

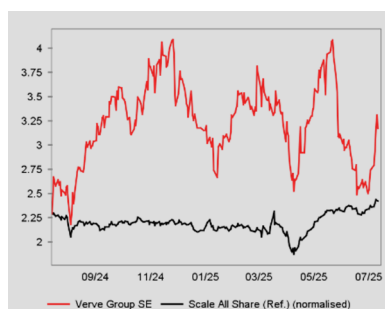
Buy EUR 6.00 Price EUR 3.17 Upside 89.3 %	Value Indicators: EUR DCF: 6.00	Warburg Risk Score: 3.4 Balance Sheet Score: 2.8 Market Liquidity Score: 4.0	Description: Verve is an advertising software platform with strong first-party games content.
	Market Snapshot: EUR m Market cap: 634.1 No. of shares (m): 200.0 EV: 961.5 Freefloat MC: 479.5 Ø Trad. Vol. (30d): 831.86 th	Shareholders: Freefloat 75.62 % Bodhivas (Remco Westernm.) 24.38 % Oaktree Capital Management 20.33 % Nordnet Pensionsförsäkring 5.66 %	Key Figures (WRE): 2025e Beta: 1.4 Price / Book: 1.2 x Equity Ratio: 41 % Net Fin. Debt / EBITDA: 2.0 x Net Debt / EBITDA: 2.0 x

Continued double-digit organic growth

We update our model to incorporate the recent capital increase as well as Q1 figures and the full-year guidance.

- In Q1, sales grew by 16% organically and bear in mind that this rate of growth was achieved against a tough Q1 comparison base of 20% organic growth in the prior year. Taking the first-time consolidation of the Jun Group into consideration, reported growth amounted to as much as 32% (to EUR 109m). The adj. EBITDA margin increased 1pp to 27.7% with the consolidation of the higher margin Jun Group (margin ca. 20pp higher). As Verve is aggressively expanding and unifying its sales force as well as investing in platform unification and product innovation, around half of the margin uplift from the Jun consolidation was re-invested in growth.
- Together with the Q1 report, the company provided a first guidance for 2025. Management is looking for a revenue range of EUR 530m to EUR 565m and an adj. EBITDA range of EUR 155m to EUR 175m. The top-line guidance was somewhat ahead of our estimates and, at the current USD exchange rate, implies a rate of organic growth in the mid-teens at the low end of the range. However, our adj. EBITDA estimate was EUR 12m above the guidance. The deviation to our estimates mostly reflects the expansion of the sales force as well as the higher macroeconomic volatility. The USD exchange rate has declined by around 12% since we updated our estimates in March and has thus changed from a 6% tailwind to a similar headwind. That said, as 50% of Verve's employees are based in the US and its COGS are mostly in the invoicing currency, the currency risk is mostly related to translation effects.
- Our model update also reflects the capital increase on June 18 of 12.9m shares (at SEK 28) for gross proceeds of SEK 360m, which increased shares outstanding by 6.9%. The raise was mostly to strengthen the balance sheet and increase flexibility should any M&A opportunities arise. While the capital increase dilutes shareholders, Verve's refinancing of its bonds in May was very positive and the credit spread declined from 625bp previously to just 400bp (over 3-month Euribor). This alone leads to a positive effect of EUR 11.25m on 2026 interest expenses, slightly watered down by higher volume (EUR 500m bond, around EUR 50m higher than previous bond volume).
- We like the stock on this level as, despite a higher comparison base, we expect continued double-digit organic sales growth. Furthermore, we expect market-share gains for in-app advertising, as the increasing penetration of AI should direct advertising away from Google while, at the same time, increasing privacy trends should benefit Verve's ID-less targeting solutions. Finally, the recent SDAX inclusion increases visibility.

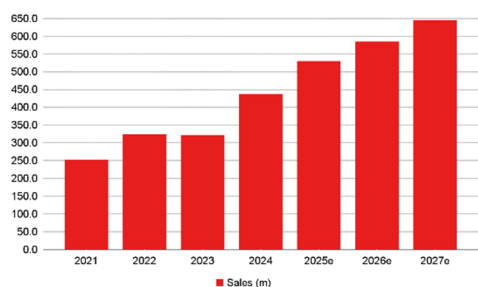
Changes in Estimates:				Comment on Changes:			
FY End: 31.12. in EUR m	2025e (old)	+ / -	2026e (old)	+ / -	2027e (old)	+ / -	
Sales	520.0	1.9 %	575.0	1.7 %	n.a.	n.m.	<ul style="list-style-type: none"> In the face of currency headwinds, we are now expecting the low end of the sales guidance EBITDA estimate cut to reflect higher costs of an expanded salesforce New bond with 225bp lower credit-spread and recent ECB interest-rate cuts leads us to expect a better financial result of another EUR 10m in 2026, i.e. just EUR 40m financial expenses
EBITDA adj.	177.0	-6.8 %	197.0	-6.1 %	n.a.	n.m.	
EBIT	127.6	-9.4 %	145.5	-8.3 %	n.a.	n.m.	
EPS	0.29	-20.7 %	0.37	-10.8 %	n.a.	n.m.	



