VERVE

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INDERES CORPORATE CUSTOMER

COMPANY REPORT

Burden of proof remains on cash flows

Verve's Q4 report confirmed the preliminary figures from January, with revenue reaching 194 MEUR with an adjusted EBITDA margin of 25%. However, the detailed cash flow statement reinforced our concern about weak cash flows, which continue to challenge our investment thesis. With cash conversion being notably weaker than in previous years and debt levels remaining high, the execution and deleveraging trajectories are increasingly unclear. Management attributed the weak cash flows to limitations on its receivables securitization program and emphasized that expanding the program is a top priority for 2026, expecting it to notably strengthen cash conversion. While we view this direction as sound, the timing, magnitude, and effects of this remain uncertain, and we have lowered our FCFF estimates to reflect this uncertainty. Management needs to demonstrate sustained cash conversion improvement before we can place greater confidence in the investment case. We lower our target price to SEK 20 (was SEK 24) and reiterate our Buy recommendation, as we continue to weigh attractive valuation multiples against ongoing execution uncertainties.

Cash flows disappoint, but customer metrics reassure

As the top line and EBITDA were already known ahead of the report, our primary focus was on cash flow, balance sheet, key performance indicators (KPIs), and the customer base. Regarding cash flow, the report confirmed clear challenges in converting its earnings into free cash flow. Operating cash flow for Q4 came in at 20 MEUR, significantly below the comparable period of 55 MEUR, and FCFF amounted to 11 MEUR (Q4'24: 42 MEUR). The primary driver of this weakness was working capital, which consumed 26 MEUR in the quarter despite Q4 being a seasonally strong period for cash flow. Management attributed this to securitization program limitations and timing mismatches between advertiser and publisher payments. To better neutralize the working capital impact of growth in 2026, Verve intends to expand the program, which it expects to strengthen cash conversion and contribute to deleveraging of the balance sheet. Operationally, we feel the key KPIs were overall solid. While net dollar expansion rate only improved gradually to 92% (Q3'25: 90%), customer retention reached a record high of 99% (2Y avg: 96%), showing continued customer trust post-unification.

Minor revisions with more conservative cash flow outlook

Given that the Q4 results were in line with the preliminary figures and our estimates were already adjusted following that disclosure, we are making only minor revisions to our forecasts. Specifically, we have recalibrated the quarterly phasing for 2026, expecting a somewhat weaker H1 and stronger H2 due to FX headwinds, reassessed the short-term impact of the large customer loss, and communicated front-loaded sales force investments. Our FY2026 estimates remain largely unchanged at 697 MEUR revenue (was 705 MEUR) and 155 MEUR adjusted EBITDA (was 158 MEUR), still within the company's 2026 guidance. We have lowered our FCFF estimates to reflect execution uncertainty around the securitization program expansion. We now project 2026 FCFF* of 70 MEUR (down 12%) and 2027 FCFF of 91 MEUR (down 7%).

Attractive multiples, but credibility must be rebuilt

Verve's valuation remains very attractive on paper, trading at an adjusted EV/EBIT multiple of 6x and an EV/FCFF multiple of 9x for 2026, below both historical levels and comparable peers. However, we think current execution uncertainties and the challenging 2025 weigh on what are justified multiples at the time being, with management having much to prove. Before any meaningful re-rating, management needs to demonstrate sustained cash conversion improvement, prove that platform efficiencies are sustainable, and rebuild investor trust through consistent execution. That said, the platform is now unified, the market environment appears to be stable, and the 2026 guidance suggests that management has confidence in returning to a more normalized growth trajectory. On this basis, if the company can demonstrate improved cash conversion in 2026 and make meaningful progress toward its deleveraging targets, we believe the stock could re-rate significantly. However, we believe the company has much to prove before a stronger scenario can be priced in with confidence.

Recommendation
Buy
(prev. Buy)

Target price:
SEK 20.00
(prev. SEK 24)

Share price:
SEK 13.82

Business risk
●●●○○

Valuation risk
●●○○○

	2025	2026e	2027e	2028e
Revenue	550.9	696.8	762.0	824.3
growth-%	26%	26%	9%	8%
EBIT adj.	99.0	119.4	148.8	164.2
EBIT-% adj.	18.0 %	17.1 %	19.5 %	19.9 %
Net Income	0.7	41.7	64.7	78.3
EPS (adj.)	0.15	0.31	0.42	0.49
P/E (adj.)	8.5	4.2	3.1	2.7
P/B	0.6	0.6	0.5	0.4
Dividend yield-%	0.0 %	0.0 %	0.0 %	0.0 %
EV/EBIT (adj.)	7.1	5.9	4.4	3.5
EV/EBITDA	5.8	4.5	3.6	3.0
EV/S	1.3	1.0	0.9	0.7

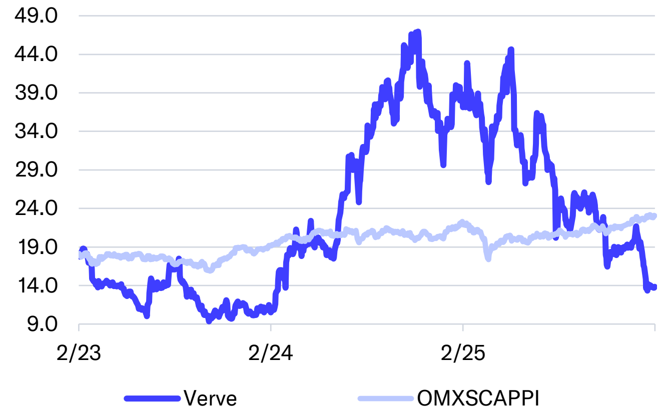
Source: Inderes

Guidance (Unchanged)

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

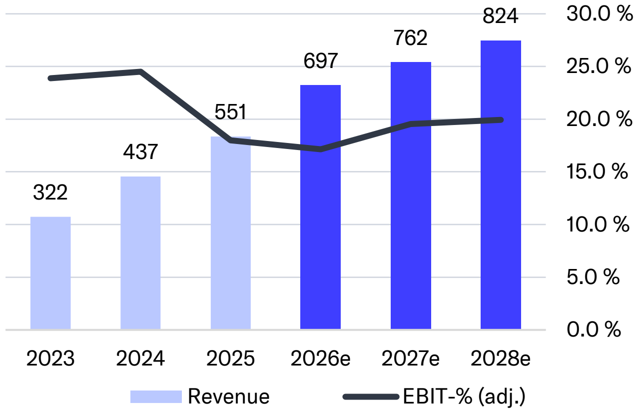
*Adjusted for earn-out payments linked to Jun Group and Acardo of ~30 MEUR

Share price



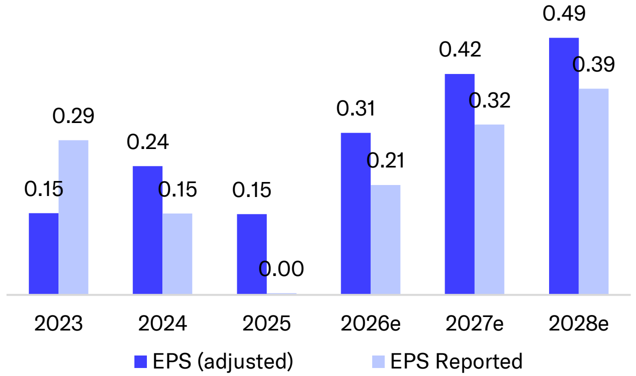
Source: Millistream Market Data AB

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
- Several proprietary targeting solutions for a post-identifier and cookie-less world
- 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
- Improved quality of earnings and increased potential for synergies in coming years following the acquisition of Jun Group

Risk factors

- Failing to maintain/increase market share in programmatic advertising
- Market disruption due to technological or regulatory reasons
- Despite a partial recovery in ad spending, persistent low CPMs and evolving privacy regulations pose ongoing risks
- Rapid slowdown in first-party games revenue
- Macroeconomic challenges could constrain marketing budgets and decelerate growth

Valuation	2026e	2027e	2028e
Share price (EUR)	1.30	1.30	1.30
Number of shares, millions	200.1	200.1	200.1
Market cap (MEUR)	259	259	259
EV (MEUR)	700	651	575
P/E (adj.)	4.2	3.1	2.7
P/E	6.2	4.0	3.3
P/B	0.6	0.5	0.4
P/S	0.4	0.3	0.3
EV/Sales	1.0	0.9	0.7
EV/EBITDA	4.5	3.6	3.0
EV/EBIT (adj.)	5.9	4.4	3.5
EV/FCFF (adj.)*	-71.4	9.2	6.3
Dividend yield-%	0.0 %	0.0 %	0.0 %

Source: Inderes

Strong retention rate, but cash flows disappoint 1/2

In line with preliminary figures

The income statement offered no major surprises following the company's earnings update on January 26. Revenue grew by 10% year-on-year (like-for-like), with 5% organic growth, reaching 194 MEUR. Adjusted EBITDA was 48 MEUR with a margin of 25%. However, adjusted EBIT came in at 38 MEUR (Q4'24: 42 MEUR), corresponding to a 19% margin (24%), which was below our 42 MEUR estimate. This mainly due to higher-than-expected PPA amortization expenses.

Our key focus heading into the report was the cash flow statement, deleveraging trajectory, health of the customer base, and operational metrics following the challenging 2025.

Q4 report confirmed our view of weakness in cash flow

Operating cash flow reached 20 MEUR versus Q4'24's 55 MEUR, showcasing weak conversion from the generated 48 MEUR in adjusted EBITDA. Working capital consumed 26 MEUR, which management attributed to limitations on its securitization of receivables and a mismatch between receivable payments and payments to publishers. During the earnings call, management revealed that the receivable linked to the large customer that was lost during the quarter amounted 8 MUSD and remains on the balance sheet. However, they did not disclose the magnitude of the impairment as discussions with different counter-parties are ongoing.

After CapEx of 10 MEUR and adjusted for M&A payments, FCFF landed at 11 MEUR, which was in the lower end of our estimate (10-20 MEUR) following the release of the preliminary figures and well below Q4'24's 42 MEUR. As such, full-year FCFF totaled -10 MEUR (2024: 96 MEUR), representing -7% EBITDA conversion (71%).

In the report, management emphasized a stronger focus on liquidity management in 2026 and is working on not only expanding its securitization program but also include additional legal entities to the program in 2026 (two entities planned in H1'26) to neutralize the working capital impact of future growth.

Against this backdrop, Verve expects notably stronger cash conversion and ability to deleverage throughout 2026. To our understanding, management expects some benefits in Q1 cash flow from the working capital build-ups in Q4. However, Q1 and Q2 are seasonally weaker quarters in terms of cash flow generation, and we expect this pattern to remain during H1'26.

We think the weak cash flow generation throughout 2025 and especially during the company's seasonally strongest cash converting quarters was the primary reason for the bond tap of 50 MEUR that the company announced in early February. With the year-end cash balance amounting to 89 MEUR and Verve now facing two seasonally weaker quarters (H1), the bond tap provides additional headroom for working capital tie ups, continue investments in sales organization, expected contingent considerations of ~ 30 MEUR in 2026, and other growth initiatives.

