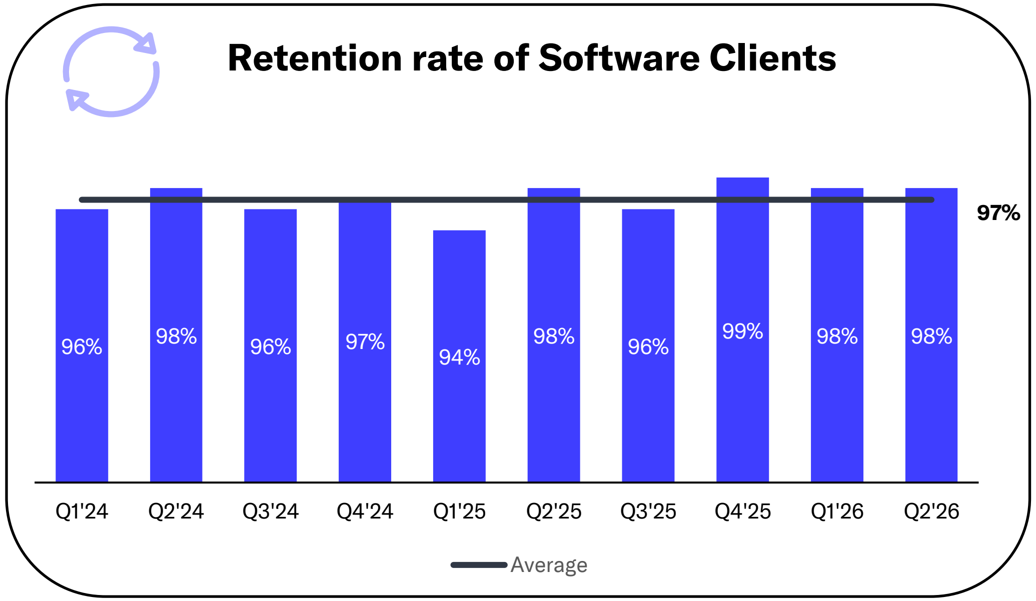
Source: Inderes

Company KPI's

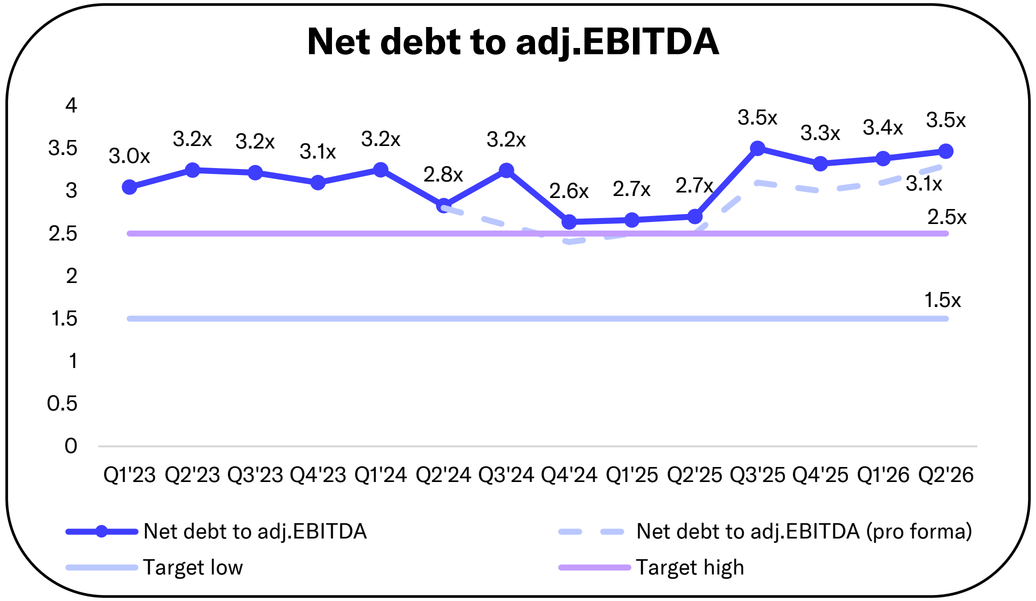


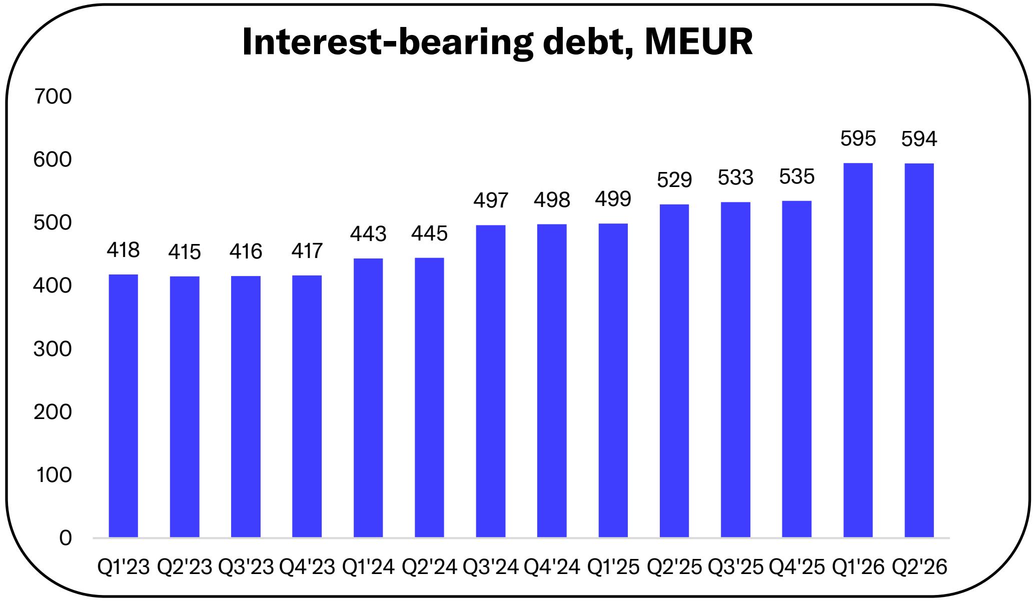


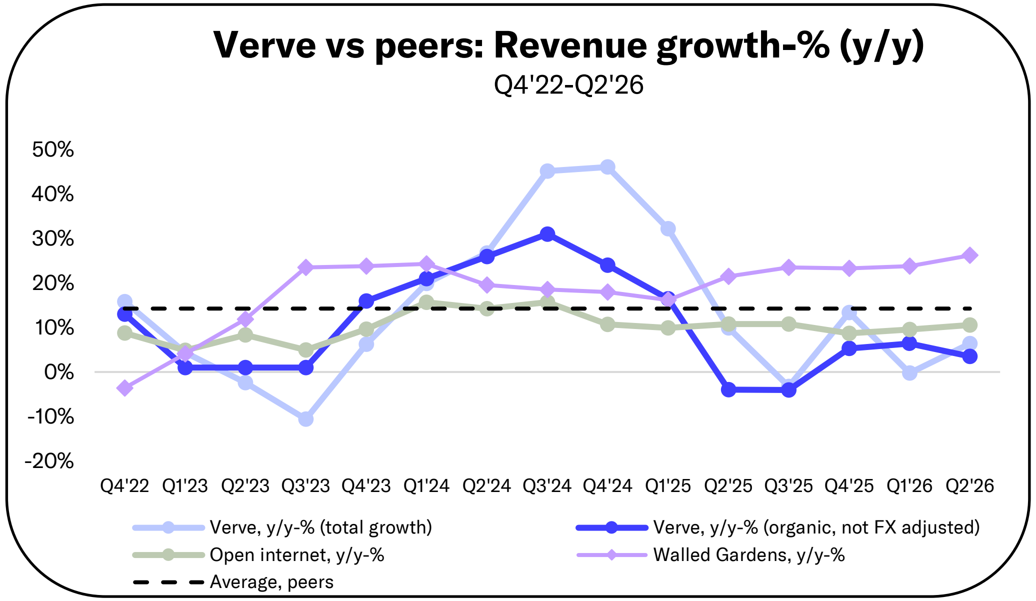


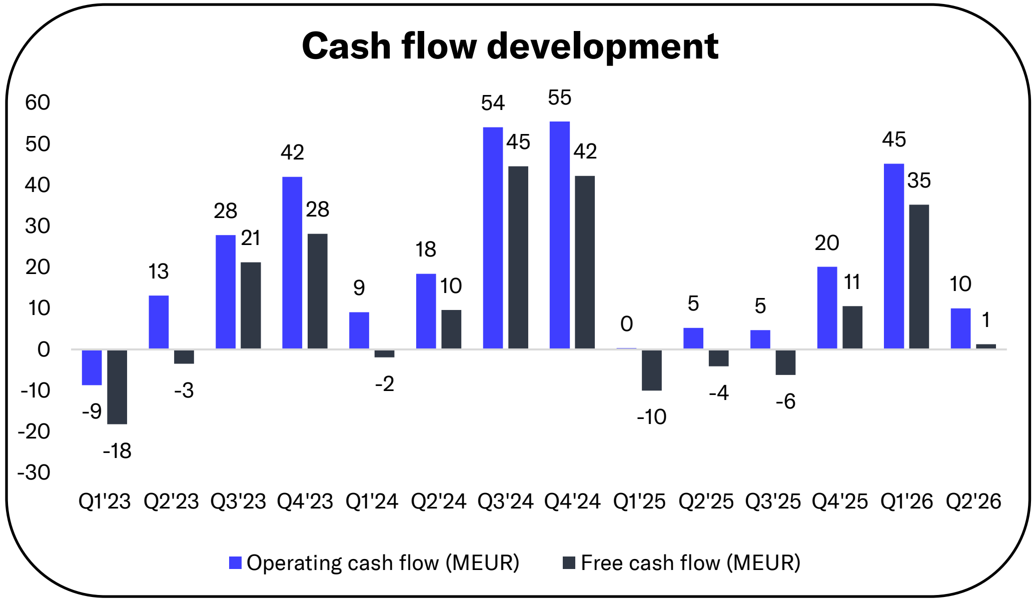


Other metrics

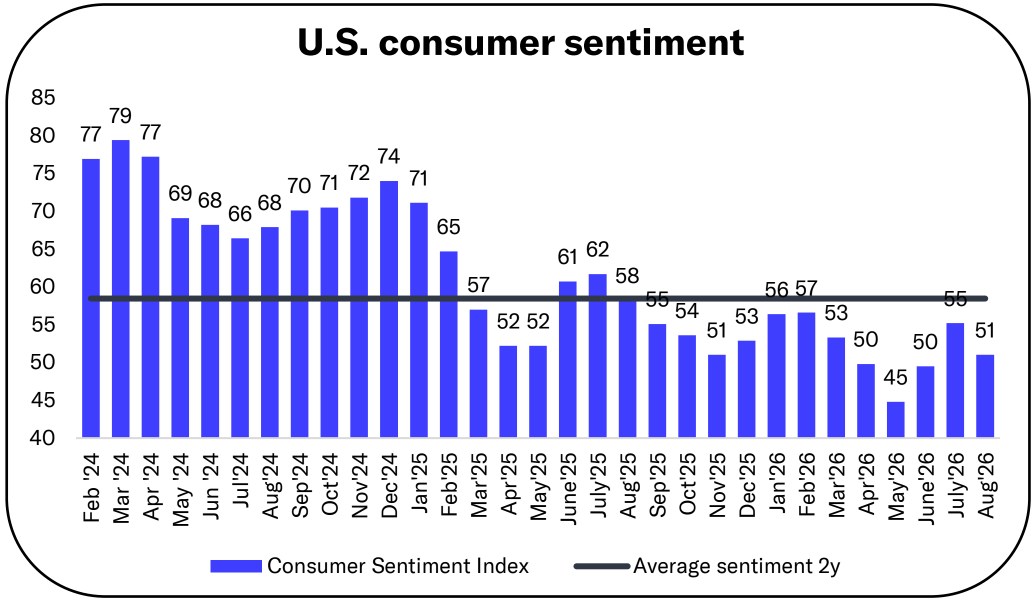


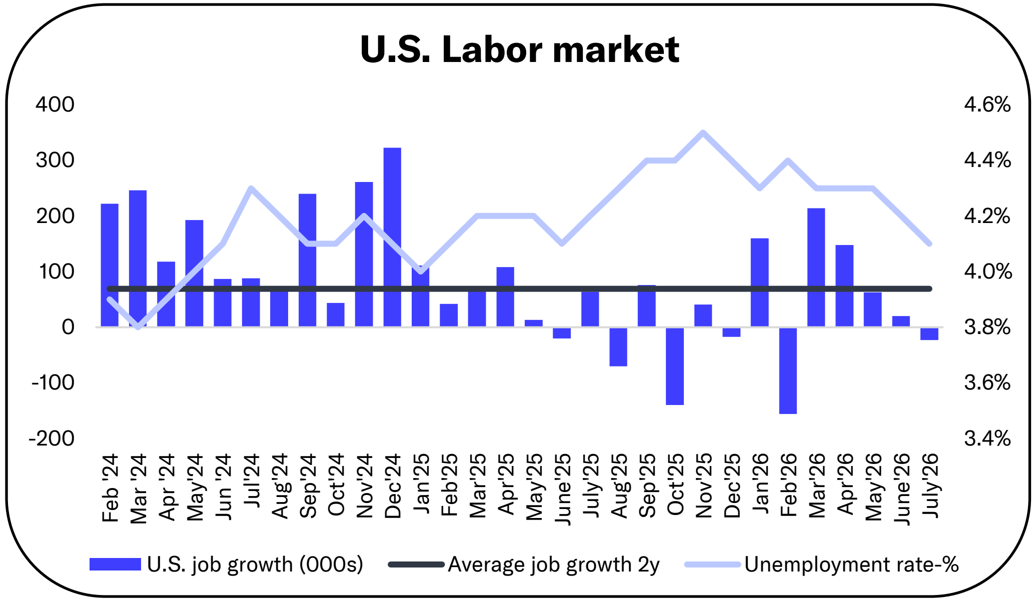


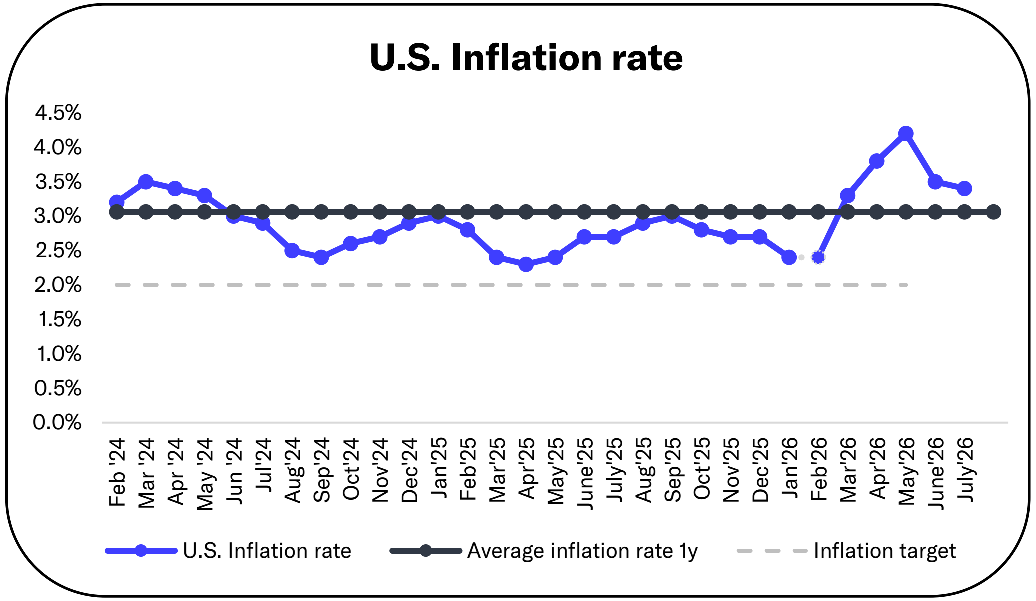


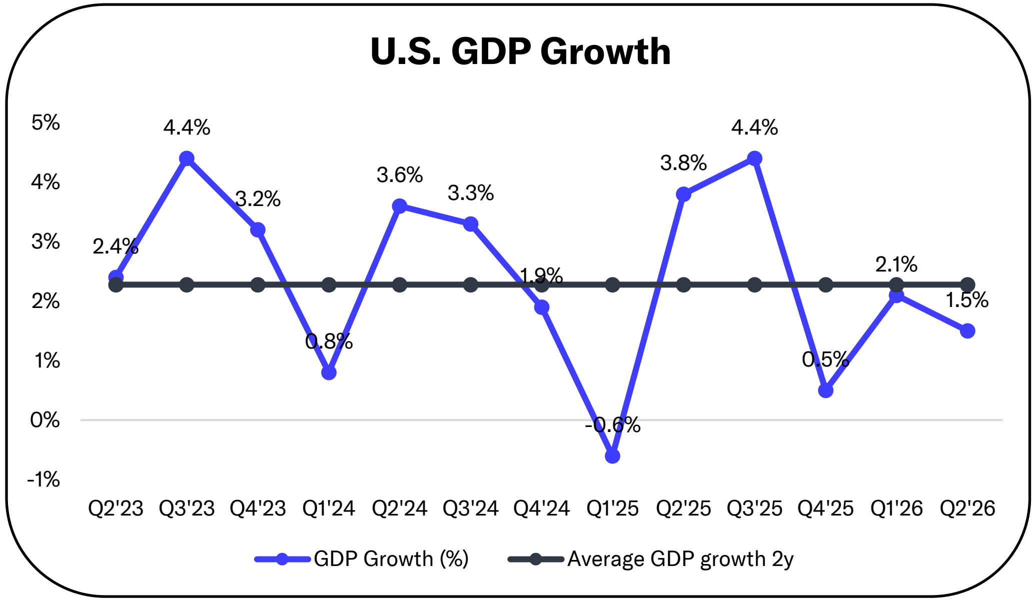


Macro snapshot









Sources: U.S. Bureau of Labor Statistics, University of Michigan

Valuation 1/2

Re-rating hinges on improving cash conversion, deleveraging, and restoring investor confidence

Verve's derating traces back to 2023, when contracting ad budgets collided with high leverage and rising rates, compressing both earnings and valuation multiples. Management has since acted on several fronts by, e.g., acquiring Jun Group to lift earnings quality and strengthen the demand side, raising 810 MSEK in equity, and refinancing its bonds at a lower coupon. However, 2025 proved harder than expected, as platform unification triggered a profit warning while securitization constraints kept free cash flow weak.