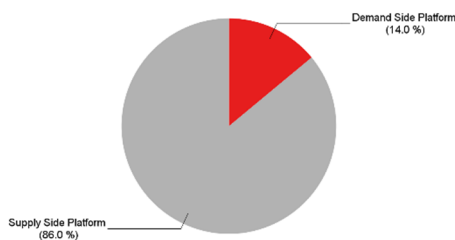
Rel. Performance vs Scale All Share	
1 month:	11.4 %
6 months:	4.5 %
Year to date:	-13.8 %
Trailing 12 months:	34.6 %

Company events:
19.08.25 Q2

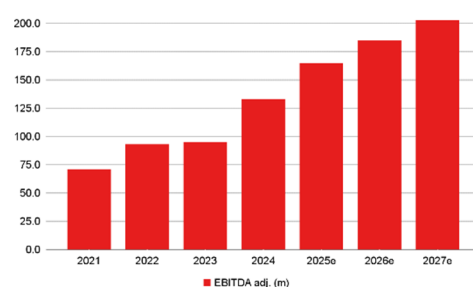
FY End: 31.12. in EUR m	CAGR (24-27e)	2021	2022	2023	2024	2025e	2026e	2027e
Sales	13.9 %	252.2	324.4	322.0	437.0	530.0	585.0	645.0
Change Sales yoy		79.8 %	28.7 %	-0.8 %	35.7 %	21.3 %	10.4 %	10.3 %
EBITDA adj.		71.1	93.2	95.2	133.2	165.0	185.0	203.0
Margin	1.1 %	28.2 %	28.7 %	29.6 %	30.5 %	31.1 %	31.6 %	31.5 %
EBITDA		65.0	84.8	128.5	128.5	160.6	180.5	198.5
EBIT adj.	16.9 %	54.8	76.6	76.9	107.1	135.0	153.0	171.0
Margin		21.7 %	23.6 %	23.9 %	24.5 %	25.5 %	26.1 %	26.5 %
Net income	40.8 %	16.1	-20.3	47.3	28.8	44.9	66.9	80.4
EPS	33.0 %	0.11	-0.13	0.30	0.17	0.23	0.33	0.40
EPS adj.	25.1 %	0.20	0.14	0.37	0.25	0.32	0.43	0.49
DPS	-	0.00	0.00	0.00	0.00	0.00	0.00	0.00
Dividend Yield		n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCFPS		0.27	0.73	0.05	0.13	0.30	0.38	0.44
FCF / Market cap		6.0 %	27.8 %	4.5 %	5.8 %	9.1 %	12.0 %	13.9 %
EV / Sales		3.4 x	2.1 x	1.5 x	1.8 x	1.8 x	1.6 x	1.3 x
EV / EBITDA		13.1 x	8.0 x	3.8 x	6.0 x	6.0 x	5.0 x	4.3 x
EV / EBIT		23.1 x	25.6 x	4.9 x	8.6 x	8.3 x	6.8 x	5.6 x
P / E		41.6 x	n.a.	4.1 x	13.5 x	13.8 x	9.6 x	7.9 x
P / E adj.		22.9 x	18.7 x	3.3 x	9.2 x	9.9 x	7.4 x	6.5 x
FCF Potential Yield		7.3 %	10.5 %	24.9 %	15.6 %	14.7 %	16.4 %	19.1 %
Net Debt		198.6	271.3	294.9	380.2	322.4	271.2	208.1
ROCE (NOPAT)		10.4 %	8.7 %	15.1 %	11.1 %	10.3 %	11.1 %	12.3 %
Guidance:		2025: EUR 530m to EUR 565m sales and adj. EBITDA of EUR 155m to EUR 175m						