Estimates MEUR / EUR	Q4'24 Comparison	Q4'25 Actualized	Q4'25e Inderes	Difference (%) Act. vs. inderes	2025 Actual
Revenue	176	194	194	0%	551
EBITDA (adj.)	48.5	48.3	48.3	0%	134
EBIT (adj.)	42.1	37.5	41.8	-10%	99.0
EBIT	33.9	29.2	34.3	-15%	69.1
PTP	17.1	14.0	23.3	-40%	7.2
EPS (adj.)	0.10	0.05	0.11	-55%	0.09
EPS (reported)	0.08	0.02	0.09	-77%	0.00
Revenue growth-%	-	9.9 %	9.9 %	0 pp	26.1 %
EBIT-% (adj.)	23.9 %	19.3 %	21.6 %	-2.2 pp	18.0 %

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

Strong retention rate, but cash flows disappoint 2/2

Key operational metrics were solid

We believe the key operational metrics were overall solid. Net dollar expansion rate (NDER) came in at 92% (Q3'25: 90%, Q4'24: 110%), representing a small improvement quarter-on-quarter, but it still reflects weakening spend; as the ratio is calculated on a trailing twelve-month basis, the platform outage earlier in 2025 continues to have lingering effects. On a more positive note, the number of large software clients increased by 5% (q/q) and customer retention reached a record high level of 99%, which is above the 2-year average of 97%. We are encouraged by this high retention rate as it continues to show customer continued confidence in Verve post-unification.

Management reiterated its 2026 guidance announced with the preliminary figures of 680-730 MEUR revenue (17% growth at midpoint) and 145-175 MEUR adjusted EBITDA (23% margin). Management also emphasized that the guidance is conservative and that currency effects is creating notable headwinds, which is visible in the guidance. In addition, the company expects its planned investments in the sales force to be front-loaded in 2026 (Q1 and Q2), which will temporarily put pressure on EBITDA margins before the new sales cohorts reach full productivity later in 2026. However, management also noted on the earnings call that the exact timing of "sales-productivity inflection point" is difficult to forecast with quarterly precision.

Operational progress is evident, but the burden of proof remains on cash flows

Overall, the Q4 report reassured us that the customer impact post-unification remains low, showing a growing customer base and that existing customers increasingly stick with Verve. While platform efficiencies are visible in margins, cash conversion weakness remains a key concern in our view. While management emphasized a much stronger focus on cash flow and liquidity management in 2026 and expects notably improved cash conversion by neutralizing the working capital impacts of growth through primarily expanding the size and utilization of its securitization program, no specific targets were revealed. As such, we feel the burden of proof is on Verve in the coming quarters to show clear improvements in cash flow generation and progress in deleveraging to regain trust from investors.

Estimates MEUR / EUR	Q4'24 Comparison	Q4'25 Actualized	Q4'25e Inderes	Difference (%) Act. vs. inderes	2025 Actual
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EBIT	33.9	29.2	34.3	-15%	69.1
PTP	17.1	14.0	23.3	-40%	7.2
EPS (adj.)	0.10	0.05	0.11	-55%	0.09
EPS (reported)	0.08	0.02	0.09	-77%	0.00
Revenue growth-%	-	9.9 %	9.9 %	0 pp	26.1 %
EBIT-% (adj.)	23.9 %	19.3 %	21.6 %	-2.2 pp	18.0 %

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

Our estimate revisions were focused on FCFF (1/2)

Estimate changes

- Following the Q4 report, we are making only minor adjustments to our estimates, as the headline figures were largely in line with the preliminary results released in early February. However, based on the earnings call commentary and current foreign exchange developments, we have recalibrated our quarterly phasing for 2026, now expecting a somewhat weaker H1 and a correspondingly stronger H2. The weaker first half reflects three primary factors: persistent FX headwinds from USD weakness since the start of 2026, reassessed recovery from the large customer loss that occurred during Q4'25, and the front-loaded investments in sales force expansion that will weigh on margins before these reach full productivity. Management emphasized during the call that they expect momentum to build progressively as the year advances, with H2 benefiting from sales force ramp-up, anniversary-ing the customer loss, and potentially more favorable FX conditions. Despite this quarterly recalibration, our full-year 2026 estimates remain largely unchanged at 697 MEUR (was 705 MEUR) revenue and 155 MEUR adjusted EBITDA (was 158 MEUR), both close to the midpoint of management's guidance range.
- Net financials came in above our estimates in Q4 which, coupled with the announced bond tap of 50 MEUR in early February and the company's intention to expand its securitization program, prompted us to increase our financing expense estimates in 2026-2028.
- On cash flows, the earnings call provided important clarity on the primary driver behind the weak 2025 performance and persistent working capital consumption. Based on our understanding from management's commentary, the key issue in 2025 has been the limitations on Verve's receivables securitization program rather than a structural deterioration in the underlying working capital dynamics of the business. The company has historically used this program to bridge the timing mismatch between paying publishers (typically 45 days) and collecting from advertisers (typically 90 days), effectively neutralizing much of the working capital impact of growth. However, these limitations constrained the program's utilization throughout 2025, forcing the company to fund more of its working capital needs through operating cash flow or debt. Management emphasized that expanding this securitization program is a top priority for 2026 and outlined plans to include additional group legal entities in the program, which they expect will notably strengthen cash conversion and contribute meaningfully to deleveraging throughout the year.

Estimate revisions MEUR / EUR	2025 Inderes	2025e Actualized	Change %	2026e Old	2026e New	Change %	2027e Old	2027e New	Change %
Revenue	551	551	0%	705	697	-1%	771	762	-1%
EBITDA	122	122	0%	158	155	-1%	182	181	-1%
EBIT (exc. NRIs)	99.0	99.0	0%	132	119	-9%	153	149	-3%
EBIT	69.1	69.1	0%	112	99.7	-11%	134	130	-3%
PTP	7.2	7.2	0%	75.4	55.7	-26%	98.2	86.2	-12%
EPS (excl. NRIs)	0.15	0.15	0%	0.38	0.31	-19%	0.46	0.42	-10%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	-

Source: Inderes

Our estimate revisions were focusing on FCFF (1/2)

- While we acknowledge management's focus on addressing this issue and believe the strategic direction is sound, we have nonetheless lowered our free cash flow estimates for 2026-2027 to reflect the execution uncertainty around this initiative. We now project 2026 FCFF* of 70 MEUR, down from our previous estimate of 80 MEUR (-12%), representing a conversion rate of roughly 45% from adjusted EBITDA. For 2027, we have reduced our FCFF estimate to 91 MEUR from 98 MEUR previously (-7%). These revisions reflect our view that the timing, magnitude, and ultimate impact of the securitization program expansion remains somewhat uncertain at this point.
- Based on our revised cash flow assumptions and small earnings revisions, we now estimate that Verve's leverage ratio will decline to ~2.8x by year-end 2026, compared reported level of 3x in Q4'25 (pro forma). This suggests that it will likely take until late 2027 to reach the company's long-term target range of 1.5-2.5x.

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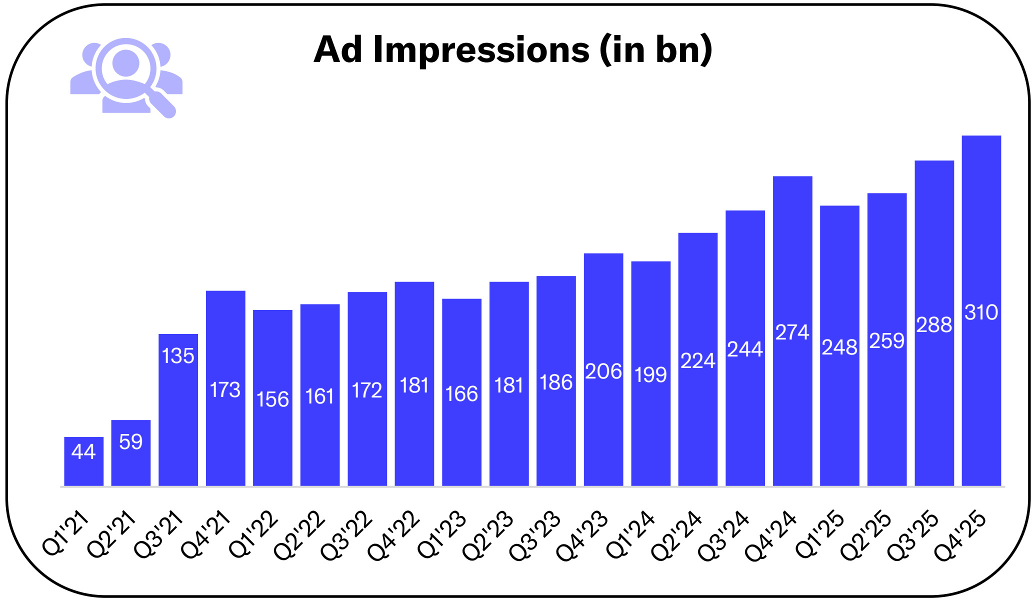
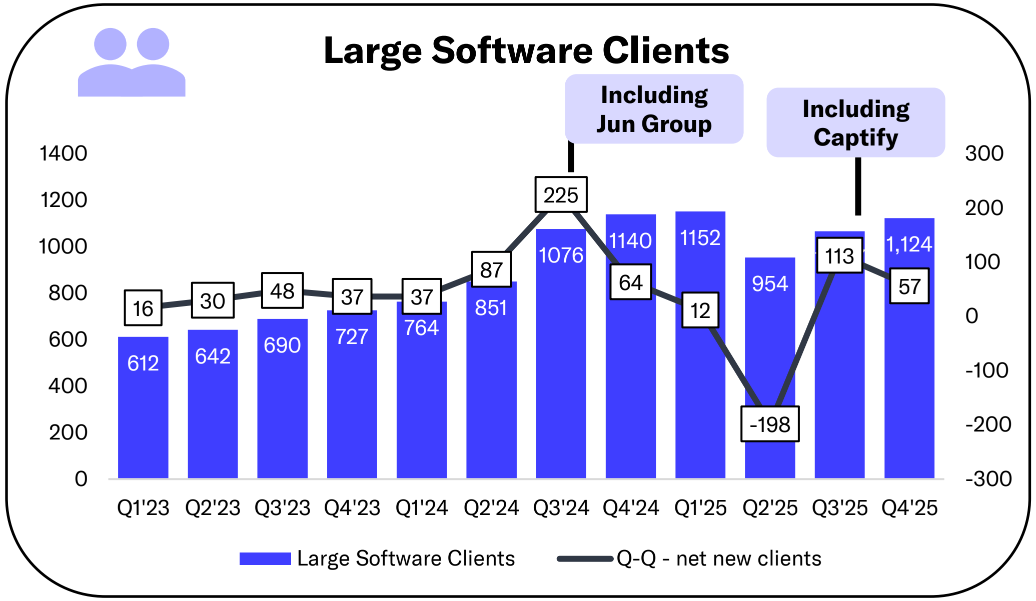
EBIT	69.1	69.1	0%	112	99.7	-11%	134	130	-3%
PTP	7.2	7.2	0%	75.4	55.7	-26%	98.2	86.2	-12%
EPS (excl. NRIs)	0.15	0.15	0%	0.38	0.31	-19%	0.46	0.42	-10%
DPS	0.00	0.00		0.00	0.00		0.00	0.00	-