H1'26 delivered one clear bright spot in the structurally improving gross margin, yet the soft Q2 left the harder proof points unresolved: organic growth decelerated, NDER, while improving, remained soft, and leverage inched up to 3.3x, well above the 1.5-2.5x target. The stock continues trades at very low absolute multiples, a discount that, in our view, reflects execution uncertainty, fragile investor confidence, and a stretched balance sheet. For that discount to close, we believe management must prove the gross margin gains are durable rather than transitory, translate profitability into tangible cash conversion, and rebuild credibility through consistent delivery against guidance.

Earnings- and FCFF-based multiples are on the low side

Verve's income statement contains several non-cash items and non-recurring costs, so we pay close attention to free cash flow-based valuation methods such as DCF. However, we also approach the valuation through absolute valuation multiples and in relation to peers. Verve's median EV/EBIT ratio, adjusted for non-recurring costs and PPA amortization, over the last five years is 7x, and the corresponding figures for the adjusted EBITDA, adjusted P/E and EV/S ratio are 6x, 8x, and 1.6x, respectively. The average ratios are 9x, 7x, 11x, and 2x, respectively. Looking at the unadjusted multiples, the corresponding median EV/EBIT, EV/EBITDA, and P/E ratios are 10x, 6x, and 20x. To assess how Verve is priced relative to FCFF generated, we can look at a cash flow-based multiple, such as EV/FCFF. The four-year median EV/FCFF, adjusted for earn-outs, is 15x. In general, we believe this demonstrates that Verve's adjusted earnings multiples does not currently reflect cash flows very well.

Based on our estimates, Verve's adjusted EV/EBIT and EV/EBITDA multiples for 2026e-2027e stands at 6x-5x and 4x respectively, with unadjusted equivalents of 10x-7x and 5x-4x. On a cash flow basis, EV/FCFF excluding earn-outs stands at 9x and 8x for the same years. As such, the forward multiples are all below its historical medians. We consider the downside in absolute multiples from here to be limited, and find it difficult to construct a scenario where a business of Verve's scale and market position deserves to trade at a meaningful further discount to already historically depressed levels.

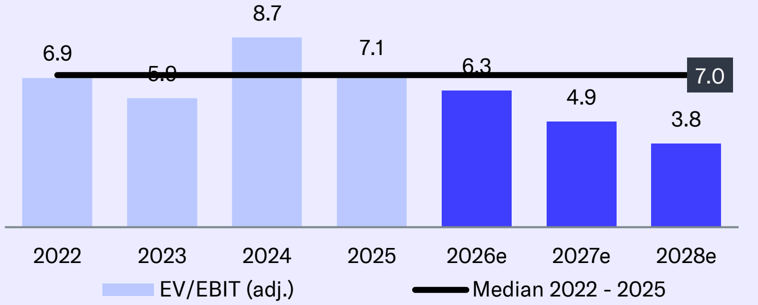
Trading at a discount to peers on earnings multiples

Relative to its peer group, Verve currently trades at a discount on earnings-based multiples. The peer group's median EV/EBIT and EV/FCFF multiples for 2026 and 2027 are 14x-12x and 10x-8x, respectively. Corresponding EV/EBITDA, P/E, and EV/S multiple are 8x-7x, 14x-14x and 2.1x-2.0x. As shown on the next page, Verve is expected to grow its revenue and adjusted EBITDA at a similar pace as its peers between 2026 and 2028, while maintaining an adjusted EBITA margin on par with the peer group. On these parameters alone, the current valuation gap on earnings-based multiples seems unjustified at first glance. However, considering that Verve, relative to the peer group, currently (LTM) has significantly more leverage and is expected to have higher leverage going forward, a larger portion of Verve's earnings and FCFF is allocated to interest expenses, which reduces its ability to return capital to shareholders. As a result, we believe that a valuation discount to peers is justified, as Verve's current earnings and FCFF should be valued lower relative to peers, who typically maintain minimal debt or net cash positions.

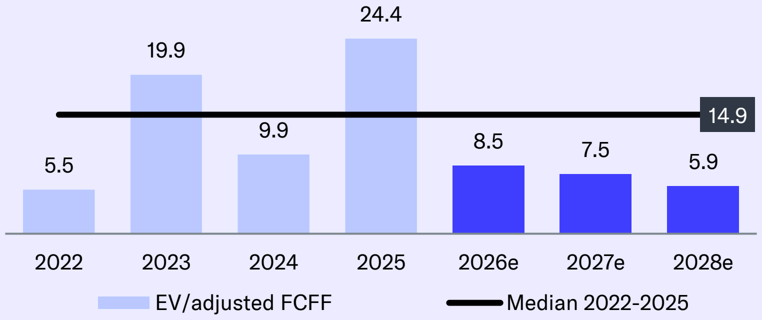
Valuation	2026e	2027e	2028e
Share price (EUR)	1.06	1.06	1.06
Number of shares, millions	200.1	200.1	200.1
Market cap (MEUR)	213	213	213
EV (MEUR)	666	628	565
P/E (adj.)	5.0	3.1	2.3
P/E	82.0	6.1	3.7
P/B	0.5	0.5	0.4
P/S	0.3	0.3	0.3
EV/Sales	1.0	0.9	0.7
EV/EBITDA	4.5	3.6	2.8
EV/EBIT (adj.)	6.4	4.9	3.6
EV/FCFF (adj.)*	8.8	7.5	5.8
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

EV/EBIT (adj.)



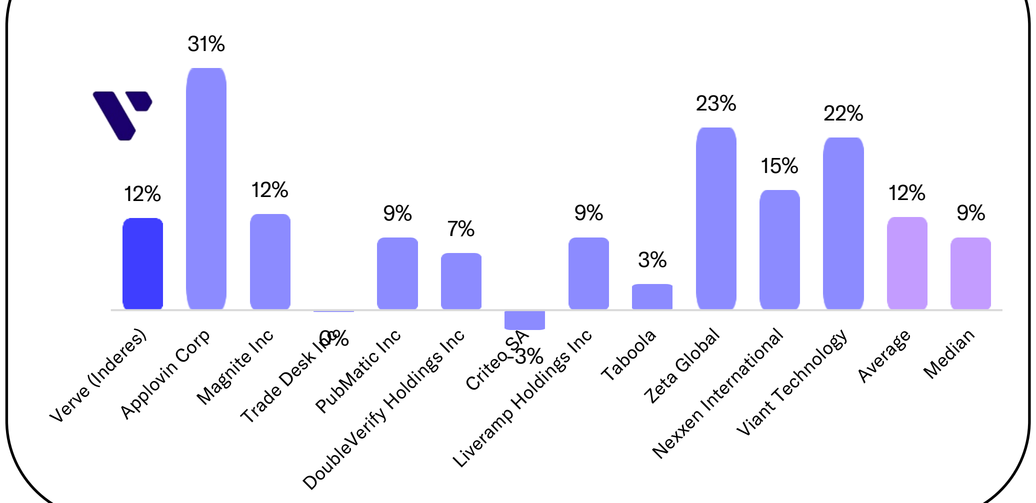
EV/FCFF (adj.)