Sales development
in EUR m


Source: Warburg Research

Revenues by Segment
2024; in %


Source: Warburg Research

Adj. EBITDA development
in EUR m


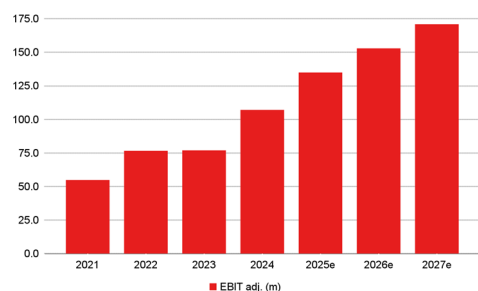
Source: Warburg Research

Company Background

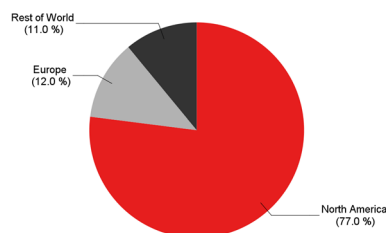
- Verve is an advertising software platform that automates and optimizes the buying and selling of advertising for clients across fast-growing emerging media channels such as mobile, connected TV, DOOH and digital audio.
- Verve has its own games portfolio with >5,000 casual & mobile games and >5 premium games with a total of >1bn registered players. In addition, Verve's SDK's are integrated into >20,000 apps.
- Verve is one of the largest proprietary first-party data platforms. First-party data enables better targeting as well as greater transparency in reporting and monitoring advertising campaigns.
- Verve is one of a few providers in the Open Internet covering the entire value chain. The advantage of a full-stack approach is that all processes between the advertiser and the publisher are integrated in one platform.
- Verve's business model is based on a flywheel that is driven by the synergies of supply, data and demand. The greater the supply reach, the more data; the more first-party data Verve accesses, the better the targeting.

Competitive Quality

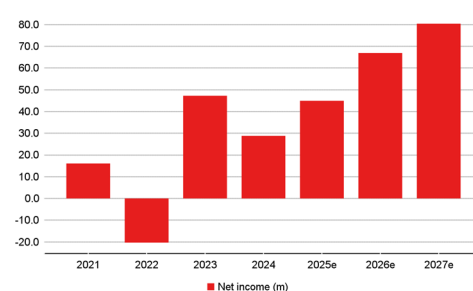
- Following the acquisition of the Jun group, Verve has now substantially strengthened its DSP position and can now leverage its SSP strength.
- The high share of first-party data reduces vulnerability from fraud. It also makes Verve's Advertising Software Platform less reliant on third-party data, which is increasingly regulated.
- Verve's stack approach leads to improved measurability of campaign success and more targeted identification of appropriate user profiles, i.e. higher ROI for advertisers & better monetization for publishers.
- With its strong proprietary games-portfolio (more first-party data) more advertisers will turn to Verve for user-acquisition to take a more targeted approach to reaching a broader audience (higher ROI).
- This in turn attracts more publishers aiming to monetize ad inventory via Verve's Ad Software Platform, where demand is higher and ad inventory at a higher price.

adj. EBIT development
in EUR m


Source: Warburg Research

Sales by regions
2024; in %


Source: Warburg Research

Net income development
in EUR m


Source: Warburg Research

DCF model

Figures in EUR m	Detailed forecast period			Transitional period										Term. Value
	2025e	2026e	2027e	2028e	2029e	2030e	2031e	2032e	2033e	2034e	2035e	2036e	2037e	
Sales	530.0	585.0	645.0	709.5	773.4	835.2	893.7	938.4	985.3	1,034.6	1,065.6	1,097.6	1,125.0	1.5 %
Sales change	21.3 %	10.4 %	10.3 %	10.0 %	9.0 %	8.0 %	7.0 %	5.0 %	5.0 %	5.0 %	3.0 %	3.0 %	2.5 %	
EBIT	115.6	133.5	151.5	173.8	189.5	204.6	219.0	229.9	241.4	253.5	261.1	268.9	275.6	24.5 %
EBIT-margin	21.8 %	22.8 %	23.5 %	24.5 %	24.5 %	24.5 %	24.5 %	24.5 %	24.5 %	24.5 %	24.5 %	24.5 %	24.5 %	
Tax rate (EBT)	25.0 %	29.0 %	29.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %	28.0 %
NOPAT	86.7	94.8	107.5	125.2	136.4	147.3	157.6	165.5	173.8	182.5	188.0	193.6	198.5	
Depreciation	45.0	47.0	47.0	56.8	61.9	66.8	71.5	75.1	78.8	82.8	85.2	87.8	90.0	8.0 %
in % of Sales	8.5 %	8.0 %	7.3 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	8.0 %	
Changes in provisions	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
Change in Liquidity from														
- Working Capital	-7.3	-3.7	-2.2	3.4	2.0	2.6	3.3	4.0	4.5	4.9	5.3	5.6	5.9	112.5
- Capex	40.0	42.0	42.0	71.0	77.3	83.5	89.4	93.8	98.5	103.5	106.6	109.8	112.5	
Capex in % of Sales	7.5 %	7.2 %	6.5 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	10.0 %	0.0
- Other	33.5	25.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	
Free Cash Flow (WACC Model)	65.5	78.5	114.7	107.6	119.0	128.0	136.5	142.7	149.6	156.9	161.3	166.0	170.1	201
PV of FCF	59.9	65.5	87.5	74.9	75.8	74.5	72.5	69.3	66.4	63.6	59.7	56.2	52.6	782
share of PVs	12.82 %			40.08 %										47.10 %