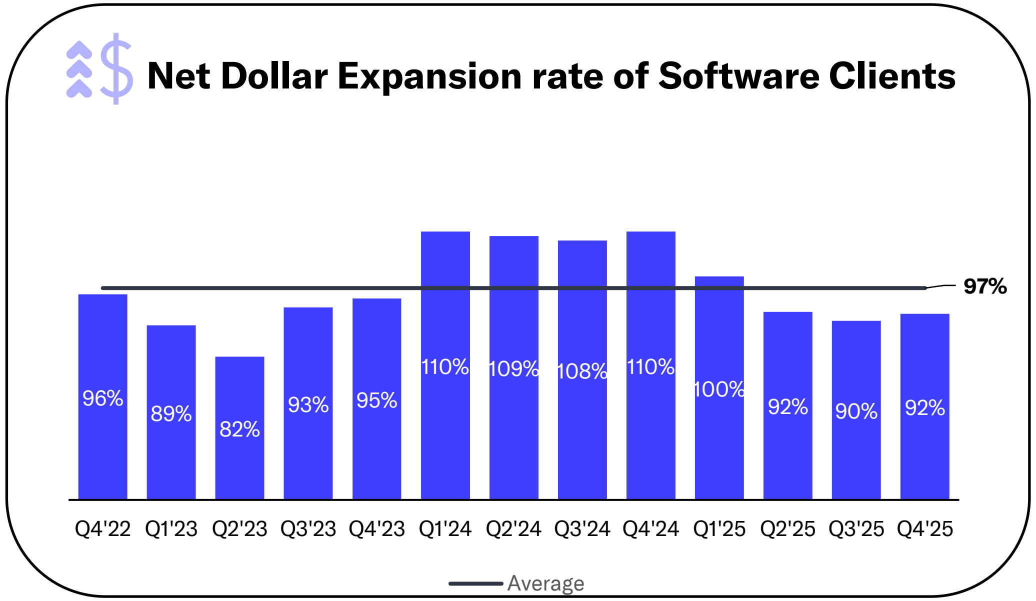
Source: Inderes

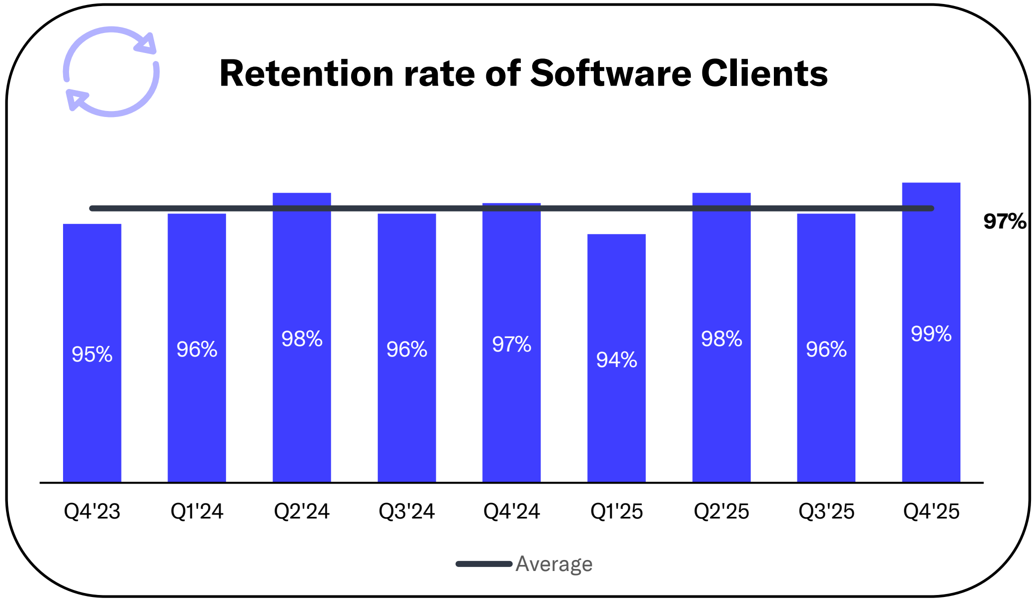
*Adjusted for earn-out payments linked to Jun Group and Acardo of ~30 MEUR