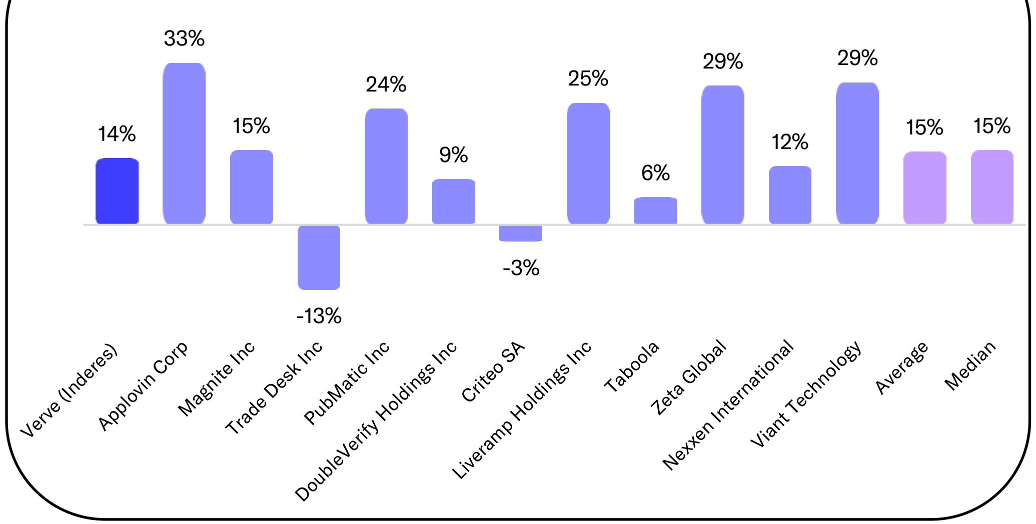
*Excl. earn-outs

Verve vs Peers: At a glance

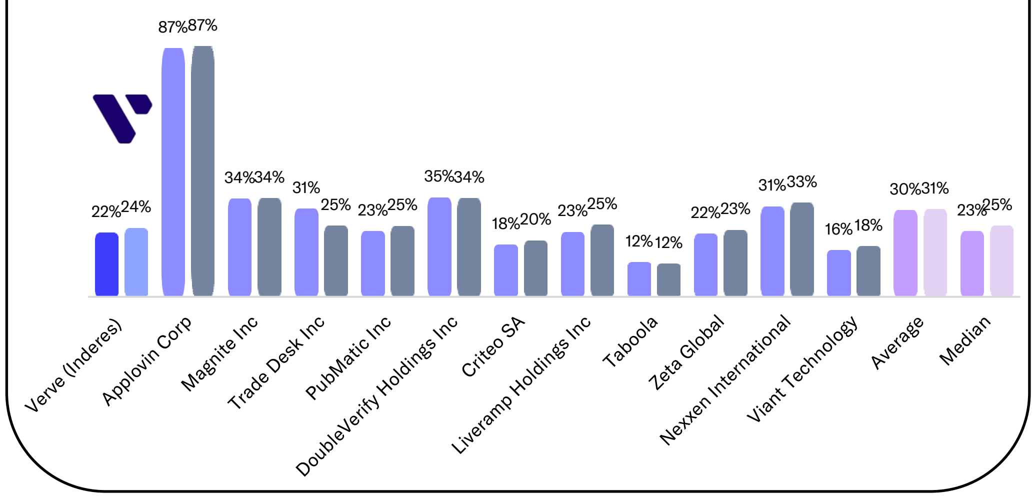
Revenue CAGR 2026-2028e



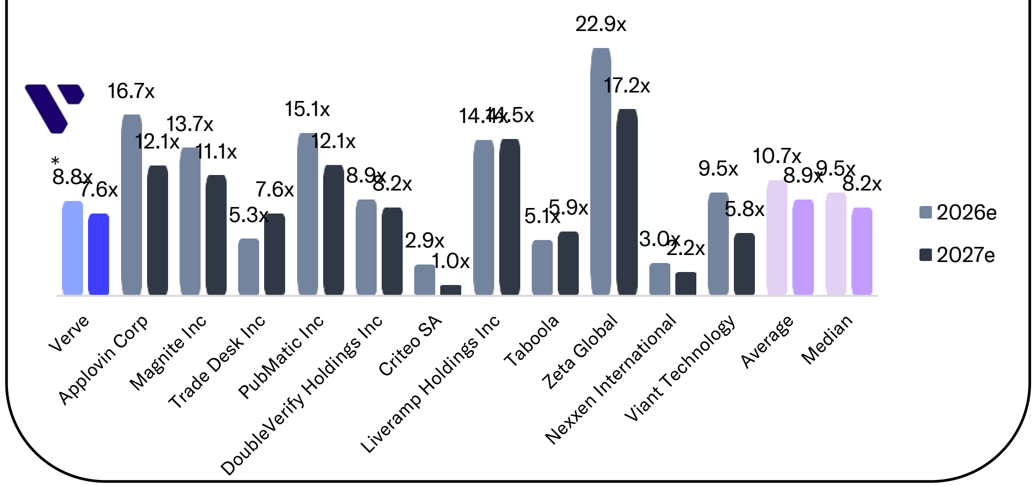
EBITDA CAGR 2026-2028e



EBITDA margin 2026-2027e



EV/FCFF 2026-2027e



Source: Inderes, Bloomberg

*Adjusted for earn-outs

Valuation 2/2

We also note that Verve's cash conversion from adjusted EBITDA trails that of its peers, which we believe further justifies a discount relative to peers, as the quality of earnings are at a lower level.

Total expected return in the coming years

We also examined an investor's expected return over the next few years, simplifying our acceptable valuation and 2028 earnings estimates. Based on our estimates and assuming there are no major changes in the company's growth outlook and margin development, we believe Verve could be valued around 7-8x EV/EBIT and 8-9x EV/FCFF at the end of 2028. This means that, if our estimates materialize, Verve could be valued at roughly SEK 27-34 per share at the end of 2028 (at current EUR/SEK exchange rate). Hence, in this scenario, the total annual expected return would, on average, be well above the cost of equity that we use. However, given Verve's high exposure to the digital advertising market, which is volatile by nature, we believe it is premature to place significant reliance on this scenario. Moreover, the continued uncertainty around the economic outlook in the US (e.g. low consumer sentiment and modest job growth), which is Verve's largest market, coupled with current geopolitical turmoil introduces additional risks to this valuation path. We also feel that the operational trajectory following platform outage and increasing uncertainty around the company's cash conversion, cast some additional uncertainty. Furthermore, the expected return is somewhat back-loaded and depends on an EV-based valuation, which introduces additional uncertainty, e.g., regarding the capital structure, which is difficult to accurately forecast over time.

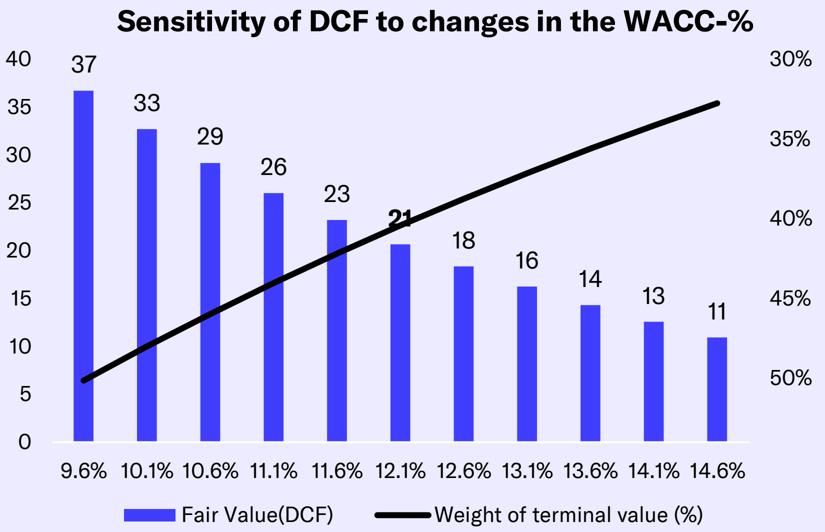
We find further support to the valuation in our DCF model, indicating a value of SEK 21 per share (was SEK 26), assuming, on average, a ~7% annual growth during 2026-2028 (organic), which then gradually tapers toward of 2% terminal growth rate. Our assumptions also imply a gradual margin expansion in the near term, followed by a gradual convergence to our used terminal EBIT margin of 14%.

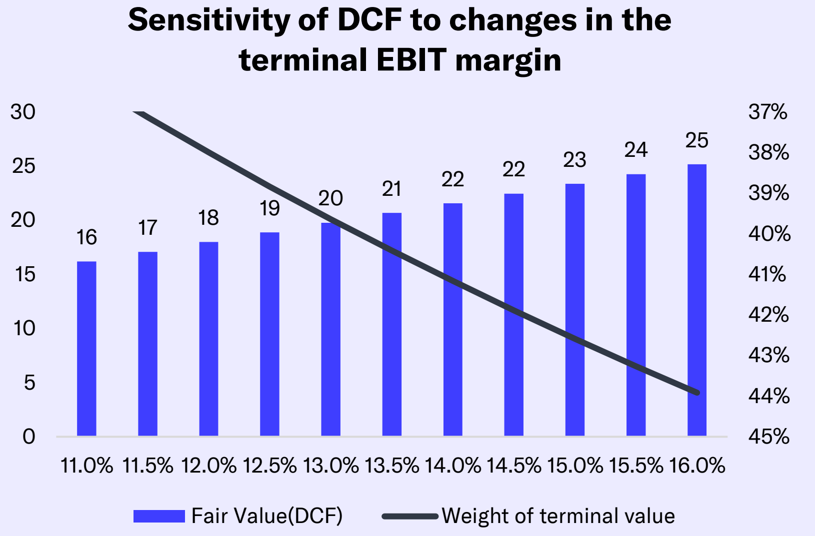
In our model, the weight of the terminal period is at a reasonable 40%. We continue to believe that our DCF analysis provides limited near-term support for the share price given aforementioned uncertainties. We believe continued consistent operational delivery, primarily on cash conversion, revenue growth, and deleveraging, over the coming quarters is essential before we can confidently align our target price closer to our fair value estimate.

We reiterate our Accumulate recommendation

We reiterate our Accumulate recommendation, while cutting our target price to SEK 15 (was SEK 20) on the back of our reduced earnings estimates. At our target price, the implied earnings- and FCFF-based multiples sit around the lower end of our acceptable valuation ranges, which we consider warranted given the elevated execution risk and high leverage. In our view, the Q2 miss raises the execution bar for the H2 inflection that both the company's guidance and our estimates rely on. With organic growth decelerating and macro headwinds weighing on advertising demand, we now see it as more likely that Verve lands toward the lower end of its FY26 guidance ranges (revenue 680-730 MEUR, adjusted EBITDA 145-175 MEUR).

At the same time, we believe the sharp post-Q2 share price reaction has already priced in a lot of bad news, leaving expectations embedded in the current valuation very low. In our view, this creates a favorable, asymmetric setup for contrarians. With expectations this low, the bar for a positive share-price reaction is modest, where we believe even a lower-end but stabilizing H2 delivery could be enough to support the stock, while any acceleration toward the mid-to-upper end of the range would leave the current depressed multiples with meaningful room to re-rate. We also continue to see the balance-sheet and cash-conversion story as the key swing factor, and expect the near-term challenge of rebuilding investor confidence to keep the share price volatile in the meantime.

