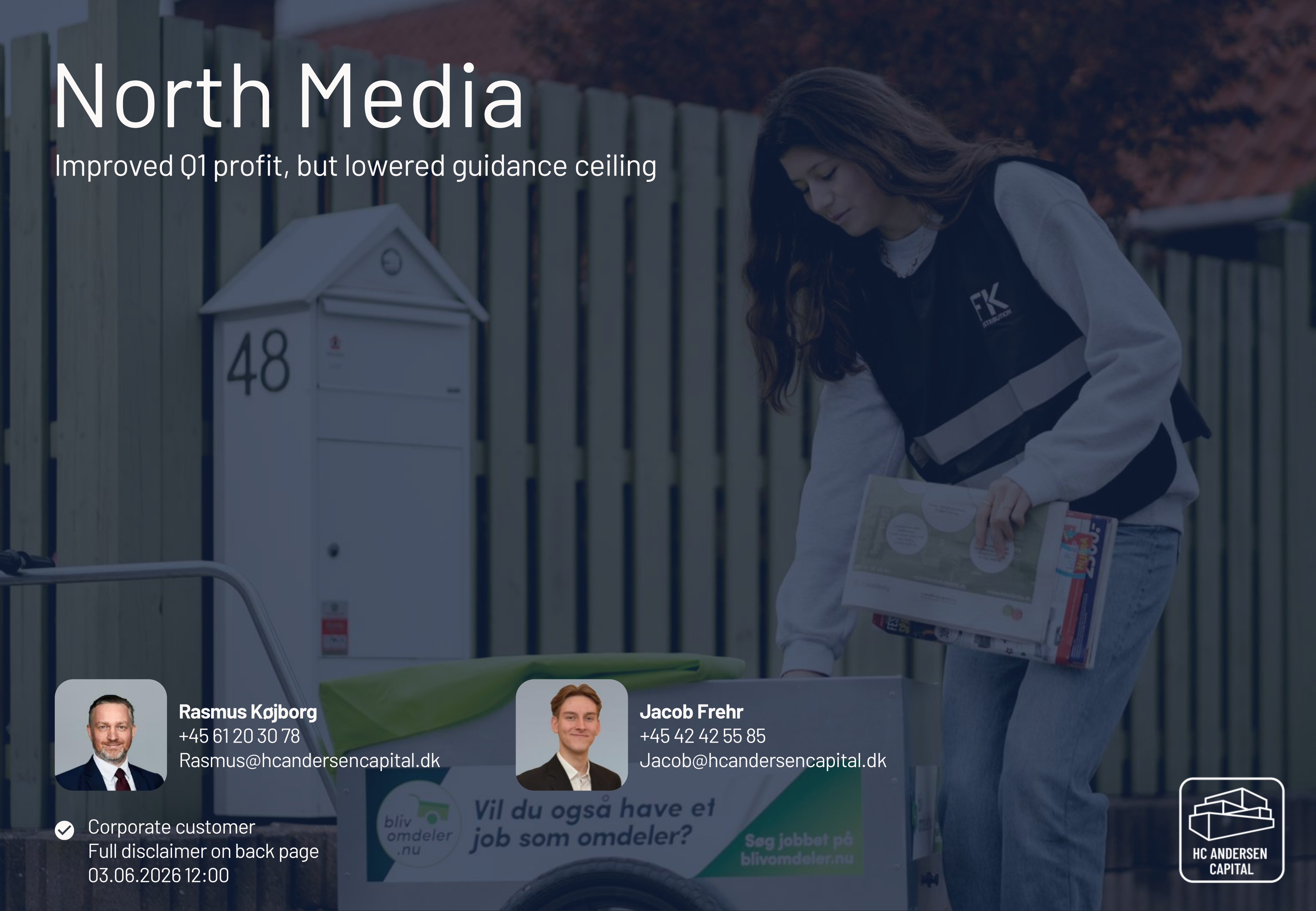

North Media

Improved Q1 profit, but lowered guidance ceiling

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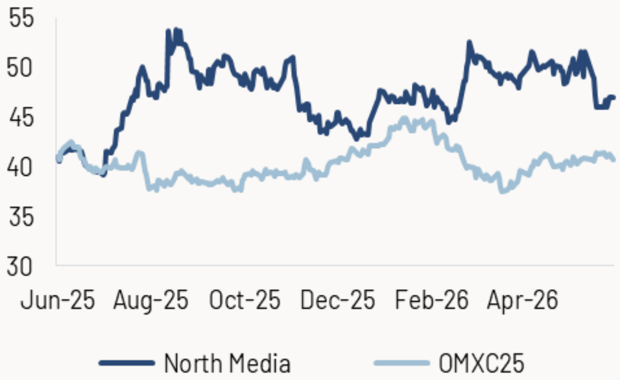
Key Financials and Valuation

Share price



YTD	5.7%	1 year:	5.0%
1 month:	5.9%	3 years:	-11.7%

Note: We apply closing price from 01 June 2026. Source: S&P Capital IQ.