Company KPI's

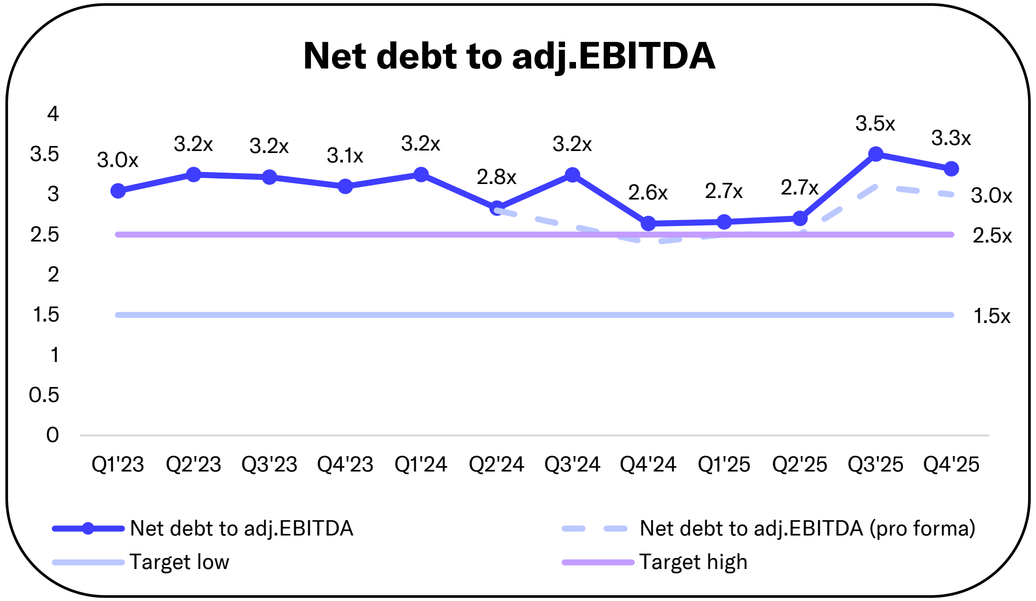


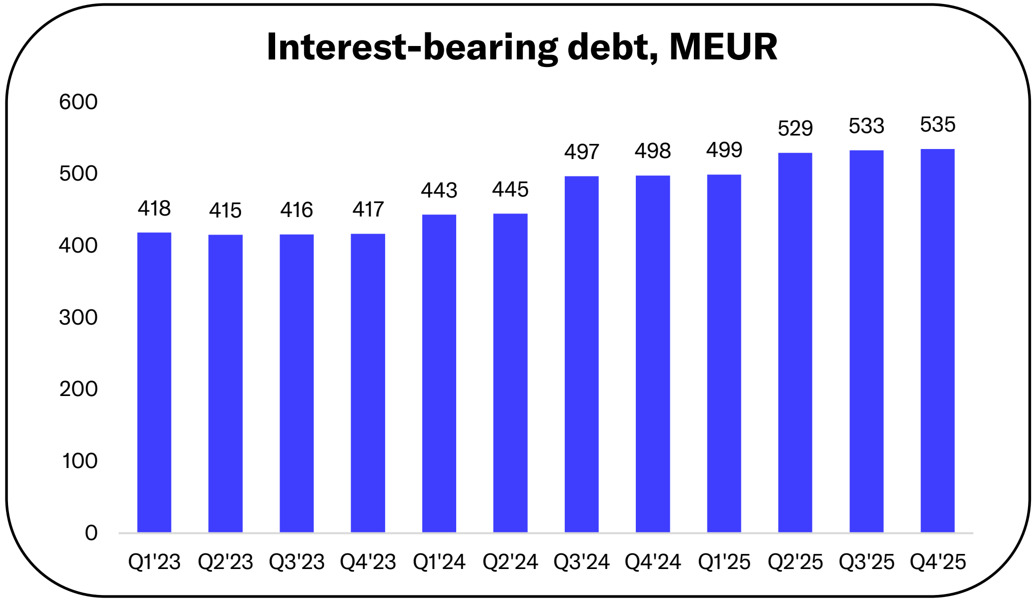


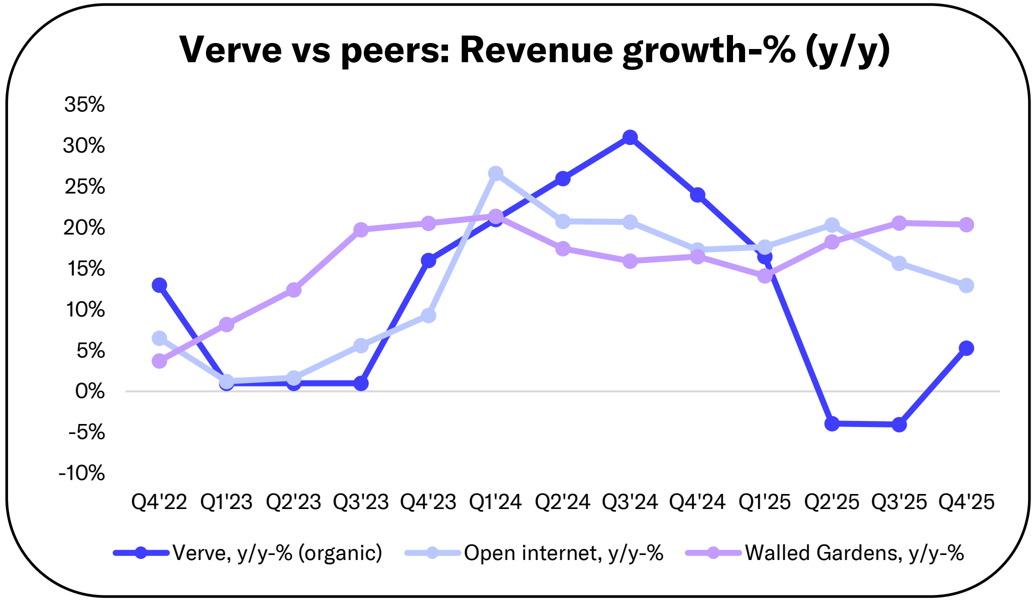


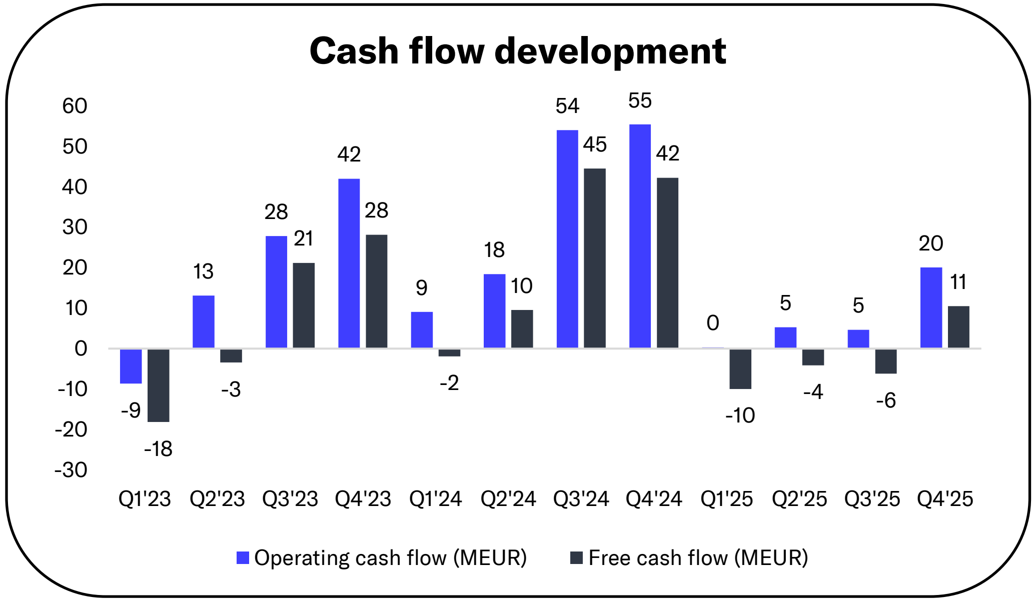


Other metrics

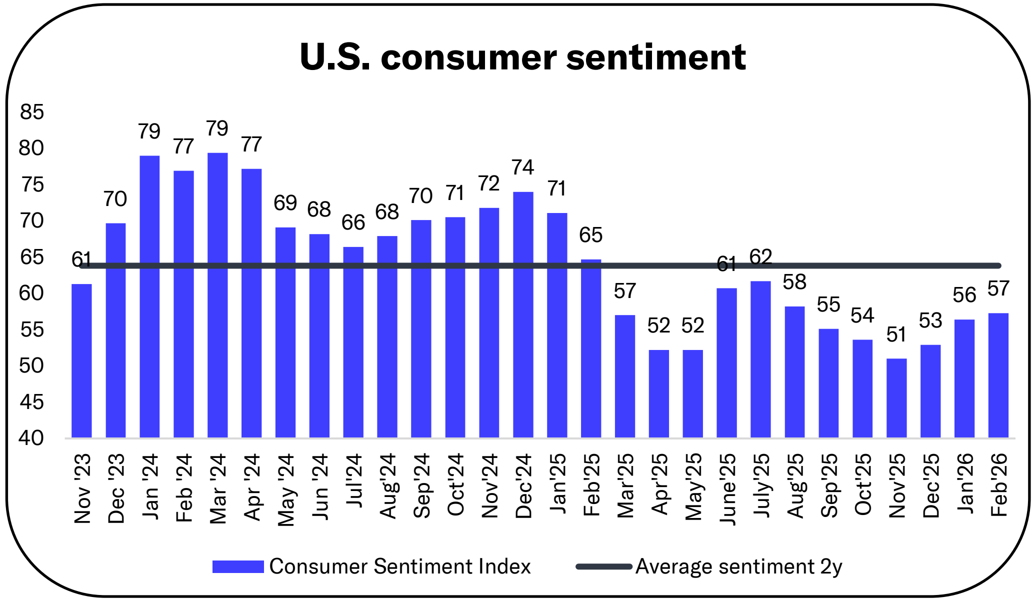


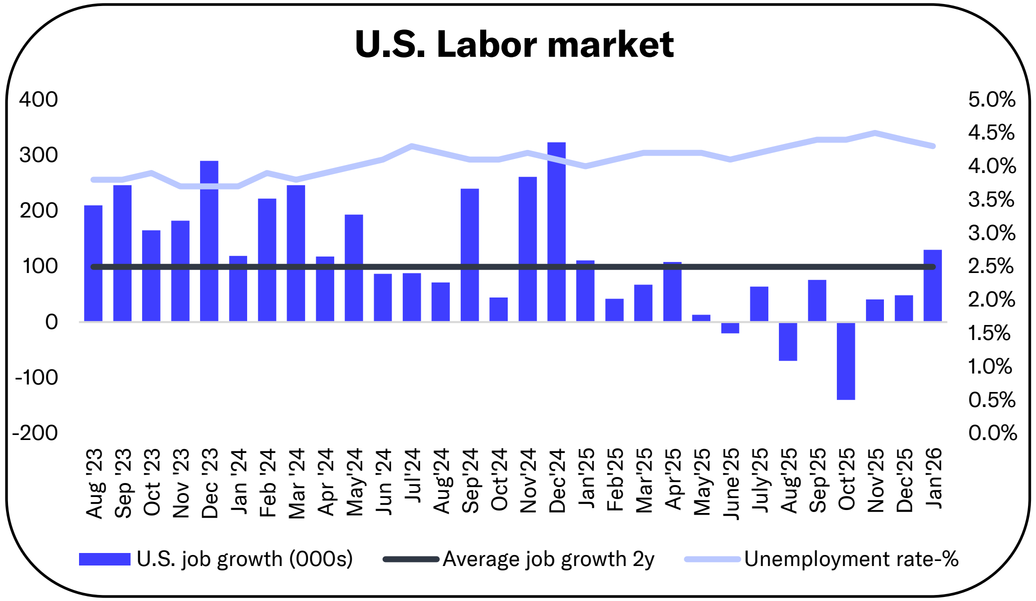


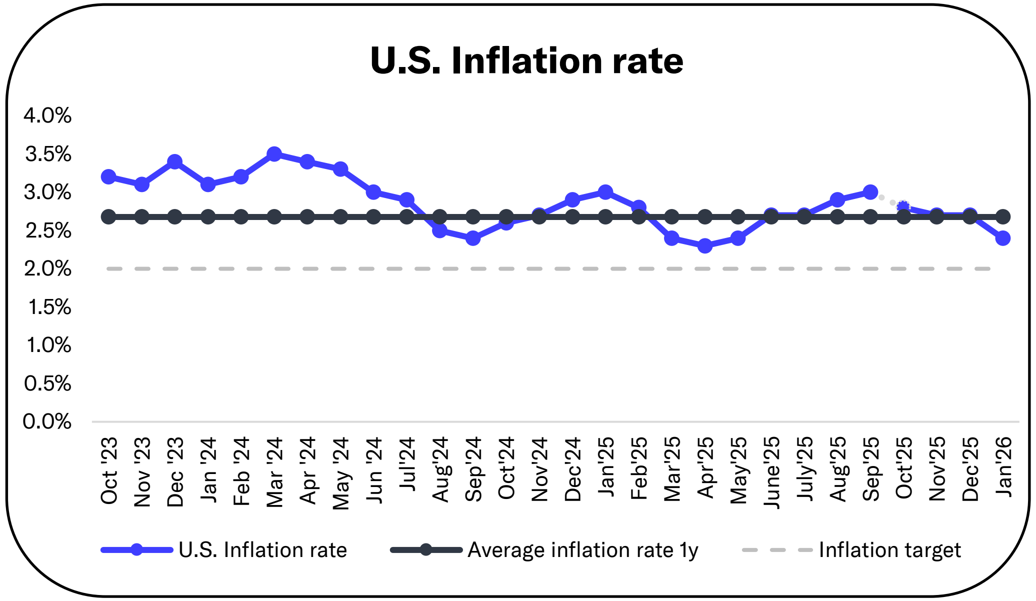


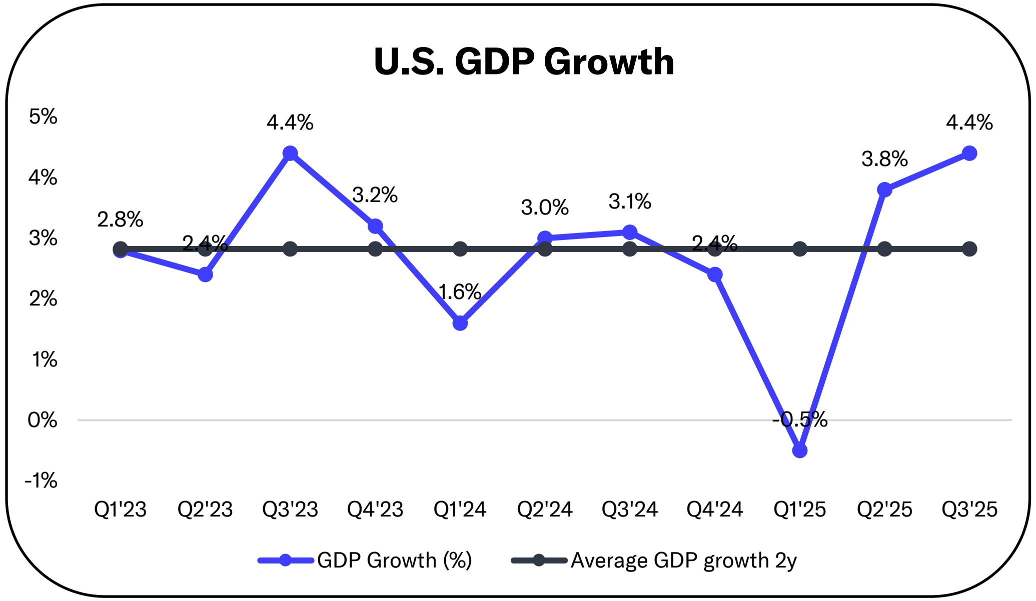


Macro snapshot









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

After several years of strong growth, Verve faced headwinds in 2023 as advertising budgets contracted which, combined with the company's high leverage and rising interest rates, resulted in a sharp contraction in both the stock price and valuation multiples. The company responded with several strategic actions during 2024-2025, including the acquisition of Jun Group to enhance earnings quality and strengthen its demand-side, raising 810 MSEK through directed share issues, and refinancing its bond at more favorable terms to reduce annual interest expenses. These steps were intended to position the company for meaningful deleveraging, which we viewed would support a gradual re-rating of the stock. However, the challenging 2025, marked by the platform unification difficulties, a profit warning, and persistent weakness in cash flow conversion, has pressured investor confidence.

While the completed platform unification showed some early signs of operational efficiency in Q4, most notably in margin improvement, the company's inability to convert profitability into free cash flow during 2025 has resulted in leverage remaining elevated at 3x, well above the 1.5-2.5x target range. Consequently, our anticipated re-rating failed to materialize in 2025, and the stock continues to trade at very low absolute earnings multiples, reflecting ongoing execution uncertainties and the company's stretched balance sheet position. Before any meaningful re-rating can occur, we feel management needs to demonstrate sustained improvement in cash conversion, prove that the platform efficiencies are sustainable beyond a single quarter, and fundamentally rebuild investor trust through consistent execution 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 FCFF-based valuation methods such as DCF. However, we also approach the valuation through absolute valuation multiples and in relation to peers. Verve's median adjusted* EV/EBITDA and EV/EBIT ratios over the last five years are 6x and 7x, respectively. Furthermore, the five-year median EV/FCFF (excl. earn-outs) stands at 13x. Based on our updated 2026-2027 estimates, Verve's EV/adj. EBIT multiples for 2026-2027 are 6x and 4x, respectively. At the same time, the corresponding EV/EBITDA multiples are 5x and 4x, while the 2026-2027e EV/FCFF multiples (excl. earn-outs) stands at 9x and 6x, respectively. As Verve records a relatively high PPA amortizations (18 MEUR LTM), the adjusted multiples are generally lower than the unadjusted ones. As a result, the unadjusted** EV/EBIT multiples for 2026-2027 are 7x-5x, respectively. Thus, we believe that the overall earnings-based valuation for the current and next years are on the low side, both in absolute numbers and compared to historical figures.