Model parameter

Derivation of WACC:

Debt ratio	20.00 %
Cost of debt (after tax)	6.3 %
Market return	8.25 %
Risk free rate	2.75 %

WACC 9.45 %

Derivation of Beta:

Financial Strength	2.30
Liquidity (share)	1.00
Cyclicality	1.25
Transparency	1.25
Others	1.00

Beta 1.36

Valuation (m)

Present values 2037e	878		
Terminal Value	782		
Financial liabilities	527		
Pension liabilities	0		
Hybrid capital	0		
Minority interest	5		
Market val. of investments	0		
Liquidity	191	No. of shares (m)	220.0
Equity Value	1,319	Value per share (EUR)	6.00

Sensitivity Value per Share (EUR)

		Terminal Growth									Delta EBIT-margin						
Beta	WACC	0.75 %	1.00 %	1.25 %	1.50 %	1.75 %	2.00 %	2.25 %	Beta	WACC	-1.5 pp	-1.0 pp	-0.5 pp	+0.0 pp	+0.5 pp	+1.0 pp	+1.5 pp
1.59	10.5 %	4.80	4.86	4.94	5.01	5.09	5.18	5.27	1.59	10.5 %	4.57	4.72	4.87	5.01	5.16	5.31	5.45
1.48	10.0 %	5.22	5.30	5.38	5.47	5.57	5.67	5.78	1.48	10.0 %	5.00	5.16	5.32	5.47	5.63	5.79	5.95
1.42	9.7 %	5.45	5.53	5.63	5.73	5.83	5.94	6.06	1.42	9.7 %	5.24	5.40	5.56	5.73	5.89	6.05	6.21
1.36	9.5 %	5.69	5.79	5.89	6.00	6.11	6.23	6.37	1.36	9.5 %	5.49	5.66	5.83	6.00	6.16	6.33	6.50
1.30	9.2 %	5.95	6.05	6.17	6.28	6.41	6.55	6.69	1.30	9.2 %	5.76	5.94	6.11	6.28	6.46	6.63	6.81
1.25	9.0 %	6.22	6.34	6.46	6.59	6.73	6.88	7.04	1.25	9.0 %	6.05	6.23	6.41	6.59	6.77	6.95	7.13
1.13	8.5 %	6.83	6.97	7.12	7.28	7.45	7.63	7.83	1.13	8.5 %	6.69	6.89	7.08	7.28	7.47	7.67	7.86

- Our DCF approach is based on a detailed planning phase, a transitional phase, and a perpetuity term
- Long-term tax rate is assumed to be at 28%

Valuation	2021	2022	2023	2024	2025e	2026e	2027e
Price / Book	2.1 x	1.3 x	0.6 x	0.9 x	1.2 x	1.1 x	0.9 x
Book value per share ex intangibles	-1.99	-2.94	-2.79	-2.86	-2.27	-1.90	-1.46
EV / Sales	3.4 x	2.1 x	1.5 x	1.8 x	1.8 x	1.6 x	1.3 x
EV / EBITDA	13.1 x	8.0 x	3.8 x	6.0 x	6.0 x	5.0 x	4.3 x
EV / EBIT	23.1 x	25.6 x	4.9 x	8.6 x	8.3 x	6.8 x	5.6 x
EV / EBIT adj.*	15.5 x	8.9 x	6.4 x	7.3 x	7.1 x	5.9 x	4.9 x
P / FCF	16.8 x	3.6 x	22.4 x	17.3 x	11.7 x	9.2 x	7.9 x
P / E	41.6 x	n.a.	4.1 x	13.5 x	13.8 x	9.6 x	7.9 x
P / E adj.*	22.9 x	18.7 x	3.3 x	9.2 x	9.9 x	7.4 x	6.5 x
Dividend Yield	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
FCF Potential Yield (on market EV)	7.3 %	10.5 %	24.9 %	15.6 %	14.7 %	16.4 %	19.1 %