Financials

DKKm	2023	2024	2025	2026E
Revenue	915	1,301	1,296	1,294
Growth	-8.1%	42.2%	-0.4%	-0.2%
EBITDA	182	154	125	147
EBITDA-%	19.9%	11.8%	9.6%	11.4%
Net income	264	62	66	N/A
Securities	652	854	815	773
Net cash	659	737	795	758
Market value	1,168	869	860	845
EV/Sales (x)	0.3	0.1	0.1	0.1
EV/EBITDA (x)	1.7	0.6	0.9	0.7
EV/EBIT (x)	2.1	-1.2	1.6	1.2
P/E (x)	4.4	14.1	13.0	N/A

Note: *Market value from 01 June 2026. Net cash is from the Q1 2026 report. Source: S&P Capital IQ.

Guidance 2026E

DKKm	North Media
Revenue	1,267 to 1,320
Revenue growth-%	-2.6% to 1.9%
Previous guidance	1,267 to 1,333
EBITDA	133 to 161
EBITDA margin	10.5% to 12,2%
Previous guidance	133 to 175
EBIT	75 to 103
EBIT margin	5.9% to 7.8%
Previous guidance	75 to 117

Note: Guidance is from North Media's Q1 2026 report. In Q1 2026 North Media narrowed 2026 guidance cutting the top end of revenue, EBITDA and EBIT.

Valuation Perspectives

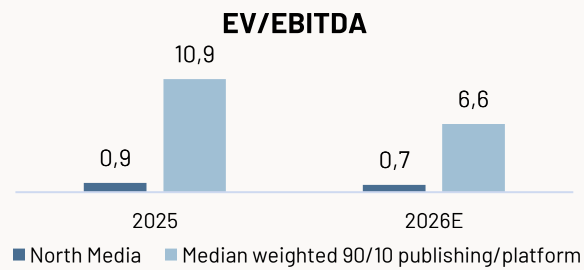
North Media trades at a very large discount to peers, with 2025 EV/EBITDA of 0.9x and EV/EBIT of 1.6x versus a 90/10 publishing/platform weighted peer median of 10.9x and 16.7x. On 2026E the discount persists at 0.7x and 1.2x versus 6.6x and 11.8x - roughly 90% below peers.

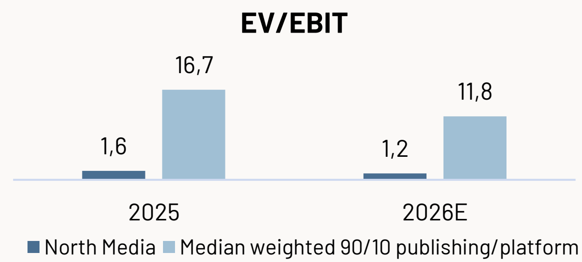
This is explained by the securities portfolio. North Media holds net cash of DKK 758m (incl. securities values) against a market cap of ~DKK 845m, resulting in a very low implied EV. The market assigns little value to an operating business that lifted Q1 2026 EBIT to DKK 4m, generated EBIT of DKK 66m and FCF of DKK 69m in 2025, with the top end of 2026 guidance cut across revenue, EBITDA and EBIT on a weak start in SDR and BoligPortal.

The valuation can be partly explained by an ongoing structural decline in printed matter volumes affecting North Media's largest Last Mile business unit. Ongoing investment in loss-making business units and a mixed history of M&A add uncertainty regarding future investment decisions.

Key triggers to close the valuation gap include demonstrating a clear path to profitability for Bekey and SDR, which would narrow loss-making investments, as Dayli began doing in Q1 2026. Additionally, an M&A strategy with a mixed history of acquisitions can put pressure on valuation, until a track record of value creating M&A is proven. A sustained return to paying dividends may also support valuation gains.