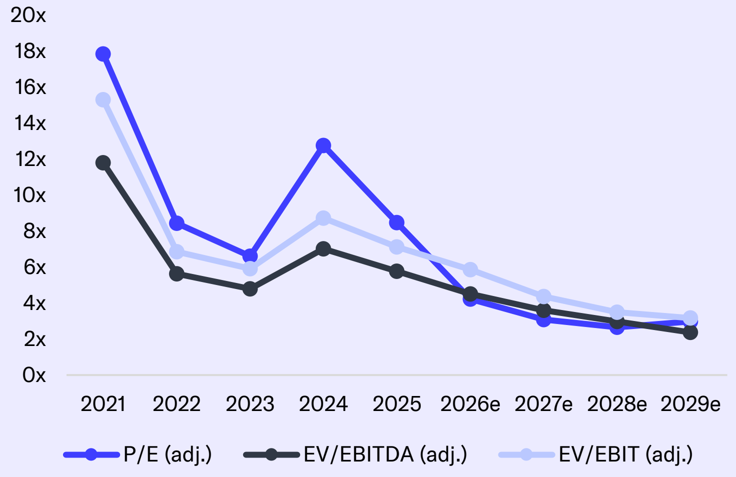
Trading at a discount to peers, but is justified to some extent

Relative to its peer group, Verve currently trades at a discount on earnings-based multiples. The peer group's median EV/EBITDA and EV/EBIT multiples for 2025 and 2026 stand at 6x-5x and 13x-11x, respectively. However, it is important to note that there is considerable variation among peers, which influences the median values. A similar pattern is observed in FCFF-based multiples, where the median stands at 11x-9x for the same period, though the spread in multiples remains high within the peer group. At first glance, Verve's current valuation discount to peers appears excessive given its revenue and earnings growth outlook.

Valuation	2026e	2027e	2028e
Share price (EUR)	1.30	1.30	1.30
Number of shares, millions	200.1	200.1	200.1
Market cap (MEUR)	259	259	259
EV (MEUR)	700	651	575
P/E (adj.)	4.2	3.1	2.7
P/E	6.2	4.0	3.3
P/B	0.6	0.5	0.4
P/S	0.4	0.3	0.3
EV/Sales	1.0	0.9	0.7
EV/EBITDA	4.5	3.6	3.0
EV/EBIT (adj.)	5.9	4.4	3.5
EV/FCFF (adj.)*	-71.4	9.2	6.3
Dividend yield-%	0.0 %	0.0 %	0.0 %

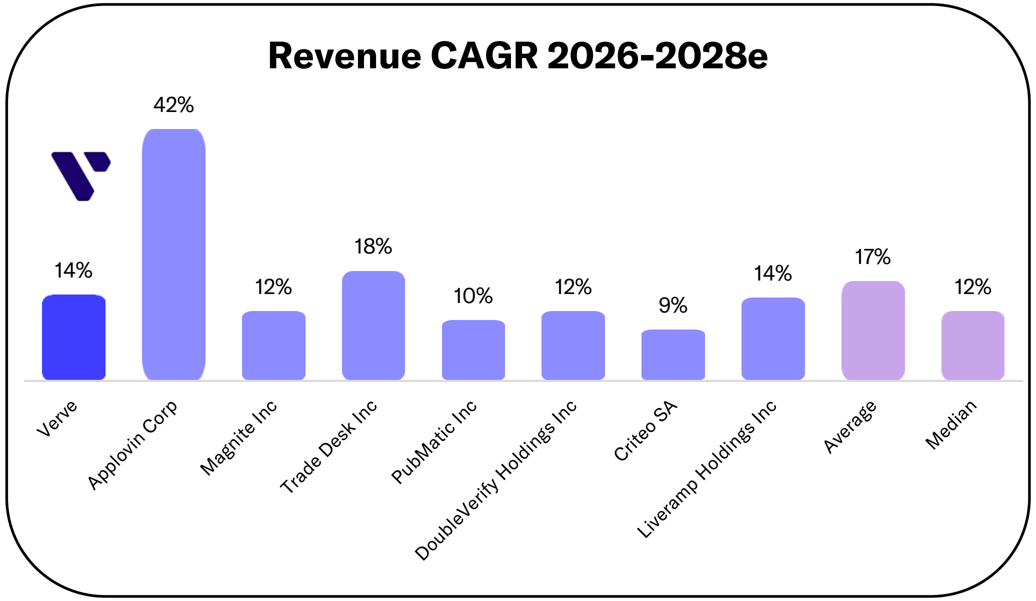
Source: Inderes

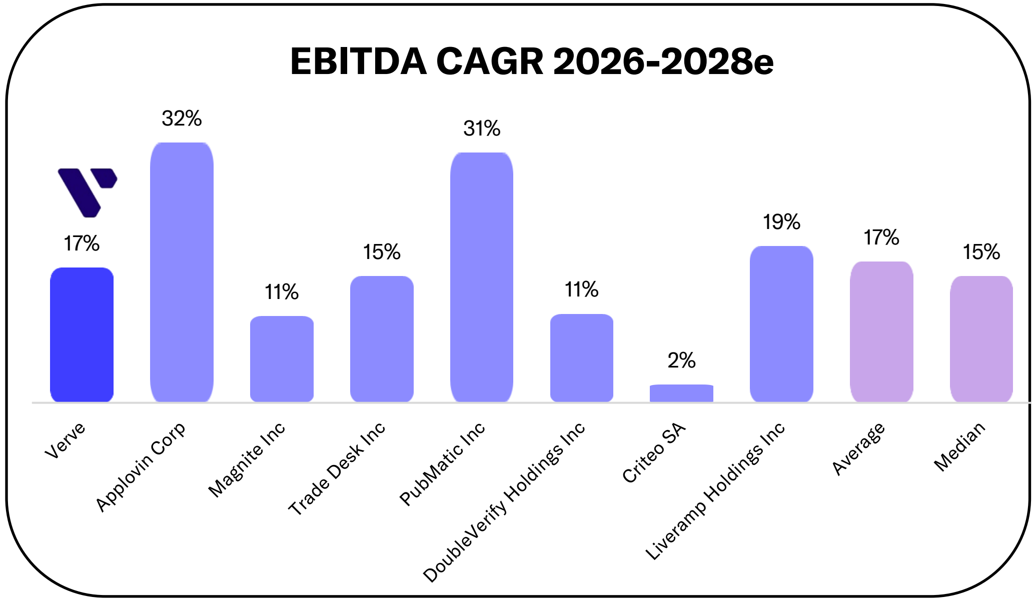
Development of valuation multiples

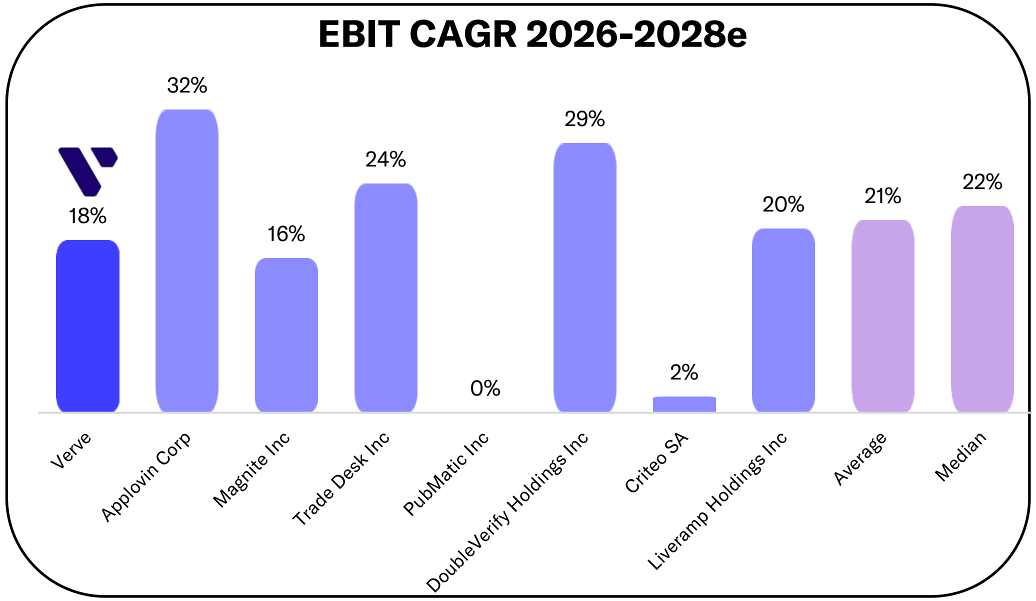


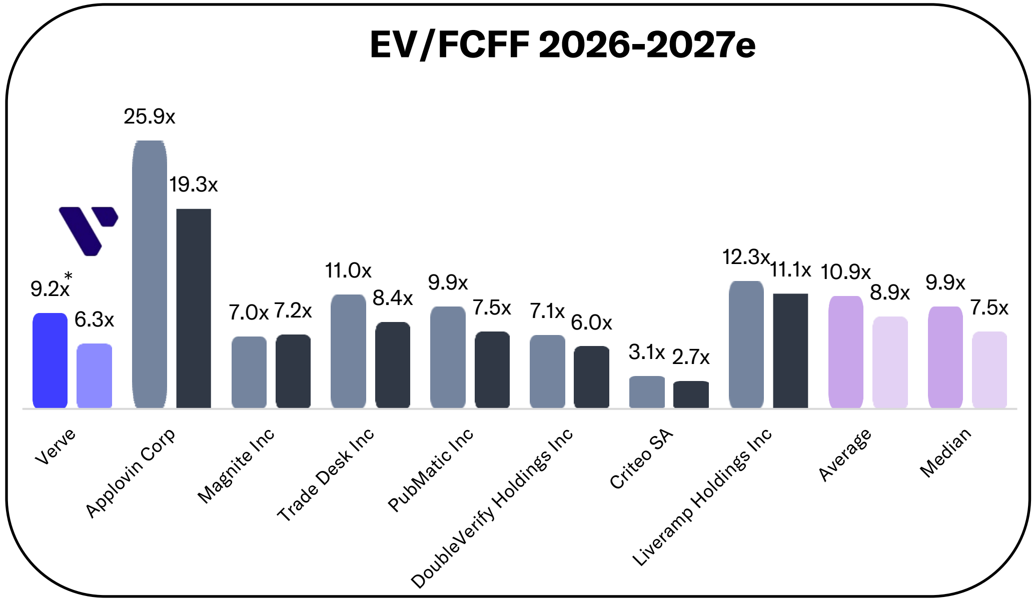
*Adjusted for PPA amortization and non-recurring costs. ** Including PPA amortization and non-recurring costs.