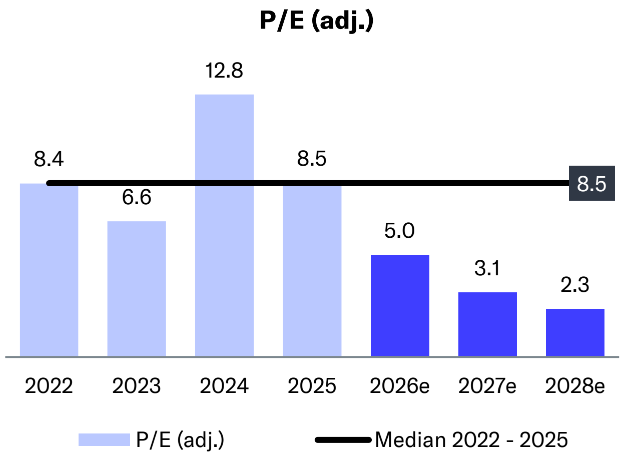


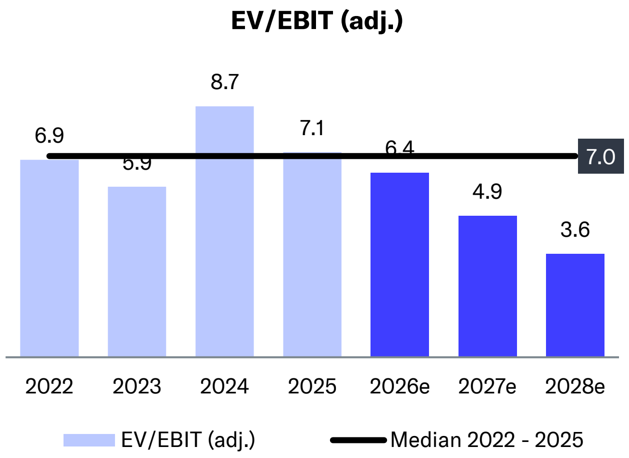


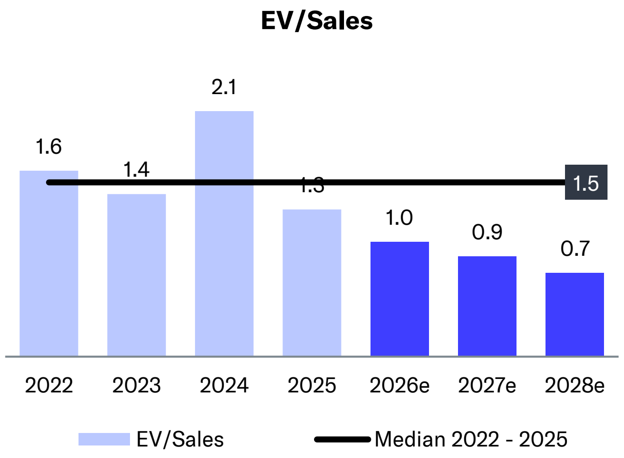
Valuation table

Valuation	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price (EUR)	1.60	1.02	3.12	1.30	**1.06**	**1.06**	**1.06**	**1.06**
Number of shares, millions	156.2	159.2	186.7	200.1	**200.1**	**200.1**	**200.1**	**200.1**
Market cap (MEUR)	255	163	583	260	**213**	**213**	**213**	**213**
EV (MEUR)	525	456	934	706	**666**	**628**	**565**	**489**
P/E (adj.)	8.4	6.6	12.8	8.5	**5.0**	**3.1**	**2.3**	**2.2**
P/E	neg.	3.5	20.2	>100	**82.0**	**6.1**	**3.7**	**2.8**
P/B	0.8	0.5	1.3	0.6	**0.5**	**0.5**	**0.4**	**0.4**
P/S	0.8	0.5	1.3	0.5	**0.3**	**0.3**	**0.3**	**0.3**
EV/Sales	1.6	1.4	2.1	1.3	**1.0**	**0.9**	**0.7**	**0.6**
EV/EBITDA	5.6	4.8	7.0	5.3	**4.5**	**3.6**	**2.8**	**2.5**
EV/EBIT (adj.)	6.9	5.9	8.7	7.1	**6.4**	**4.9**	**3.6**	**3.0**
EV/FCFF (adj.)*	5.5	19.9	9.9	76.6	**8.8**	**7.5**	**5.8**	**5.0**
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**	**0.0 %**	**0.0 %**

Source: Inderes







The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years.

Peer group valuation

Peer group valuation	Market cap	EV	EV/EBIT		EV/EBITDA		EV/S		P/E		P/B
Company	**MEUR**	**MEUR**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**	**2027e**	**2026e**
Applovin Corp	88,541	88,938	16.3	12.7	15.2	12.0	12.7	10.0	19.5	15.0	19.7
Magnite Inc	2,879	2,895	25.9	21.6	12.0	10.7	4.4	4.0	21.2	17.6	3.3
Trade Desk Inc	5,258	3,986	17.1	26.3	5.7	7.0	1.7	1.8	11.1	12.8	2.2
PubMatic Inc	636	518		92.2	8.6	7.4	2.0	1.8		90.3	1.8
DoubleVerify Holdings Inc	1,770	1,615	14.9	11.3	6.8	6.3	2.3	2.2	29.2	20.7	1.8
Criteo SA	714	455	5.7	3.9	1.7	1.6	0.5	0.5	4.9	4.5	0.7
Liveramp Holdings Inc	1,964	1,646	10.7	8.8	10.3	8.8	2.4	2.2	16.4	13.5	2.4
Taboola	865	813	5.8	6.8	4.1	3.8	0.5	0.5	6.3	4.6	
Zeta Global	6,085	5,988	22.2	17.3	17.2	14.1	3.8	3.3	29.3	23.4	5.0
Nexxen International	492	436	13.2	10.5	4.0	3.5	1.3	1.2	9.2	7.9	
Viant Technology	710	720	57.0	27.1	11.5	8.8	1.9	1.6	40.1	26.5	2.4
Verve (Inderes)	**213**	**666**	**6.4**	**4.9**	**4.5**	**3.6**	**1.0**	**0.9**	**5.0**	**3.1**	**0.5**
Average			**18.9**	**21.7**	**8.8**	**7.6**	**3.0**	**2.6**	**18.7**	**21.5**	**4.4**
Median			**15.6**	**12.7**	**8.6**	**7.4**	**2.0**	**1.8**	**17.9**	**15.0**	**2.4**
Diff-% to median			***-59%***	***-61%***	***-48%***	***-51%***	***-49%***	***-52%***	***-72%***	***-79%***	***-79%***

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**437**	**109**	**106**	**142**	**194**	**551**	**137**	**152**	**165**	**213**	**667**	**718**	**776**	**835**
EBITDA (excl. NRI)	133	30.2	29.5	26.1	48.6	134	28.3	30.2	34.6	55.9	149	173	199	194
EBITDA	**129**	**27.5**	**27.0**	**21.8**	**45.8**	**122**	**24.0**	**20.9**	**31.3**	**52.7**	**129**	**161**	**185**	**193.5**
Depreciation	-38.2	-10.8	-10.4	-15.4	-16.6	-53.1	-15.6	-16.7	-16.5	-16.5	-65.3	-66.0	-60.8	-50.8
EBIT (excl. NRI)	**107**	**23.3**	**22.8**	**15.4**	**37.5**	**99.0**	**17.5**	**18.7**	**23.2**	**44.5**	**104**	**128**	**157**	**143**
EBIT	**90.3**	**16.7**	**16.6**	**6.5**	**29.2**	**69.1**	**8.4**	**4.2**	**14.8**	**36.2**	**63.6**	**94.9**	**124**	**143**
Net financial items	-58.5	-13.2	-20.8	-12.6	-15.2	-61.9	-15.1	-15.5	-15.0	-15.0	-60.5	-48.5	-46.8	-41.3
PTP	**31.8**	**3.5**	**-4.2**	**-6.2**	**14.1**	**7.2**	**-6.7**	**-11.3**	**-0.2**	**21.2**	**3.1**	**46.4**	**77.5**	**101**
Taxes	-3.0	-3.3	4.6	2.6	-10.4	-6.5	3.7	3.8	0.0	-8.1	-0.5	-11.6	-19.4	-25.4
Minority interest	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Net earnings	**28.8**	**0.18**	**0.4**	**-3.6**	**3.7**	**0.7**	**-2.9**	**-7.5**	**-0.1**	**13.2**	**2.6**	**34.8**	**58.1**	**76.1**
EPS (adj.)	**0.24**	**0.03**	**0.03**	**0.03**	**0.06**	**0.15**	**0.03**	**0.03**	**0.04**	**0.11**	**0.21**	**0.34**	**0.46**	**0.38**
EPS (rep.)	**0.15**	**0.00**	**0.00**	**-0.02**	**0.02**	**0.00**	**-0.01**	**-0.04**	**0.00**	**0.07**	**0.01**	**0.17**	**0.29**	**0.38**

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26	Q2'26	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	35.7 %	32.2 %	9.9 %	24.8 %	34.4 %	26.1 %	25.8 %	43.5 %	16.3 %	9.8 %	21.1 %	7.6 %	8.1 %	7.5 %
Adjusted EBIT growth-%	39.2 %	40.2 %	-1.7 %	-38.8 %	-10.9 %	-7.5 %	-25.0 %	-18.0 %	50.7 %	18.6 %	4.9 %	22.8 %	23.2 %	-9.3 %
EBITDA-%	29.4 %	25.2 %	25.4 %	15.4 %	23.6 %	22.2 %	17.5 %	13.7 %	19.0 %	24.8 %	19.3 %	22.4 %	23.8 %	23.2 %
Adjusted EBIT-%	24.5 %	21.4 %	21.5 %	10.9 %	19.4 %	18.0 %	12.8 %	12.3 %	14.1 %	20.9 %	15.6 %	17.8 %	20.3 %	17.1 %
Net earnings-%	6.6 %	0.2 %	0.4 %	-2.5 %	1.9 %	0.1 %	-2.1 %	-4.9 %	-0.1 %	6.2 %	0.4 %	4.8 %	7.5 %	9.1 %

Source: Inderes

Full-year earnings per share are calculated using the number of shares at year-end.