Valuation multiples (x)





Investment case – Solid cash flow despite declining market

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Key Investment Reasons

- 2025 delivered operational stabilization with EBIT of DKK 66m. (vs. -75m. in 2024, impacted by SDR impairment) and free cash flow recovering to DKK 69m (2024: DKK -31m). Q1 extended this with EBIT of DKK 4m and EBITDA up 72%, though management cut the top end of 2026 guidance.
- North Media trades at a market cap roughly equal to its cash and securities value, implying the market assigns near-zero value to the operating business despite solid free cash flow.
- Combined cash and securities of DKK 885m (at Q1) provides significant firepower for Digital Services investment and M&A to realise growth, however, with a mixed history of M&A.

Key Investment Risks

- Last Mile faces structural decline from digitisation, while SDR's transformation has lagged, with Q1 2026 EBITDA at -10m pushing break-even past 2026. Bekey's path to profitability remains uncertain and drags on Digital Services.
- The DKK 855m securities portfolio (at 30.04.2026) has appreciated since 2015 but carries concentration risk, with NVIDIA at ~30%, linking group value to equity market volatility and deterring some investors.'
- A ruling against FK Distribution for abusing its dominant position in 2018–2019 creates a contingent liability until the appeal, expected April 2027. The management change has now taken effect, with a new CEO and CFO.

Company description: North Media connects businesses with customers through its Last Mile distribution network and Digital Services. Last Mile (FK Distribution and SDR Svensk Direktreklam) distributes leaflets and local newspapers to 62% of Danish and 49% of Swedish households. Digital Services comprise BoligPortal (leading Danish rental platform), Dayli (digital retail discounts platform with Publisher SaaS), and Bekey (digital access solutions). Karman Connect (50% owned) is a fintech matching borrowers and lenders across seven countries.

Investment case: 2025 delivered operational stabilization with revenue of DKK 1,296m and EBIT of DKK 66m (vs. -75m. in 2024, impacted by a DKK 155m SDR impairment). Free cash flow recovered strongly to DKK 69m (2024: -31m). Dividends resumed at DKK 1.25/share (46% payout). Q1 2026 confirmed the trajectory, with EBIT up to DKK 4m, though management cut the top end of guidance on a weak start in SDR and BoligPortal, attributing FK Distribution's resilience to price adjustments and new volumes from PostNord's market exit.

SDR completed its machine packing transformation in November 2025, enabling cost reductions from 2026, but integration has taken longer than expected and Q1 2026 revenue fell 12%. Digital Services turned EBITDA-positive at DKK 9m in 2025, and Dayli stayed positive in Q1. BoligPortal had a weak Q1, with revenue down 3% and margin compressing to 19% (29%). Dayli's publisher platform launched in Denmark; Sweden rollout proved slower than planned.

The implied EV remains very low after adjusting for the DKK 892m estimated cash and securities position, despite a business generating DKK 66m EBIT in FY2025 and an improving Q1 2026 run-rate. Despite gradual market declines, the narrowed guidance still points to improving profitability in 2026E and an outlook for sustained strong cash flow over the medium term.

Capital resources stood at DKK 870m at end-Q1 2026, with the securities portfolio at DKK 855m by end-April, leaving the valuation largely backed by cash rather than operations. While FK Distribution improved and Digital Services losses narrowed, SDR's turnaround and BoligPortal's recovery from a weak start remain unproven, and the operating business still carries limited market value.

A return to dividends after the resumed 2025 payout, combined with a clear profitability path for SDR and Bekey, remains key to closing the discount. The DKK 885m cash and securities position gives management ample firepower for Digital Services investment and M&A, though the mixed acquisition history tempers how much value the market ascribes to it. Until the operating turnaround is proven, the cash backing provides downside protection, but a sustained re-rating likely requires evidence that SDR and BoligPortal can recover and that capital is deployed accretively.

Peer Group (1/2) – Publishing and Platform peers justification

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Our North Media peer group comprises companies sharing comparable aspects in European publishing/distribution and digital classifieds markets. North Media's business is split ~85–90% Last Mile (FK Distribution and SDR, physical leaflet distribution in Denmark and Sweden) and ~10–15% Digital Services (BoligPortal rental classifieds, Dayli digital offers, and Bekey smart access). The group generated DKK 1,296m revenue and DKK 125m EBITDA in 2025, with a cash and securities position of DKK 885m nearly exceeding the current market cap of ~DKK 845m.

We divide peers into two groups. Publishing peers are most comparable given the dominant share of physical distribution revenue, though platform peers capture the valuation characteristics most relevant to BoligPortal, the highest-margin segment.