Verve vs Peers: At a glance









Source: Inderes, Bloomberg

*Adjusted for earn-outs

Valuation 2/2

However, considering that Verve, relative to the peer group, currently (LTM) has significantly more leverage and is expected to have higher leverage going forward (2026-2027e), 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 very minimal debt or net cash positions. However, if deleveraging unfolds as we expect, we believe the valuation gap should gradually narrow over the next few years.

Expected return in the coming years and DCF model

We have also looked at an investor's expected return over the next few years by simplifying an acceptable valuation and our 2028 earnings estimates. In our current view, Verve could be valued around 6x EV/EBITDA, 8x EV/EBIT and 9x EV/FCFF at the end of 2028 based on our estimates, if the profitability improvement is still intact and there are no major changes in the company's growth outlook.

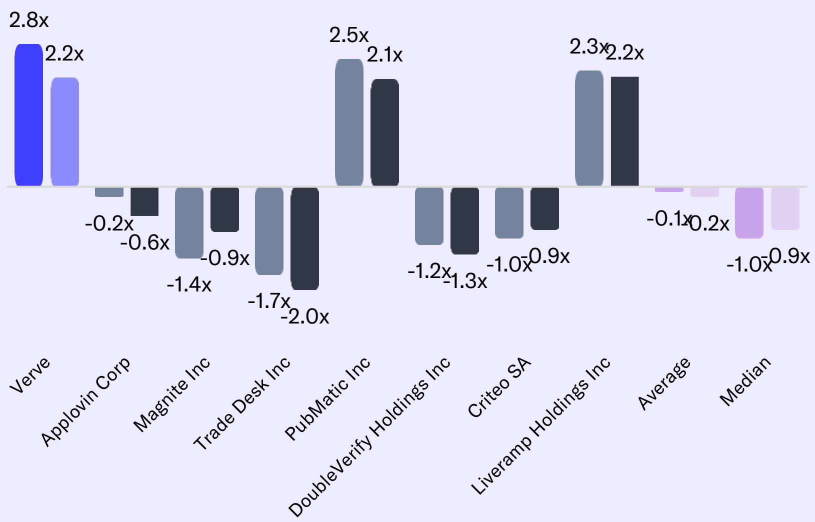
Given this and our current estimates, we believe that Verve could be valued at roughly SEK 40-44 per share at the end of 2028 (at current EUR/SEK exchange rate). Hence, in this scenario, the total annual expected return would, on average, be well above the cost of equity that we use. However, given Verve's high exposure to the digital advertising market, which is inherently volatile and currently relatively soft, 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 slowing job growth), which is Verve's largest market, introduces additional risks to this valuation path. The recovery path following platform outage and, what we feel, increasing uncertainty around the company's cash conversion, following weak cash flows in 2025, also cast some additional uncertainty. This could, in our view, weigh on investor sentiment in the near term. Furthermore, the expected return is somewhat back-loaded and depends on an EV-based valuation, which adds further uncertainty, e.g., regarding the capital structure, which is difficult to accurately forecast over a longer period of time.

We find further support to the valuation in our DCF model, indicating a value of SEK 28 per share (was SEK 34), assuming, on average, a ~9-10 % 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 41%. We note that the DCF model is quite sensitive to the required rate of return used (see figure to the right).

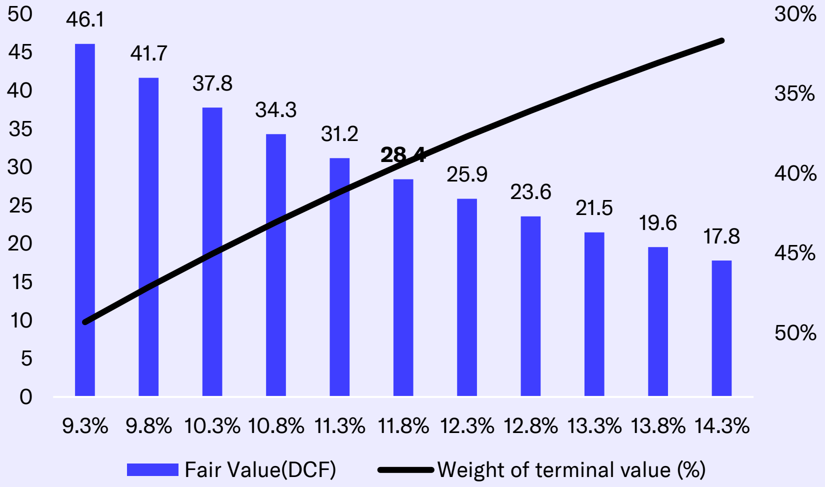
No changes in recommendation but we lower the target price

We reiterate our Buy recommendation but lower our target price to SEK 20 (was SEK 24). At this target price, the estimated earnings and FCFF multiples are at the low end of our acceptable valuation range. We believe this is justified at this point considering the continued uncertain execution trajectory, weak cash conversion, and rising leverage. We also believe the short-term challenges for management to regain trust and confidence among its investor base, could continue to create short-term volatility in the share price. However, should management succeed in restoring investor confidence, we see upside towards our estimated fair value range. As of now, though, we believe the DCF provides limited near-term support to the share price due to the aforementioned factors.

Net debt/ EBITDA 2026-2027e



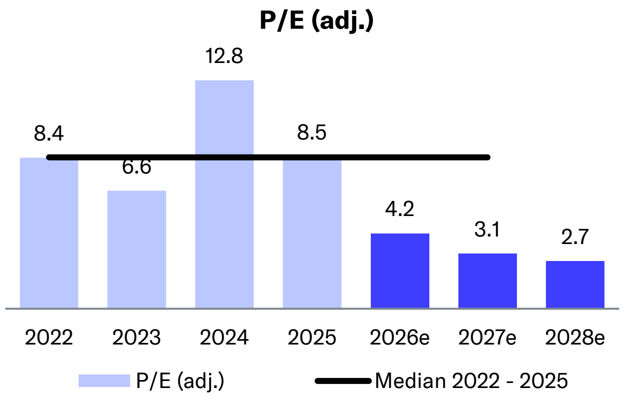
Sensitivity of DCF to changes in the WACC-%

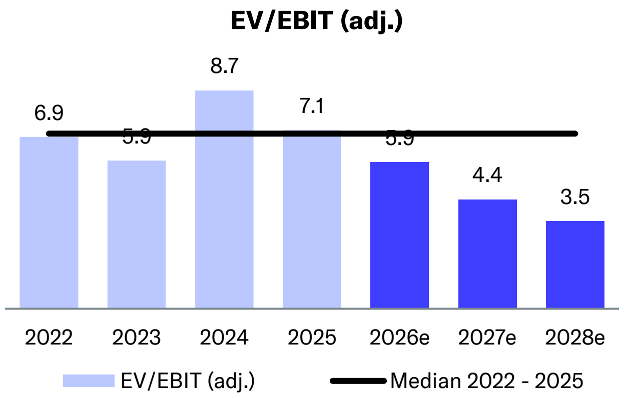


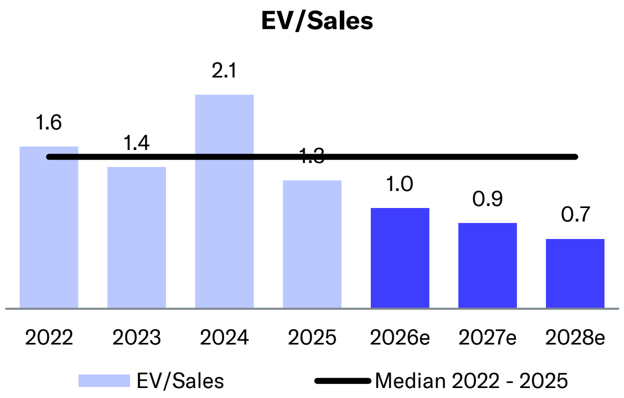
Valuation table

Valuation	2022	2023	2024	2025	2026e	2027e	2028e	2029e
Share price (EUR)	1.60	1.02	3.12	1.30	**1.30**	**1.30**	**1.30**	**1.30**
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	**259**	**259**	**259**	**259**
EV (MEUR)	525	456	934	706	**700**	**651**	**575**	**480**
P/E (adj.)	8.4	6.6	12.8	8.5	**4.2**	**3.1**	**2.7**	**3.0**
P/E	neg.	3.5	20.2	>100	**6.2**	**4.0**	**3.3**	**3.0**
P/B	0.8	0.5	1.3	0.6	**0.6**	**0.5**	**0.4**	**0.4**
P/S	0.8	0.5	1.3	0.5	**0.4**	**0.3**	**0.3**	**0.3**
EV/Sales	1.6	1.4	2.1	1.3	**1.0**	**0.9**	**0.7**	**0.5**
EV/EBITDA	5.6	4.8	7.0	5.8	**4.5**	**3.6**	**3.0**	**2.4**
EV/EBIT (adj.)	6.9	5.9	8.7	7.1	**5.9**	**4.4**	**3.5**	**3.2**
EV/FCFF (adj.)*	12.9	19.9	9.9	-72.0	**-71.4**	**9.2**	**6.3**	**4.5**
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	115,727	116,595	22.9	18.8	21.0	16.1	17.4	13.5	27.1	20.4	29.5
Magnite Inc	1,458	1,521	16.3	14.3	7.0	6.2	2.4	2.2	11.5	11.5	1.7
Trade Desk Inc	10,431	9,214	15.4	12.2	8.1	6.9	3.3	2.8	12.4	10.4	3.4
PubMatic Inc	258	143			3.2	2.8	0.6	0.6			0.7
DoubleVerify Holdings Inc	1,306	1,148	10.7	8.9	5.0	4.5	1.6	1.5	19.1	17.4	1.2
Criteo SA	759	490	3.1	2.6	1.5	1.4	0.5	0.5	4.1	3.7	0.7
Liveramp Holdings Inc	1,341	1,000	6.6	5.6	6.4	5.4	1.5	1.3	11.2	9.1	1.6
Verve (Inderes)	**259**	**700**	**5.9**	**4.4**	**4.5**	**3.6**	**1.0**	**0.9**	**4.2**	**3.1**	**0.6**
Average			**12.5**	**10.4**	**7.4**	**6.2**	**3.9**	**3.2**	**14.2**	**12.1**	**5.6**
Median			**13.1**	**10.5**	**6.4**	**5.4**	**1.6**	**1.5**	**12.0**	**11.0**	**1.6**
Diff-% to median			***-55%***	***-59%***	***-29%***	***-34%***	***-39%***	***-42%***	***-65%***	***-72%***	***-65%***