*Adjustments made for: mostly relate to PPA amortisation

Consolidated profit & loss

In EUR m	2021	2022	2023	2024	2025e	2026e	2027e
Sales	252.2	324.4	322.0	437.0	530.0	585.0	645.0
Change Sales yoy	79.8 %	28.7 %	-0.8 %	35.7 %	21.3 %	10.4 %	10.3 %
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Own work capitalised	22.9	28.9	26.0	24.9	30.0	30.0	30.0
Total Sales	275.0	353.4	347.9	461.9	560.0	615.0	675.0
Material expenses	138.0	188.6	180.5	236.7	279.1	302.0	329.9
Gross profit	137.0	164.8	167.4	225.2	280.9	313.0	345.1
<i>Gross profit margin</i>	<i>54.3 %</i>	<i>50.8 %</i>	<i>52.0 %</i>	<i>51.5 %</i>	<i>53.0 %</i>	<i>53.5 %</i>	<i>53.5 %</i>
Personnel expenses	56.0	76.2	78.0	79.5	100.0	109.0	118.0
Other operating income	8.6	23.2	71.4	17.8	22.1	23.3	23.0
Other operating expenses	24.7	27.0	32.4	35.0	42.4	46.8	51.6
EBITDA adj.	71.1	93.2	95.2	133.2	165.0	185.0	203.0
<i>Margin</i>	<i>28.2 %</i>	<i>28.7 %</i>	<i>29.6 %</i>	<i>30.5 %</i>	<i>31.1 %</i>	<i>31.6 %</i>	<i>31.5 %</i>
EBITDA	65.0	84.8	128.5	128.5	160.6	180.5	198.5
<i>Margin</i>	<i>25.8 %</i>	<i>26.1 %</i>	<i>39.9 %</i>	<i>29.4 %</i>	<i>30.3 %</i>	<i>30.8 %</i>	<i>30.8 %</i>
Depreciation of fixed assets	3.0	5.0	3.0	3.0	3.0	3.0	3.0
EBITA	62.0	79.8	125.5	125.5	157.6	177.5	195.5
Amortisation of intangible assets	25.2	53.1	26.5	35.2	42.0	44.0	44.0
Goodwill amortisation	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBIT	36.8	26.6	99.0	90.3	115.6	133.5	151.5
<i>Margin</i>	<i>14.6 %</i>	<i>8.2 %</i>	<i>30.7 %</i>	<i>20.7 %</i>	<i>21.8 %</i>	<i>22.8 %</i>	<i>23.5 %</i>
EBIT adj.	54.8	76.6	76.9	107.1	135.0	153.0	171.0
Interest income	0.9	0.3	0.0	6.4	2.0	1.5	2.5
Interest expenses	22.8	38.3	50.1	64.9	57.0	40.0	40.0
Other financial income (loss)	0.0	0.0	0.0	0.0	0.0	0.0	0.0
EBT	14.9	-11.3	48.9	31.8	60.6	95.0	114.0
<i>Margin</i>	<i>5.9 %</i>	<i>-3.5 %</i>	<i>15.2 %</i>	<i>7.3 %</i>	<i>11.4 %</i>	<i>16.2 %</i>	<i>17.7 %</i>
Total taxes	-1.2	9.1	2.7	3.0	15.1	27.5	33.0
Net income from continuing operations	16.1	-20.4	46.2	28.8	45.4	67.4	80.9
Income from discontinued operations (net of tax)	0.0	0.0	0.5	0.0	0.0	0.0	0.0
Net income before minorities	16.1	-20.4	46.7	28.8	45.4	67.4	80.9
Minority interest	0.0	-0.1	-0.5	0.0	0.5	0.5	0.5
Net income	16.1	-20.3	47.3	28.8	44.9	66.9	80.4
<i>Margin</i>	<i>6.4 %</i>	<i>-6.3 %</i>	<i>14.7 %</i>	<i>6.6 %</i>	<i>8.5 %</i>	<i>11.4 %</i>	<i>12.5 %</i>
Number of shares, average	142.5	156.2	159.2	173.4	194.0	200.0	0.0
EPS	0.11	-0.13	0.30	0.17	0.23	0.33	0.40
EPS adj.	0.20	0.14	0.37	0.25	0.32	0.43	0.49

*Adjustments made for: mostly relate to PPA amortisation

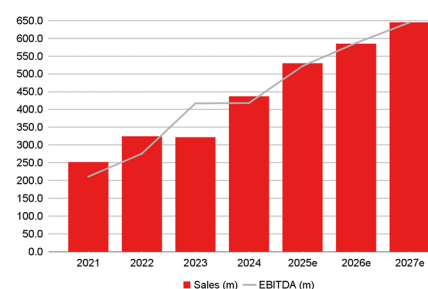
Guidance: 2025: EUR 530m to EUR 565m sales and adj. EBITDA of EUR 155m to EUR 175m