Publishing peers: Alma Media Oyj, Rebl Group Oyj, Sanoma Oyj, and TX Group AG. These provide benchmarks for the Last Mile segment, though North Media's structural exposure to secular print volume decline and its unique combination of distribution logistics with a growing digital portfolio differentiate it from peers with more advanced digital revenue mixes. The publishing peer median trades at 2026E multiples of 6.1x EV/EBITDA and 11.7x EV/EBIT, with a median dividend yield of 3.6%.

Platform peers: Rightmove plc and Scout24 SE. These are most relevant to BoligPortal, which generated a 29% EBITDA margin in 2025, though this compressed to 19% in Q1 2026. Platform peers trade at significantly higher at 11.0x EV/EBITDA and 12.1x EV/EBIT, reflecting their scale, dominant market positions, and superior growth visibility.

Peer group

Company	Total return YTD	Market cap (EURm)	EV (EURm)	EV/EBITDA 2025	EV/EBITDA 2026E	EV/EBIT 2025	EV/EBIT 2026E	Div yield 2025	Div yield 2026E	EBIT margin (%) 3-yr avg.	EBIT margin (%) LTM
Median - Publishing peers	-0.2%	1,324	1,445	10.2	6.1	16.5	11.7	3.4%	3.6%	5.0%	5.7%
Median - Platform peers	-14.9%	4,465	4,613	16.9	11.0	17.8	12.1	2.3%	2.5%	56.6%	56.9%
Median weighted 90/10 publishing/platform				**10.9**	**6.6**	**16.7**	**11.8**	**3.3%**	**3.5%**	**10.2%**	**10.8%**
North Media	**0.8%**	**113**	**14**	**0.9**	**0.7**	**1.6**	**1.2**	**2.6%**	**N/A**	**5.2%**	**5.6%**
Premium (+) / Discount (-) to peers				-92%	-89%	-90%	-87%				

Note: data from 01/06/2026

Source: S&P Capital IQ

Peer Group (2/2) – Full peer overview and securities portfolio

Company	Price (local)	Total return YTD	Market cap (EURm)	EV (EURm)	EV/EBITDA 2025	EV/EBITDA 2026E	EV/EBIT 2025	EV/EBIT 2026E	Div yield 2025	Div yield 2026E	EBIT margin (%) 3-yr avg	EBIT margin (%) LTM
Alma Media Oyj	EUR 14	1.1%	1,153	1,253	13.6	11.7	16.6	13.7	3.4%	3.6%	23.7%	24.7%
Rebl Group Oyj	EUR 1.1	7.1%	13	30	5.7	3.5	N/A	N/A	N/A	N/A	-2.3%	-4.3%
Sanoma Oyj	EUR 9.2	-1.4%	1,498	2,185	7.4	5.6	16.4	9.9	4.5%	4.9%	7.4%	9.6%
TX Group AG	CHF 133	-16.8%	1,495	1,637	13.1	6.6	N/A	11.7	3.4%	3.6%	2.7%	1.8%
Median - Publishing peers		**-0.2%**	**1,324**	**1,445**	**10.2**	**6.1**	**16.5**	**11.7**	**3.4%**	**3.6%**	**5.0%**	**5.7%**
Rightmove plc	GBP 4.3	-16.5%	3,702	3,661	13.8	10.0	14.0	10.3	2.5%	2.7%	68.9%	67.7%
Scout24 SE	EUR 74.5	-13.2%	5,227	5,565	20.0	12.0	21.6	13.9	2.1%	2.4%	44.2%	46.1%
Median - Platform peers		**-14.9%**	**4,465**	**4,613**	**16.9**	**11.0**	**17.8**	**12.1**	**2.3%**	**2.5%**	**56.6%**	**56.9%**
Median - All			1,496	1,911	13.3	8.3	16.5	11.7	3.4%	3.6%	15.5%	17.2%
Median weighted 90/10 publishing/platform					**10.9**	**6.6**	**16.7**	**11.8**	**3.3%**	**3.5%**	**10.2%**	**10.8%**
North Media A/S	**DKK 46.9**	**0.8%**	**113**	**14**	**0.9**	**0.7**	**1.6**	**1.2**	**2.6%**	**N/A**	**5.2%**	**5.6%**
					-92%	-89%	-90%	-90%				