Source: Refinitiv / Inderes

Income statement

Income statement	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue	**437**	**109**	**106**	**142**	**194**	**551**	**149**	**161**	**174**	**213**	**697**	**762**	**824**	**886**
EBITDA (excl. NRI)	133	30.2	29.5	26.1	48.6	134	27.4	31.1	39.3	57.6	155	181	193	202
EBITDA	**129**	**27.5**	**27.0**	**21.8**	**45.8**	**122**	**27.4**	**31.1**	**39.3**	**57.6**	**155**	**181**	**193**	**202.5**
Depreciation	-38.2	-10.8	-10.4	-15.4	-16.6	-53.1	-13.9	-13.9	-13.9	-13.9	-55.7	-51.1	-48.2	-50.9
EBIT (excl. NRI)	**107**	**23.3**	**22.8**	**15.4**	**37.5**	**99.0**	**18.4**	**22.2**	**30.3**	**48.6**	**119**	**149**	**164**	**152**
EBIT	**90.3**	**16.7**	**16.6**	**6.5**	**29.2**	**69.1**	**13.4**	**17.2**	**25.3**	**43.7**	**99.7**	**130**	**145**	**152**
Net financial items	-58.5	-13.2	-20.8	-12.6	-15.2	-61.9	-11.0	-11.0	-11.0	-11.0	-44.0	-43.3	-40.5	-35.5
PTP	**31.8**	**3.5**	**-4.2**	**-6.2**	**14.1**	**7.2**	**2.4**	**6.2**	**14.3**	**32.7**	**55.7**	**86.2**	**104**	**116**
Taxes	-3.0	-3.3	4.6	2.6	-10.4	-6.5	-0.6	-1.6	-3.6	-8.2	-13.9	-21.6	-26.1	-29.0
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**	**1.8**	**4.7**	**10.7**	**24.5**	**41.7**	**64.7**	**78.3**	**87.0**
EPS (adj.)	**0.24**	**0.03**	**0.03**	**0.03**	**0.06**	**0.15**	**0.03**	**0.05**	**0.08**	**0.15**	**0.31**	**0.42**	**0.49**	**0.43**
EPS (rep.)	**0.15**	**0.00**	**0.00**	**-0.02**	**0.02**	**0.00**	**0.01**	**0.02**	**0.05**	**0.12**	**0.21**	**0.32**	**0.39**	**0.43**

Key figures	2024	Q1'25	Q2'25	Q3'25	Q4'25	2025	Q1'26e	Q2'26e	Q3'26e	Q4'26e	2026e	2027e	2028e	2029e
Revenue growth-%	35.7 %	32.2 %	9.9 %	24.8 %	34.4 %	26.1 %	36.3 %	51.8 %	22.6 %	10.0 %	26.5 %	9.4 %	8.2 %	7.5 %
Adjusted EBIT growth-%	39.2 %	40.2 %	-1.7 %	-38.8 %	-10.9 %	-7.5 %	-21.2 %	-2.7 %	96.5 %	29.6 %	20.6 %	24.6 %	10.4 %	-7.7 %
EBITDA-%	29.4 %	25.2 %	25.4 %	15.4 %	23.6 %	22.2 %	18.4 %	19.3 %	22.6 %	27.0 %	22.3 %	23.7 %	23.4 %	22.8 %
Adjusted EBIT-%	24.5 %	21.4 %	21.5 %	10.9 %	19.4 %	18.0 %	12.4 %	13.7 %	17.4 %	22.8 %	17.1 %	19.5 %	19.9 %	17.1 %
Net earnings-%	6.6 %	0.2 %	0.4 %	-2.5 %	1.9 %	0.1 %	1.2 %	2.9 %	6.2 %	11.5 %	6.0 %	8.5 %	9.5 %	9.8 %

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**	**1007**	**1000**	**999**
Goodwill	718	715	715	715	715
Intangible assets	269	258	244	237	236
Tangible assets	4.3	13.0	13.0	13.1	13.3
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**	**257**	**321**	**413**
Inventories	0.0	0.0	0.0	0.0	0.0
Other current assets	31.7	30.0	41.8	45.7	49.5
Receivables	60.9	113	146	166	180
Cash and equivalents	147	89.0	69.3	109	184
Balance sheet total	**1252**	**1252**	**1265**	**1321**	**1412**

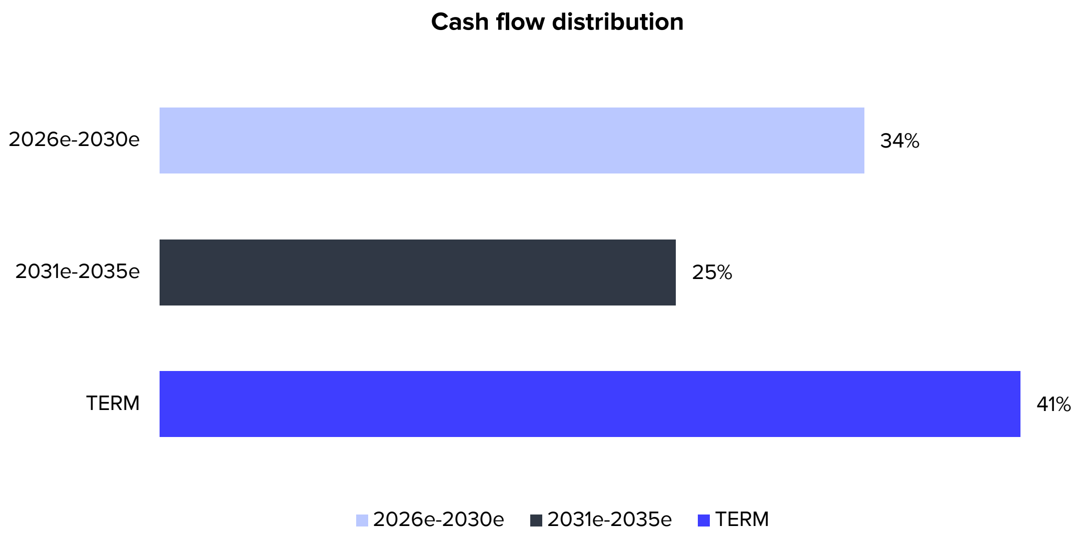
Source: Inderes

Liabilities & equity	2024	2025	2026e	2027e	2028e
Equity	**451**	**423**	**465**	**530**	**608**
Share capital	1.6	1.6	1.6	1.6	1.6
Retained earnings	76.9	77.6	119	184	262
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**	**550**	**541**	**541**
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	500	500	500
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**	**249**	**250**	**263**
Interest bearing debt	52.0	60.4	10.0	0.0	0.0
Payables	145	147	174	185	198
Other current liabilities	106	97.6	65.3	65.3	65.3
Balance sheet total	**1253**	**1253**	**1265**	**1321**	**1412**

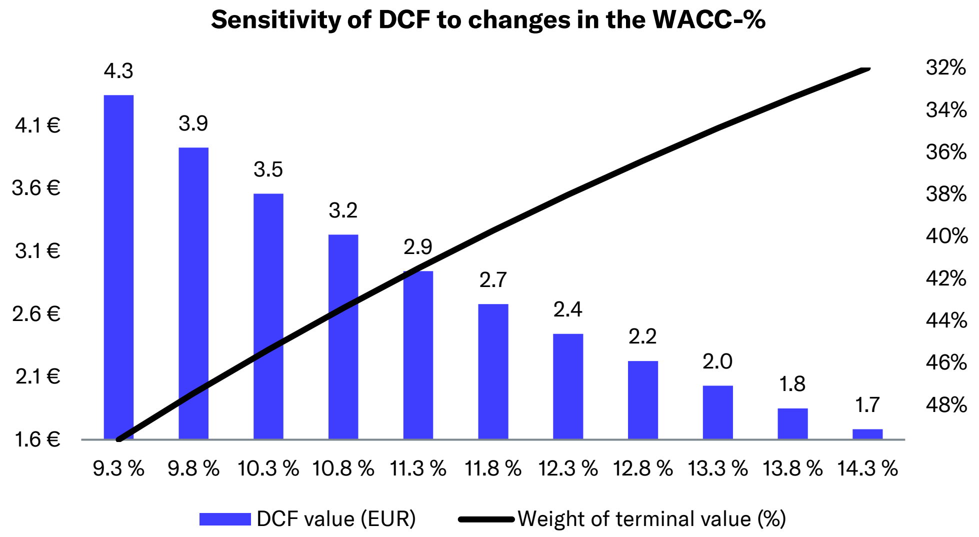
DCF-calculation

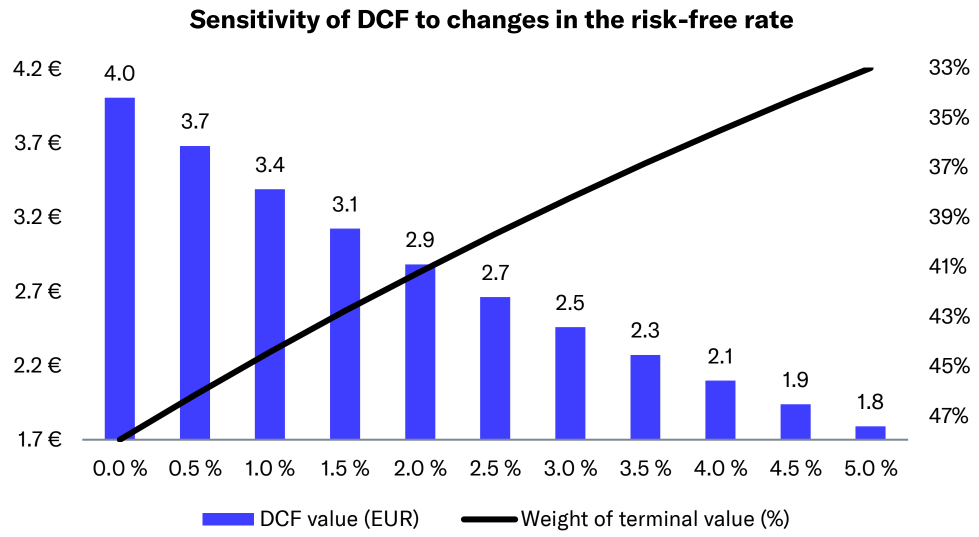
DCF model	2025	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	TERM
Revenue growth-%	26.1 %	26.5 %	9.4 %	8.2 %	7.5 %	6.5 %	4.0 %	3.5 %	3.0 %	3.0 %	2.0 %	2.0 %
EBIT-%	12.5 %	14.3 %	17.0 %	17.6 %	17.1 %	16.6 %	15.6 %	15.6 %	14.3 %	13.9 %	13.9 %	13.9 %
EBIT (operating profit)	**69.1**	**99.7**	**130**	**145**	**152**	**157**	**153**	**158**	**150**	**150**	**153**	
+ Depreciation	53.1	55.7	51.1	48.2	50.9	56.0	55.7	60.0	59.2	59.4	55.1	
- Paid taxes	-13.2	-13.9	-21.6	-26.1	-29.0	-31.4	-31.2	-33.0	-31.3	-31.8	-33.1	
- Tax, financial expenses	-15.5	-11.0	-10.8	-10.1	-8.9	-7.7	-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	-50.4	-12.7	-4.7	6.5	5.9	-0.8	-0.7	-0.6	4.8	0.2	
Operating cash flow	**36.7**	**80.1**	**136**	**152**	**171**	**179**	**170**	**178**	**171**	**177**	**170**	
+ 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	-55.0	
Free operating cash flow	**-19.9**	**38.1**	**82.0**	**106**	**122**	**126**	**114**	**118**	**109**	**116**	**115**	
+/- 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	38.1	82.0	106	122	126	114	118	109	116	115	1205
Discounted FCFF		**34.7**	**66.8**	**77.0**	**79.5**	**73.9**	**59.8**	**55.5**	**45.7**	**43.4**	**38.7**	**405**
Sum of FCFF present value		980	946	879	802	722	648	589	533	488	444	405
Enterprise value DCF		**980**										
- Interest bearing debt		-534.9										
+ Cash and cash equivalents		89.0										
-Minorities		-0.1										
-Dividend/capital return		0.0										
Equity value DCF		**534**										
Equity value DCF per share		**2.7**										
Equity value DCF per share (SEK)		**28**										