Balance sheet

Assets	2024	2025	2026e	2027e	2028e
Non-current assets	**1013**	**1021**	**998**	**976**	**961**
Goodwill	718	715	715	715	715
Intangible assets	269	258	236	215	201
Tangible assets	4.3	13.0	12.1	11.3	11.2
Associated companies	0.0	0.0	0.0	0.0	0.0
Other investments	0.0	0.0	0.0	0.0	0.0
Other non-current assets	4.9	7.1	7.1	7.1	7.1
Deferred tax assets	17.0	27.9	27.9	27.9	27.9
Current assets	**239**	**232**	**274**	**318**	**400**
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	31.7	30.0	40.0	43.1	46.6
Receivables	60.9	113	127	140	155
Cash and equivalents	147	89.0	107	135	198
Balance sheet total	**1252**	**1252**	**1271**	**1294**	**1361**

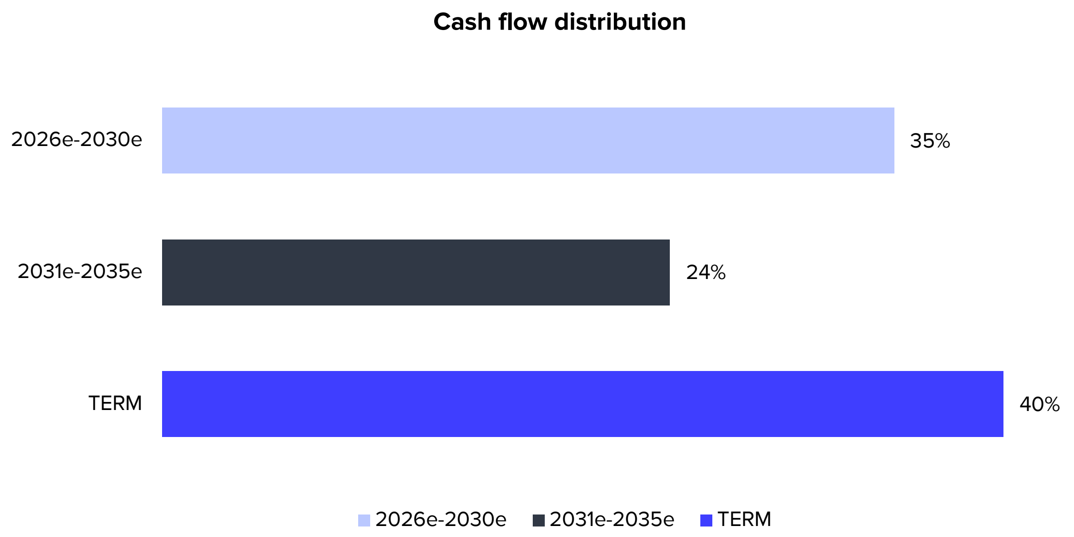
Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**451**	**423**	**426**	**461**	**519**
Share capital	1.6	1.6	1.6	1.6	1.6
Retained earnings	76.9	77.6	80.2	115	173
Hybrid bonds	0.0	0.0	0.0	0.0	0.0
Revaluation reserve	0.0	0.0	0.0	0.0	0.0
Other equity	372	344	344	344	344
Minorities	0.2	0.2	0.2	0.2	0.2
Non-current liabilities	**499**	**525**	**600**	**591**	**591**
Deferred tax liabilities	21.7	25.9	25.9	25.9	25.9
Provisions	0.0	0.0	0.0	0.0	0.0
Interest bearing debt	446	474	550	550	550
Convertibles	0.0	0.0	0.0	0.0	0.0
Other long term liabilities	31.0	24.3	24.3	14.9	14.9
Current liabilities	**303**	**305**	**245**	**243**	**252**
Interest bearing debt	52.0	60.4	10.0	0.0	0.0
Payables	145	147	170	177	186
Other current liabilities	106	97.6	65.3	65.3	65.3
Balance sheet total	**1253**	**1253**	**1271**	**1294**	**1361**

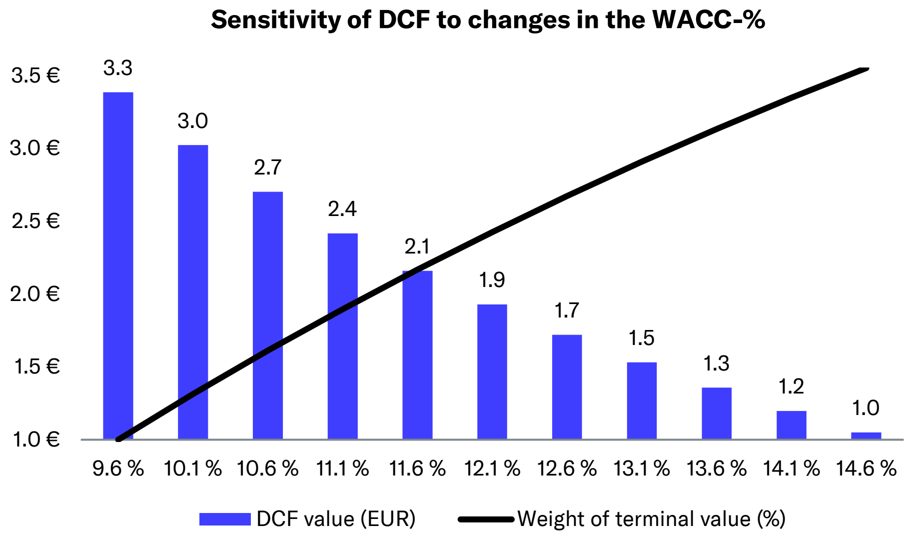
DCF-calculation

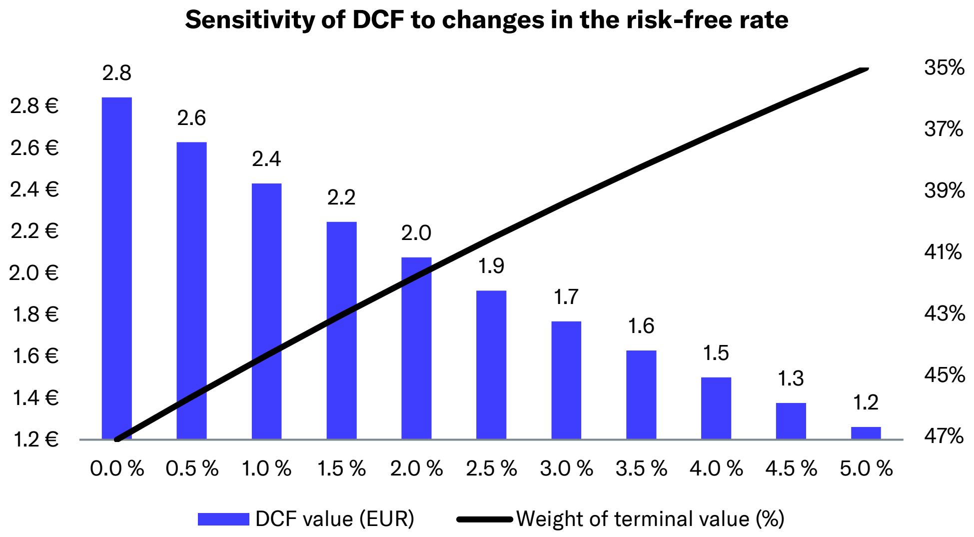
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	26.1 %	21.1 %	7.6 %	8.1 %	7.5 %	6.5 %	4.0 %	3.5 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-%	12.5 %	9.5 %	13.2 %	16.0 %	17.1 %	16.6 %	15.6 %	15.6 %	14.3 %	13.5 %	13.5 %	13.5 %
EBIT (operating profit)	**69.1**	**63.6**	**94.9**	**124**	**143**	**148**	**144**	**149**	**141**	**137**	**140**	
+ Depreciation	53.1	65.3	66.0	60.8	50.8	48.2	45.7	53.1	53.5	58.7	55.7	
- Paid taxes	-13.2	-0.5	-11.6	-19.4	-25.4	-28.8	-29.0	-30.7	-29.1	-28.6	-29.8	
- Tax, financial expenses	-15.5	-9.8	-12.1	-11.7	-10.3	-8.1	-7.1	-6.6	-6.1	-5.6	-5.1	
+ Tax, financial income	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Change in working capital	-56.8	-33.1	-9.1	-9.8	-1.2	-1.1	-0.7	-0.6	-0.6	-0.6	0.6	
Operating cash flow	**36.7**	**85.6**	**128**	**144**	**157**	**158**	**153**	**164**	**159**	**161**	**161**	
+ Change in other long-term liabilities	-6.7	0.0	-9.4	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
- Gross CAPEX	-49.9	-42.0	-44.1	-46.7	-49.3	-53.0	-55.7	-59.8	-62.0	-61.0	-56.0	
Free operating cash flow	**-19.9**	**43.6**	**74.6**	**97.6**	**107**	**105**	**97.5**	**105**	**96.6**	**99.8**	**105**	
+/- Other	33.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
FCFF	13.1	43.6	74.6	97.6	107	105	97.5	105	96.6	99.8	105	1059
Discounted FCFF		**41.9**	**64.0**	**74.7**	**73.4**	**63.9**	**53.1**	**50.8**	**41.9**	**38.6**	**36.3**	**365**
Sum of FCFF present value		904	862	798	723	650	586	533	482	440	402	365
Enterprise value DCF		**904**										
- Interest bearing debt		-614.9										
+ Cash and cash equivalents		89.0										
+ Associated companies		0.0										
-Minorities		-0.1										
-Dividend/capital return		0.0										
Equity value DCF		**378**										
Equity value DCF per share		**1.9**										
Equity value DCF per share (SEK)		**21**										