Note: data from 01/06/2026

Source: S&P Capital IQ

North Media securities portfolio

Stock (Value in DKKm)	31/12/2026	30/04/2026
NVIDIA	237.0	254.9
Novo Nordisk	97.6	81.7
Microsoft	107.5	91.1
Apple	86.4	86.6
Mercado Libre	38.4	34.3
Teradyne	73.8	131.6
Sea	24.3	10.9
Genmab	40.5	33.8
Amazon	58.6	67.6
Maj Invest ETF Defence	43.0	43.6
NKT	0.0	18.8
Hexagon	7.6	0.0
	814.7	**854.9**

Stock (%-weight)	31/12/2026	30/04/2026
NVIDIA	29%	30%
Novo Nordisk	12%	10%
Microsoft	13%	11%
Apple	11%	10%
Mercado Libre	5%	4%
Teradyne	9%	15%
Sea	3%	1%
Genmab	5%	4%
Amazon	7%	8%
Maj Invest ETF Defence	5%	5%
NKT	0%	2%
Hexagon	1%	0%
	100%	**100%**

Top 1 holding accounts for 30%
(Nvidia)

Top 3 holdings accounts for 56%
(Nvidia, Teradyne & Microsoft)

Top 5 holdings accounts for 77%
(Nvidia, Teradyne, Microsoft, Apple & Novo Nordisk)

Securities portfolio leads to low enterprise value

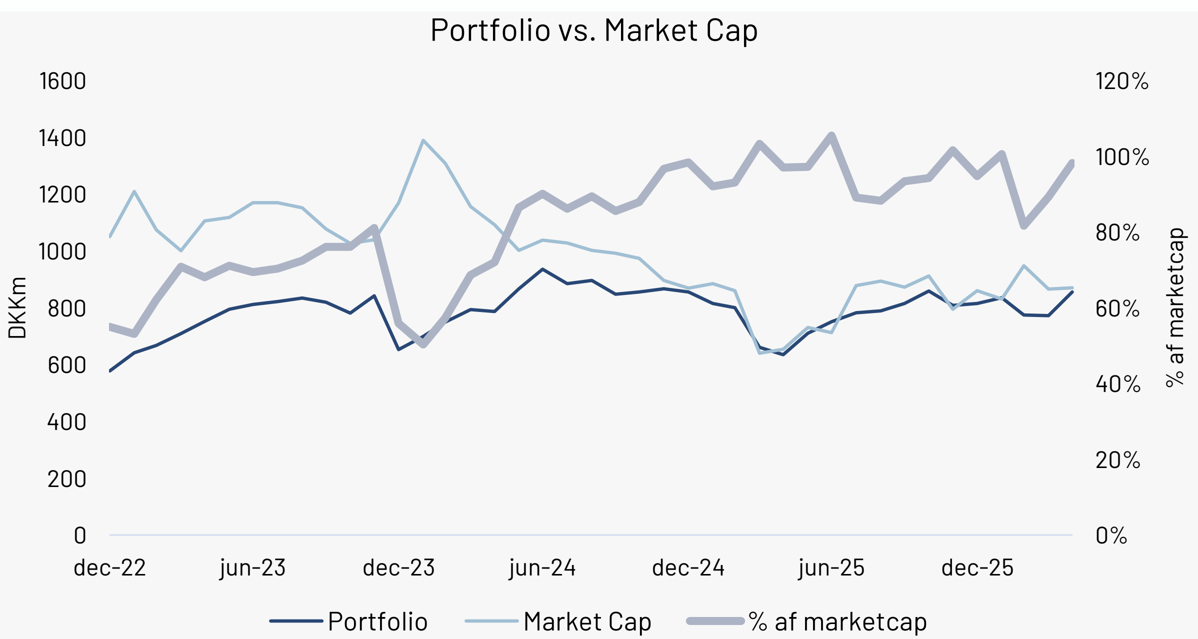
North Media's listed securities portfolio has grown to a size that materially affects how the company should be valued. The market value of the portfolio is now close to the company's own market capitalization. The gap between market cap and the portfolio has narrowed since 2023, and the portfolio to market cap ratio has moved in a range of 80–105% since 2024, most recently around 95%.