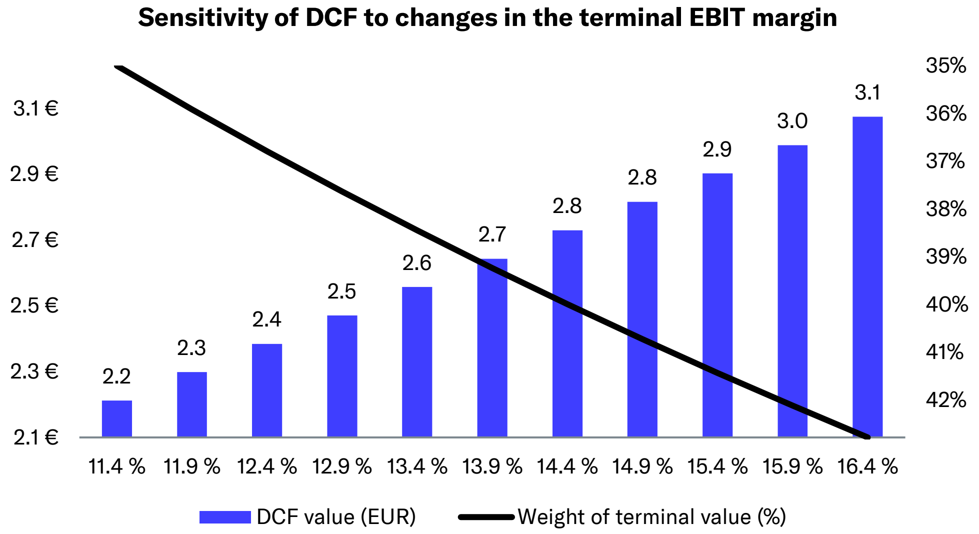
WACC	
Tax-% (WACC)	25.0 %
Target debt ratio (D/(D+E)	15.0 %
Cost of debt	8.2 %
Equity Beta	1.80
Market risk premium	4.75%
Liquidity premium	1.60%
Risk free interest rate	2.5 %
Cost of equity	**12.7 %**
Weighted average cost of capital (WACC)	**11.7 %**

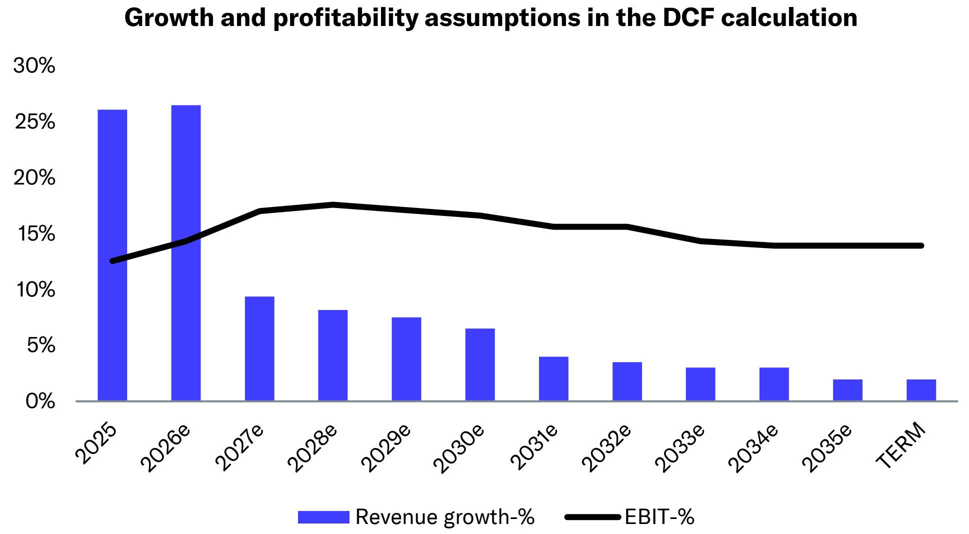


DCF sensitivity calculations and key assumptions in graphs









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	**696.8**	**762.0**
EBITDA	128.5	128.5	122.1	**155.4**	**180.6**
EBIT	99.0	90.3	69.1	**99.7**	**129.5**
PTP	48.9	31.8	7.2	**55.7**	**86.2**
Net Income	46.7	28.8	0.7	**41.7**	**64.7**
Extraordinary items	22.1	-16.8	-30.0	**-19.8**	**-19.3**

Balance sheet	2023	2024	2025	2026e	2027e
Balance sheet total	1007.0	1252.4	1252.5	**1264.6**	**1320.8**
Equity capital	352.5	450.9	423.1	**464.9**	**529.6**
Goodwill	578.0	718.0	714.7	**714.7**	**714.7**
Net debt	292.8	351.2	445.9	**440.7**	**391.2**

Cash flow	2023	2024	2025	2026e	2027e
EBITDA	128.5	128.5	122.1	**155.4**	**180.6**
Change in working capital	-14.1	56.0	-56.8	**-50.4**	**-12.7**
Operating cash flow	109.5	162.3	36.7	**80.1**	**135.5**
CAPEX	-15.5	-232.3	-49.9	**-42.0**	**-44.1**
Free cash flow	41.3	-35.9	13.1	**38.1**	**82.0**

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	5.8	**4.5**	**3.6**
EV/EBIT (adj.)	5.9	8.7	7.1	**5.9**	**4.4**
P/E (adj.)	6.6	12.8	8.5	**4.2**	**3.1**
P/B	0.5	1.3	0.6	**0.6**	**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	**0.21**	**0.32**
EPS (adj.)	0.15	0.24	0.15	**0.31**	**0.42**
OCF / share	0.69	0.87	0.18	**0.40**	**0.68**
OFCF / share	0.26	-0.19	0.07	**0.19**	**0.41**
Book value / share	2.21	2.41	2.11	**2.32**	**2.65**
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%	**26%**	**9%**
EBITDA growth-%	52%	0%	-5%	**27%**	**16%**
EBIT (adj.) growth-%	0%	39%	-8%	**21%**	**25%**
EPS (adj.) growth-%	-18%	58%	-37%	**101%**	**36%**
EBITDA-%	39.9 %	29.4 %	22.2 %	**22.3 %**	**23.7 %**
EBIT (adj.)-%	23.9 %	24.5 %	18.0 %	**17.1 %**	**19.5 %**
EBIT-%	30.7 %	20.7 %	12.5 %	**14.3 %**	**17.0 %**
ROE-%	13.8 %	7.2 %	0.2 %	**9.4 %**	**13.0 %**
ROI-%	13.1 %	10.5 %	7.2 %	**10.3 %**	**12.9 %**
Equity ratio	35.0 %	36.0 %	33.8 %	**36.8 %**	**40.1 %**
Gearing	83.1 %	77.9 %	105.4 %	**94.8 %**	**73.9 %**

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.

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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.

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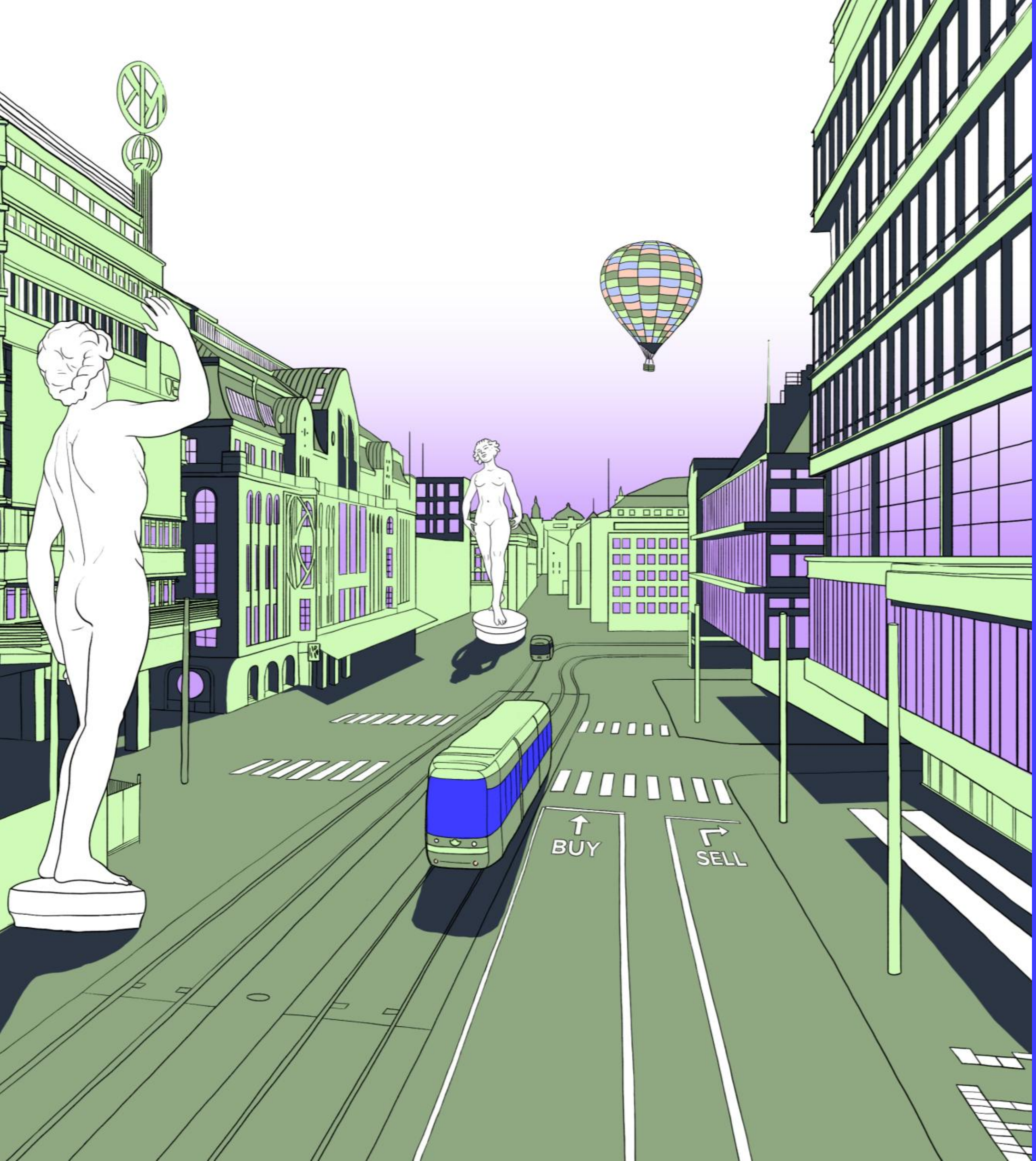
Recommendation history (>12 mo)

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



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