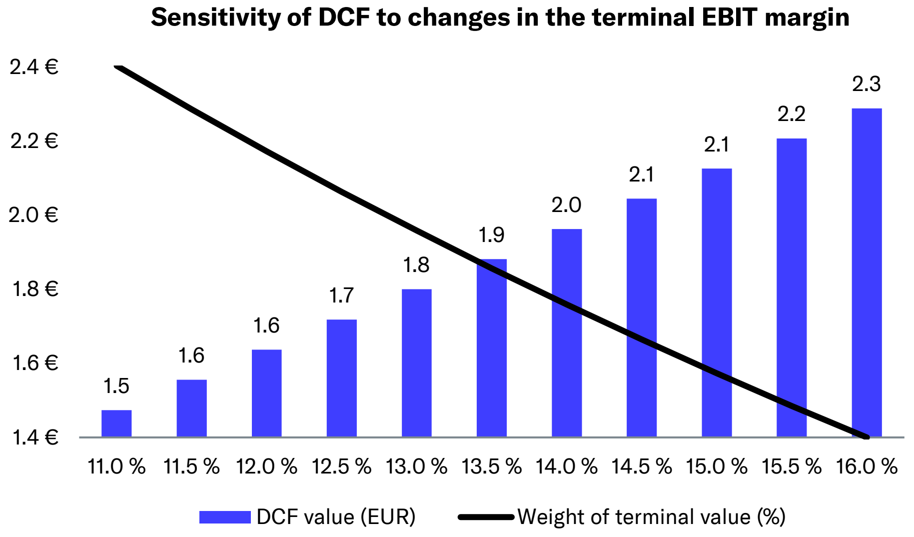
WACC	
Tax-% (WACC)	25.0 %
Target debt ratio (D/(D+E)	30.0 %
Cost of debt	8.2 %
Equity Beta	2.20
Market risk premium	4.75%
Liquidity premium	1.65%
Risk free interest rate	2.5 %
Cost of equity	**14.6 %**
Weighted average cost of capital (WACC)	**12.1 %**

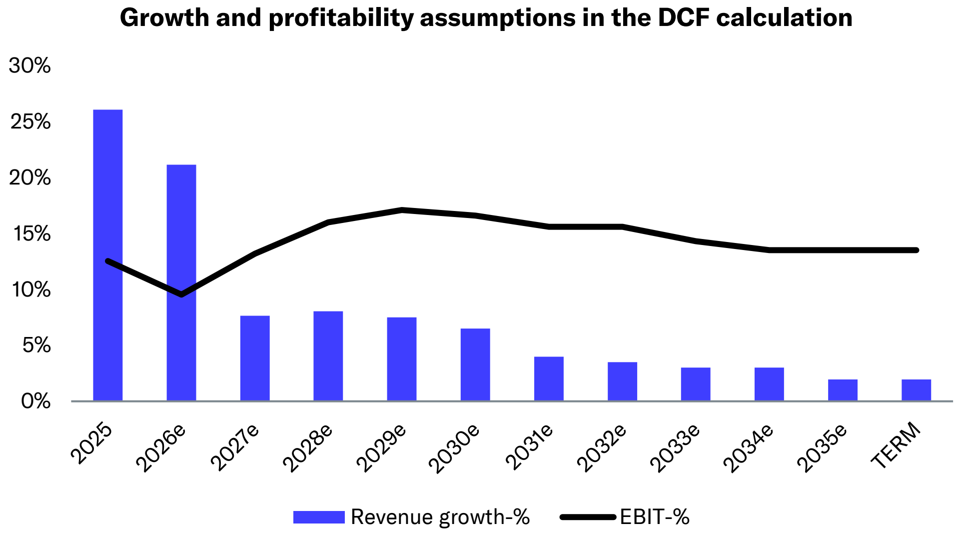


DCF sensitivity calculations and key assumptions in graphs









Source: Inderes. Note that the weight of the terminal value (%) is shown on an inverse scale for clarity.

Summary

Income statement	2023	2024	2025	2026e	2027e
Revenue	322.0	437.0	550.9	**667.4**	**718.5**
EBITDA	128.5	128.5	122.1	**128.9**	**160.9**
EBIT	99.0	90.3	69.1	**63.6**	**94.9**
PTP	48.9	31.8	7.2	**3.1**	**46.4**
Net Income	46.7	28.8	0.7	**2.6**	**34.8**
Extraordinary items	22.1	-16.8	-30.0	**-40.3**	**-32.7**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	1007.0	1252.4	1252.5	**1271.4**	**1294.1**
Equity capital	352.5	450.9	423.1	**425.7**	**460.5**
Goodwill	578.0	718.0	714.7	**714.7**	**714.7**
Net debt	292.8	351.2	445.9	**453.0**	**414.8**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	128.5	128.5	122.1	**128.9**	**160.9**
Change in working capital	-14.1	56.0	-56.8	**-33.1**	**-9.1**
Operating cash flow	109.5	162.3	36.7	**85.6**	**128.1**
CAPEX	-15.5	-232.3	-49.9	**-42.0**	**-44.1**
Free cash flow	41.3	-35.9	13.1	**43.6**	**74.6**

Valuation multiples	2023	2024	2025	2026e	2027e
EV/S	1.4	2.1	1.3	**1.0**	**0.9**
EV/EBITDA	4.8	7.0	5.3	**4.5**	**3.6**
EV/EBIT (adj.)	5.9	8.7	7.1	**6.4**	**4.9**
P/E (adj.)	6.6	12.8	8.5	**5.0**	**3.1**
P/B	0.5	1.3	0.6	**0.5**	**0.5**
Dividend-%	0.0 %	0.0 %	0.0 %	**0.0 %**	**0.0 %**

Source: Inderes

Per share data	2023	2024	2025	2026e	2027e
EPS (reported)	0.29	0.15	0.00	**0.01**	**0.17**
EPS (adj.)	0.15	0.24	0.15	**0.21**	**0.34**
OCF / share	0.69	0.87	0.18	**0.43**	**0.64**
OFCF / share	0.26	-0.19	0.07	**0.22**	**0.37**
Book value / share	2.21	2.41	2.11	**2.13**	**2.30**
Dividend / share	0.00	0.00	0.00	**0.00**	**0.00**

Growth and profitability	2023	2024	2025	2026e	2027e
Revenue growth-%	-1%	36%	26%	**21%**	**8%**
EBITDA growth-%	52%	0%	-5%	**6%**	**25%**
EBIT (adj.) growth-%	0%	39%	-8%	**5%**	**23%**
EPS (adj.) growth-%	-18%	58%	-37%	**40%**	**58%**
EBITDA-%	39.9 %	29.4 %	22.2 %	**19.3 %**	**22.4 %**
EBIT (adj.)-%	23.9 %	24.5 %	18.0 %	**15.6 %**	**17.8 %**
EBIT-%	30.7 %	20.7 %	12.5 %	**9.5 %**	**13.2 %**
ROE-%	13.8 %	7.2 %	0.2 %	**0.6 %**	**7.9 %**
ROI-%	13.1 %	10.5 %	7.2 %	**6.5 %**	**9.5 %**
Equity ratio	35.0 %	36.0 %	33.8 %	**33.5 %**	**35.6 %**
Gearing	83.1 %	77.9 %	105.4 %	**106.4 %**	**90.1 %**
Net debt/EBITDA	2.3	2.7	3.7	**3.5**	**2.6**
EBITDA/net financials	2.6	2.2	2.0	**2.1**	**3.3**

The market cap and enterprise value in the table consider the expected change in the number of shares and net debt for the forecast years. Per-share figures are calculated using the number of shares at year-end.

Disclaimer and recommendation history

The information presented in Inderes reports is obtained from several different public sources that Inderes considers to be reliable. Inderes aims to use reliable and comprehensive information, but Inderes does not guarantee the accuracy of the presented information. Any opinions, estimates and forecasts represent the views of the authors. Inderes is not responsible for the content or accuracy of the presented information. Inderes and its employees are also not responsible for the financial outcomes of investment decisions made based on the reports or any direct or indirect damage caused by the use of the information. The information used in producing the reports may change quickly. Inderes makes no commitment to announcing any potential changes to the presented information and opinions.

The reports produced by Inderes are intended for informational use only. The reports should not be construed as offers or advice to buy, sell or subscribe investment products. Customers should also understand that past performance is not a guarantee of future results. When making investment decisions, customers must base their decisions on their own research and their estimates of the factors that influence the value of the investment and take into account their objectives and financial position and use advisors as necessary. Customers are responsible for their investment decisions and their financial outcomes.

Reports produced by Inderes may not be edited, copied or made available to others in their entirety, or in part, without Inderes' written consent. No part of this report, or the report as a whole, shall be transferred or shared in any form to the United States, Canada or Japan or the citizens of the aforementioned countries. The legislation of other countries may also lay down restrictions pertaining to the distribution of the information contained in this report. Any individuals who may be subject to such restrictions must take said restrictions into account.