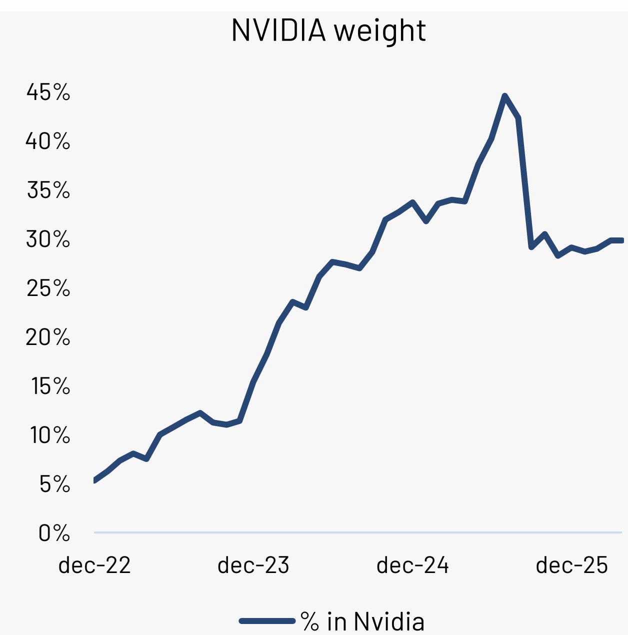
Potential rerating: In practice, North Media's market cap is now almost fully covered by its financial assets alone. Once securities are deducted from the market cap, the operating business is valued at close to zero. The guidance for 2026 suggests an increase in EBITDA, and if they deliver on guidance, they trade at a discount compared to peers (once adjusted for the portfolio). If confidence in management grows, the market may price in a premium on the operating business rather than valuing the company solely on its portfolio.

Risks: The portfolio composition carries meaningful concentration risk. The Top 3 and Top 5 holdings have historically made up 65–70% and 85–90% of the portfolio, respectively, and although concentration has eased to around 55% (Top 3) and 75% (Top 5), the portfolio remains far from broadly diversified. As a result, North Media's stock trades in close correlation with its securities portfolio.

NVIDIA alone peaked at around 45% of the portfolio and still accounts for about 30%, which is an unusually high single-stock exposure for a non-financial listed company. A significant drop in NVIDIA or other large holding would directly reduce the securities portfolio value.

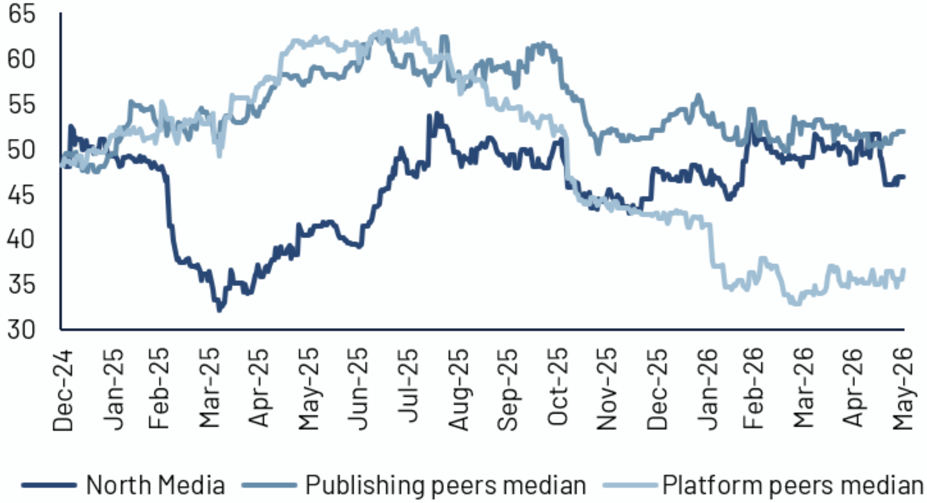
North Media sold portfolio holdings to fund the SDR acquisition, which has had multiple write-downs after the acquisition. This track record likely contributes to the market's discount on the operating business.