Financial Ratios

	2021	2022	2023	2024	2025e	2026e	2027e
Total Operating Costs / Sales	83.3 %	82.8 %	68.2 %	76.3 %	75.4 %	74.3 %	73.9 %
Operating Leverage	2.9 x	-1.0 x	-358.2 x	-0.2 x	1.3 x	1.5 x	1.3 x
EBITDA / Interest expenses	2.8 x	2.2 x	2.6 x	2.0 x	2.8 x	4.5 x	5.0 x
Tax rate (EBT)	-7.8 %	-79.9 %	5.6 %	9.4 %	25.0 %	29.0 %	29.0 %
Dividend Payout Ratio	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %	0.0 %

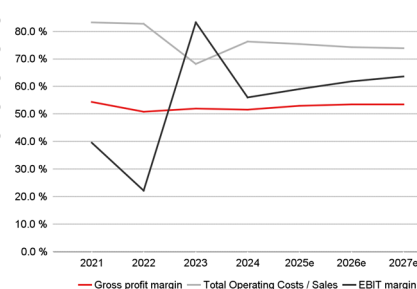
Sales, EBITDA

in EUR m

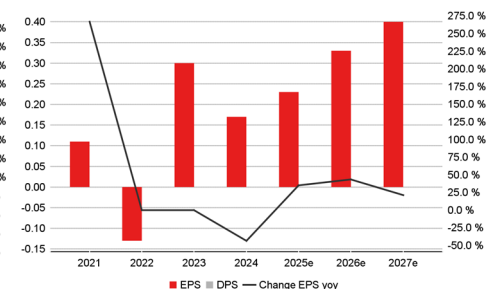


Operating Performance

in %



Performance per Share



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

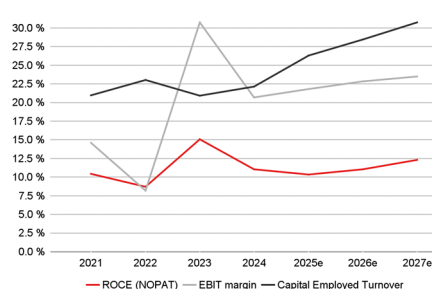
Consolidated balance sheet

In EUR m	2021	2022	2023	2024	2025e	2026e	2027e
Assets							
Goodwill and other intangible assets	605.7	791.3	796.6	986.9	979.9	972.9	965.9
thereof other intangible assets	149.4	130.6	139.2	133.9	126.9	119.9	112.9
thereof Goodwill	412.0	587.7	587.7	783.2	783.2	783.2	783.2
Property, plant and equipment	4.7	5.5	3.9	4.3	6.3	8.3	10.3
Financial assets	40.1	20.2	12.9	4.9	4.9	4.9	4.9
Other long-term assets	0.0	6.7	0.1	0.0	0.0	0.0	0.0
Fixed assets	650.5	823.6	813.5	996.1	991.1	986.1	981.1
Inventories	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Accounts receivable	97.5	52.2	57.3	92.6	79.9	83.3	91.9
Liquid assets	180.2	150.0	121.7	146.7	183.6	234.7	297.8
Other short-term assets	5.9	18.8	14.5	17.0	17.0	17.0	17.0
Current assets	283.6	221.0	193.5	256.4	280.6	335.1	406.8
Total Assets	934.1	1,044.7	1,007.0	1,252.4	1,271.7	1,321.2	1,387.9
Liabilities and shareholders' equity							
Subscribed capital	149.7	159.2	159.2	1.9	2.0	2.0	2.0
Capital reserve	137.7	158.6	158.6	356.1	386.1	386.1	386.1
Retained earnings	21.7	1.4	34.4	76.9	121.8	188.8	269.2
Other equity components	-1.6	3.7	0.0	15.8	16.2	16.7	17.2
Shareholders' equity	307.4	323.0	352.3	450.7	526.1	593.6	674.5
Minority interest	0.1	-1.2	0.2	0.2	0.2	0.2	0.2
Total equity	307.5	321.7	352.5	450.9	526.3	593.8	674.7
Provisions	54.0	65.2	65.2	63.3	63.3	63.3	63.3
thereof provisions for pensions and similar obligations	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Financial liabilities (total)	378.7	421.3	416.6	526.9	506.0	506.0	506.0
Short-term financial liabilities	32.0	31.9	34.5	50.1	0.0	0.0	0.0
Accounts payable	53.8	68.7	66.2	104.1	98.7	105.8	116.6
Other liabilities	140.1	167.7	106.5	107.4	77.4	52.4	27.4
Liabilities	626.6	722.9	654.6	801.6	745.3	727.4	713.2
Total liabilities and shareholders' equity	934.1	1,044.7	1,007.0	1,252.4	1,271.7	1,321.2	1,387.9