Inderes issues target prices for the shares it follows. The recommendation methodology used by Inderes is based on the share's 12-month expected total shareholder return (including the share price and dividends) and takes into account Inderes' view of the risk associated with the expected returns. The recommendation policy consists of four tiers: Sell, Reduce, Accumulate and Buy. As a rule, Inderes' investment recommendations and target prices are reviewed at least 2–4 times per year in connection with the companies' interim reports, but the recommendations and target prices may also be changed at other times depending on the market conditions. The issued recommendations and target prices do not guarantee that the share price will develop in line with the estimate. Inderes primarily uses the following valuation methods in determining target prices and recommendations: Cash flow analysis (DCF), valuation multiples, peer group analysis and sum of parts analysis. The valuation methods and target price criteria used are always company-specific and they may vary significantly depending on the company and (or) industry.

Inderes' recommendation policy is based on the following distribution relative to the 12-month risk-adjusted expected total shareholder return.

Buy	The 12-month risk-adjusted expected shareholder return of the share is very attractive
Accumulate	The 12-month risk-adjusted expected shareholder return of the share is attractive
Reduce	The 12-month risk-adjusted expected shareholder return of the share is weak
Sell	The 12-month risk-adjusted expected shareholder return of the share is very weak

The assessment of the 12-month risk-adjusted expected total shareholder return based on the above-mentioned definitions is company-specific and subjective. Consequently, similar 12-month expected total shareholder returns between different shares may result in different recommendations, and the recommendations and 12-month expected total shareholder returns between different shares should not be compared with each other. The counterpart of the expected total shareholder return is Inderes' view of the risk taken by the investor, which varies considerably between companies and scenarios. Thus, a high expected total shareholder return does not necessarily lead to positive performance when the risks are exceptionally high and, correspondingly, a low expected total shareholder return does not necessarily lead to a negative recommendation if Inderes considers the risks to be moderate.

The analysts who produce Inderes' research and Inderes employees cannot have 1) shareholdings that exceed the threshold of significant financial gain or 2) shareholdings exceeding 1% in any company subject to Inderes' research activities. Inderes Oyj can only own shares in the target companies it follows to the extent shown in the company's model portfolio investing real funds. All of Inderes Oyj's shareholdings are presented in itemised form in the model portfolio. Inderes Oyj does not have other shareholdings in the target companies analysed. The remuneration of the analysts who produce the analysis are not directly or indirectly linked to the issued recommendation or views. Inderes Oyj does not have investment bank operations.

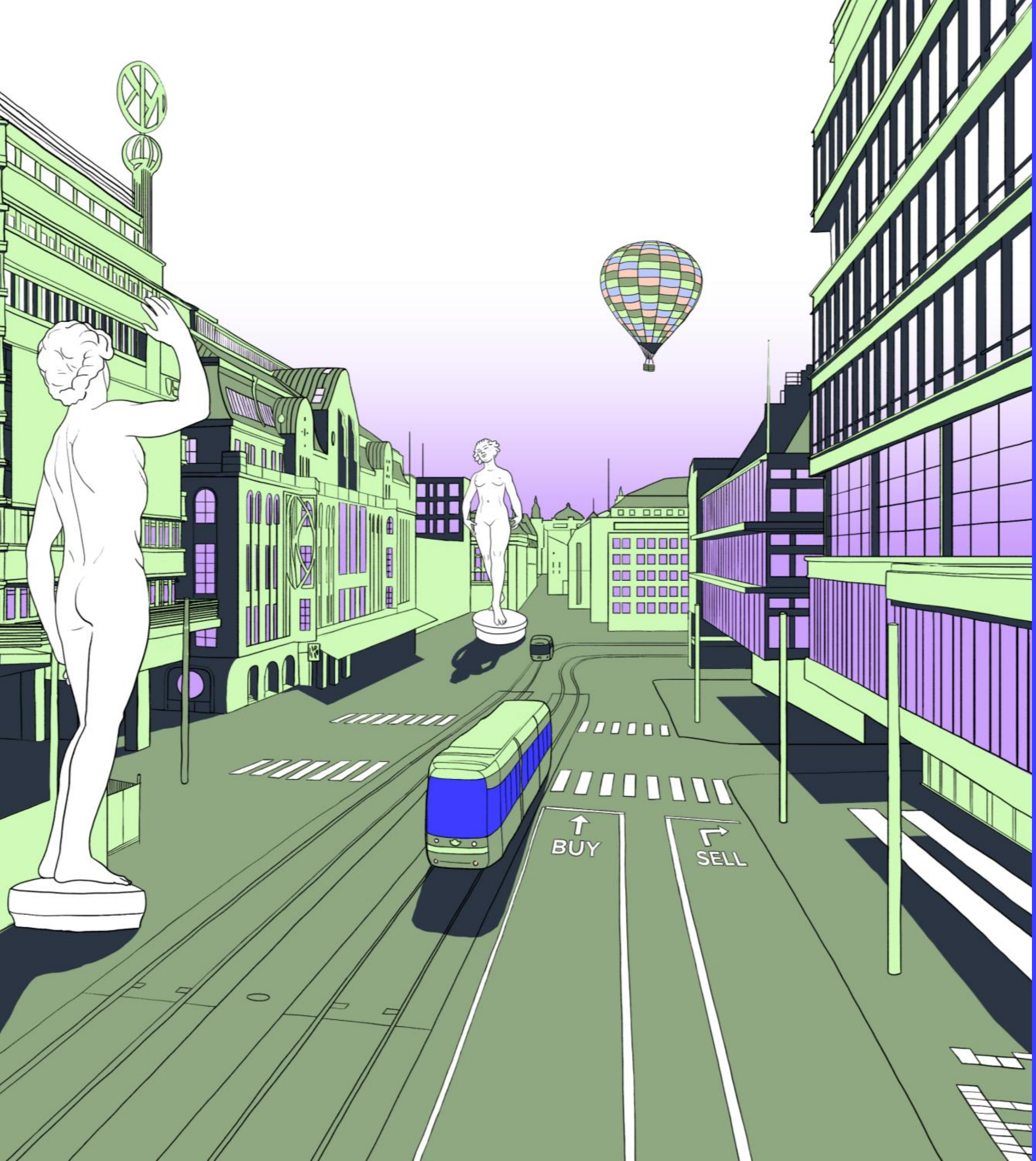
Inderes or its partners whose customer relationships may have a financial impact on Inderes may, in their business operations, seek assignments with various issuers with respect to services provided by Inderes or its partners. Thus, Inderes may be in a direct or indirect contractual relationship with an issuer that is the subject of research activities. Inderes and its partners may provide investor relations services to issuers. The aim of such services is to improve communication between the company and the capital markets. These services include the organisation of investor events, advisory services related to investor relations and the production of investor research reports.

More information about research disclaimers can be found at www.inderes.fi/research-disclaimer.

Inderes has made an agreement with the issuer and target of this report, which entails compiling a research report.

Recommendation history (>12 mo)

Date	Recommendation	Target	Share price
2022-12-12	Buy	23 kr	16.90 kr
2023-01-03	Buy	26 kr	18.00 kr
2023-06-01	Buy	22 kr	12.70 kr
2023-09-01	Buy	21 kr	15.20 kr
2023-12-01	Buy	16 kr	10.10 kr
2024-03-01	Buy	17 kr	12.09 kr
2024-03-21	Buy	20 kr	16.98 kr
	Change of Analyst		
2024-05-08	Accumulate	24 kr	20.85 kr
2024-06-24	Buy	28 kr	18.52 kr
2024-07-05	Accumulate	29 kr	25.25 kr
2024-08-13	Accumulate	35 kr	31.55 kr
2024-08-30	Accumulate	38 kr	33.65 kr
2024-10-31	Accumulate	50 kr	45.20 kr
2024-11-29	Accumulate	50 kr	41.00 kr
2025-02-28	Buy	57 kr	42.85 kr
2025-04-09	Buy	45 kr	29.60 kr
2025-05-28	Buy	45 kr	34.24 kr
2025-08-18	Buy	32 kr	20.20 kr
2025-09-19	Buy	36 kr	25.70 kr
2025-11-19	Buy	26 kr	17.99 kr
2026-01-27	Buy	24 kr	18.37 kr
2026-02-20	Buy	20 kr	13.82 kr
2026-04-08	Accumulate	18 kr	14.74 kr
2026-05-21	Accumulate	18 kr	15.99 kr
2026-05-28	Accumulate	20 kr	17.73 kr
2026-08-28	Accumulate	15 kr	11.80 kr



CONNECTING INVESTORS AND COMPANIES.

Inderes democratizes financial information by connecting investors and listed companies. For investors, we are an investing community and a trusted source of financial information and equity research. For listed companies, we are a partner in delivering high-quality investor relations. Over 500 listed companies in Europe use our investor relations products and equity research services to provide better investor communications to their shareholders.

Our goal is to be the most investor-minded company in finance. Inderes was founded in 2009 by investors, for investors. As a Nasdaq First North-listed company, we understand the day-to-day reality of our customers.

Inderes Ab
Vattugatan 17, 5tr
Stockholm
+46 8 411 43 80

inderes.se

Inderes Oyj
Porkkalankatu 5
00180 Helsinki
+358 10 219 4690

inderes.fi

inde
res.