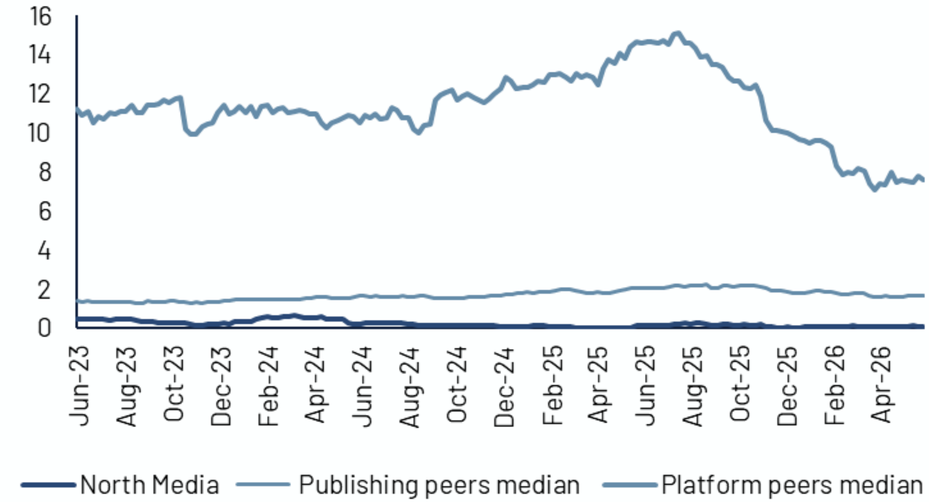


Valuation vs. Peers

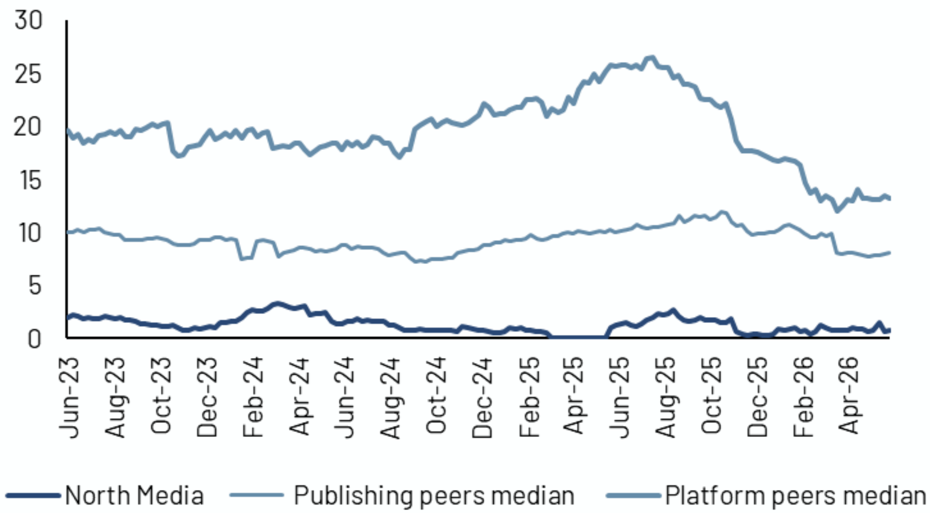
North Media price returns vs peer group median



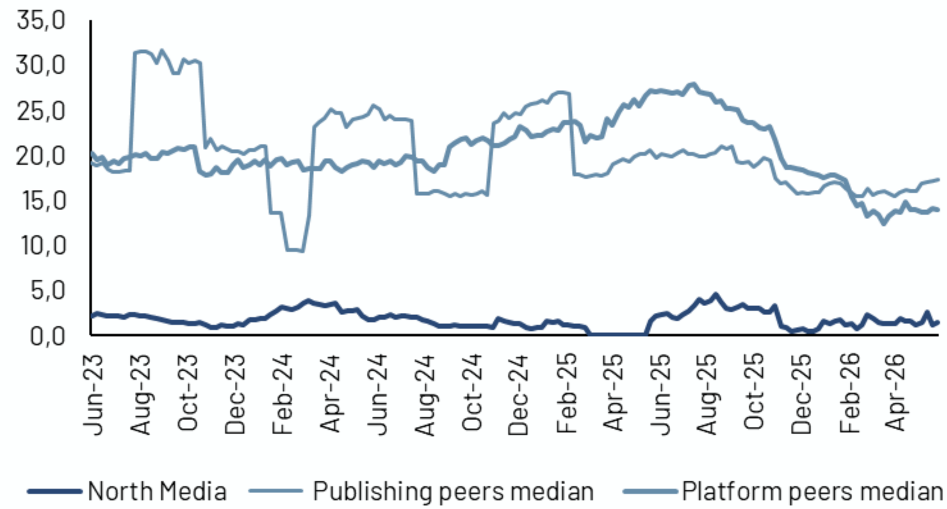
North Media vs peer group EV/Sales (LTM)



North Media vs peer group EV/EBITDA (LTM)