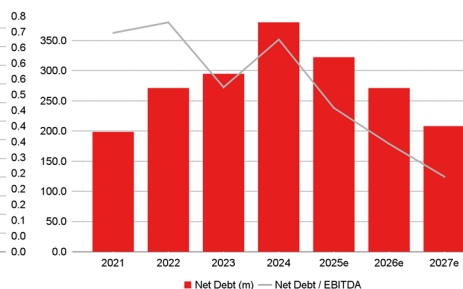
Financial Ratios

	2021	2022	2023	2024	2025e	2026e	2027e
Efficiency of Capital Employment							
Operating Assets Turnover	5.2 x	-29.6 x	-64.7 x	-61.1 x	-42.4 x	-41.2 x	-44.8 x
Capital Employed Turnover	0.5 x	0.5 x	0.5 x	0.5 x	0.6 x	0.7 x	0.7 x
ROA	2.5 %	-2.5 %	5.8 %	2.9 %	4.5 %	6.8 %	8.2 %
Return on Capital							
ROCE (NOPAT)	10.4 %	8.7 %	15.1 %	11.1 %	10.3 %	11.1 %	12.3 %
ROE	6.6 %	-6.4 %	14.0 %	7.2 %	9.2 %	12.0 %	12.7 %
Adj. ROE	11.6 %	6.7 %	17.3 %	11.0 %	12.9 %	15.2 %	15.5 %
Balance sheet quality							
Net Debt	198.6	271.3	294.9	380.2	322.4	271.2	208.1
Net Financial Debt	198.6	271.3	294.9	380.2	322.4	271.2	208.1
Net Gearing	64.6 %	84.3 %	83.7 %	84.3 %	61.2 %	45.7 %	30.8 %
Net Fin. Debt / EBITDA	305.3 %	319.9 %	229.5 %	295.8 %	200.7 %	150.3 %	104.9 %
Book Value / Share	2.1	2.0	2.2	2.4	2.6	3.0	3.4
Book value per share ex intangibles	-2.0	-2.9	-2.8	-2.9	-2.3	-1.9	-1.5

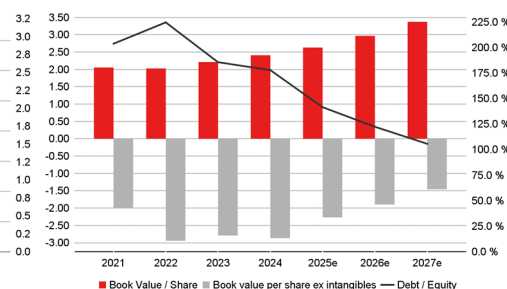
ROCE Development



Net debt in EUR m



Book Value per Share in EUR



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

Consolidated cash flow statement

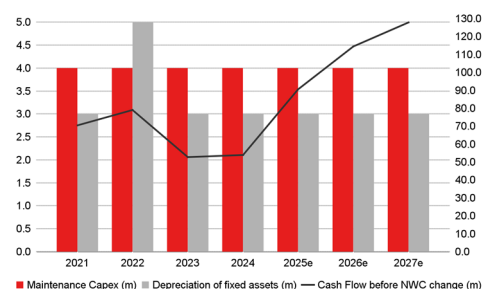
In EUR m	2021	2022	2023	2024	2025e	2026e	2027e
Net income	16.1	-20.4	46.2	28.8	45.4	67.4	80.9
Depreciation of fixed assets	3.0	5.0	3.0	3.0	3.0	3.0	3.0
Amortisation of goodwill	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Amortisation of intangible assets	25.2	53.1	26.5	35.2	42.0	44.0	44.0
Increase/decrease in long-term provisions	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Other non-cash income and expenses	26.2	41.2	-23.0	-13.2	0.0	0.0	0.0
Cash Flow before NWC change	70.5	79.0	52.7	53.8	90.4	114.4	127.9
Increase / decrease in inventory	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Increase / decrease in accounts receivable	-60.5	45.3	-5.1	-35.3	12.7	-3.4	-8.6
Increase / decrease in accounts payable	23.7	15.0	-2.5	37.9	-5.4	7.1	10.8
Increase / decrease in other working capital positions	31.1	13.9	0.0	0.0	0.0	0.0	0.0
Increase / decrease in working capital (total)	-5.7	74.1	-7.6	2.6	7.3	3.7	2.2
Net cash provided by operating activities [1]	64.8	153.1	45.1	56.4	97.8	118.1	130.1
Investments in intangible assets	-20.0	-23.0	-35.0	-30.0	-35.0	-37.0	-37.0
Investments in property, plant and equipment	-6.0	-4.0	-1.4	-3.4	-5.0	-5.0	-5.0
Payments for acquisitions	-269.6	-137.5	-13.0	-119.5	-30.0	-25.0	-25.0
Financial investments	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Income from asset disposals	0.0	0.0	17.0	0.0	0.0	0.0	0.0
Net cash provided by investing activities [2]	-295.6	-176.7	-32.4	-152.9	-70.0	-67.0	-67.0
Change in financial liabilities	245.0	-16.2	-4.7	110.3	-20.9	0.0	0.0
Dividends paid	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Purchase of own shares	0.0	0.0	0.0	0.0	0.0	0.0	0.0
Capital measures	113.2	28.5	0.0	38.5	30.0	0.0	0.0
Other	6.0	0.0	0.0	0.0	0.0	0.0	0.0
Net cash provided by financing activities [3]	364.2	12.3	-4.7	148.8	9.1	0.0	0.0
Change in liquid funds [1]+[2]+[3]	133.4	-11.3	8.0	52.3	36.9	51.1	63.1
Effects of exchange-rate changes on cash	0.0	0.0	0.0	1.7	0.0	0.0	0.0
Cash and cash equivalent at end of period	179.7	168.9	158.0	175.7	183.6	234.7	297.8