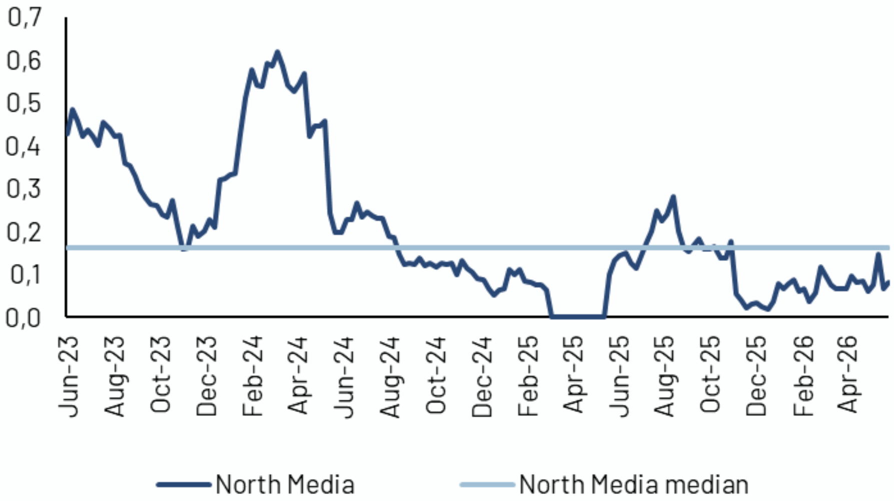
North Media vs peer group EV/EBIT (LTM)



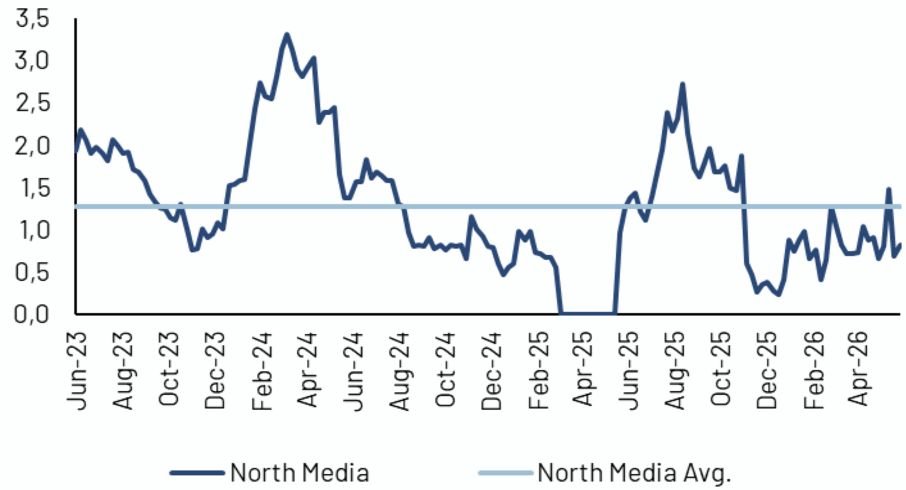
Source: S&P Capital IQ Pro, 02-06-2026

Valuation vs. Historical

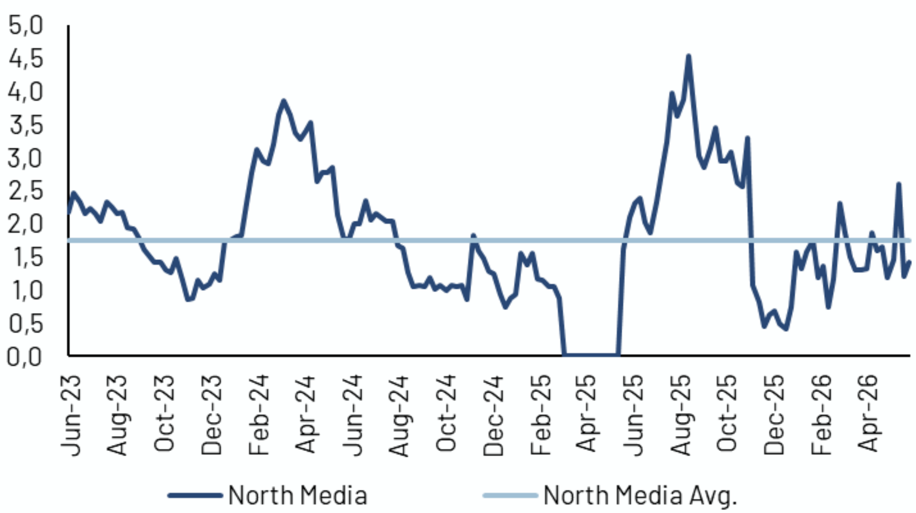
North Media vs 3-year median EV/Sales (LTM)



North Media vs 3-year median EV/EBITDA (LTM)



North Media vs 3-year median EV/EBIT (LTM)



Source: S&P Capital IQ Pro, 02-06-2026

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