Financial Ratios

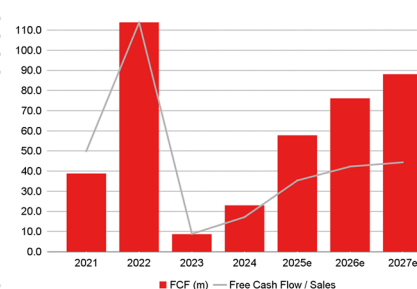
	2021	2022	2023	2024	2025e	2026e	2027e
Cash Flow							
FCF	38.8	113.9	8.7	23.0	57.8	76.1	88.1
Free Cash Flow / Sales	15.4 %	35.1 %	2.7 %	5.3 %	10.9 %	13.0 %	13.7 %
Free Cash Flow Potential	62.2	71.7	121.7	121.5	141.4	148.9	161.4
Free Cash Flow / Net Profit	241.3 %	-560.4 %	18.4 %	79.9 %	128.6 %	113.7 %	109.6 %
Interest Received / Avg. Cash	0.8 %	0.2 %	0.0 %	4.8 %	1.2 %	0.7 %	0.9 %
Interest Paid / Avg. Debt	9.0 %	9.6 %	12.0 %	13.8 %	11.0 %	7.9 %	7.9 %
Management of Funds							
Investment ratio	10.3 %	8.3 %	11.3 %	7.6 %	7.5 %	7.2 %	6.5 %
Maint. Capex / Sales	1.6 %	1.2 %	1.2 %	0.9 %	0.8 %	0.7 %	0.6 %
Capex / Dep	92.2 %	46.4 %	123.6 %	87.3 %	88.9 %	89.4 %	89.4 %
Avg. Working Capital / Sales	10.1 %	4.2 %	-3.9 %	-2.3 %	-2.9 %	-3.5 %	-3.7 %
Trade Debtors / Trade Creditors	181.4 %	76.0 %	86.6 %	89.0 %	81.0 %	78.7 %	78.8 %
Inventory Turnover	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.
Receivables collection period (days)	141	59	65	77	55	52	52
Payables payment period (days)	142	133	134	160	129	128	129
Cash conversion cycle (Days)	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.	n.a.

CAPEX and Cash Flow

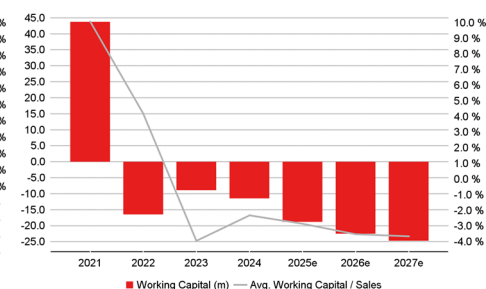
in EUR m



Free Cash Flow Generation



Working Capital



Source: Warburg Research

Source: Warburg Research

Source: Warburg Research

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Company	Disclosure	Link to the historical price targets and rating changes (last 12 months)
Verve	5	https://www.mmwarburg.com/disclaimer/disclaimer_en/SE0018538068.htm

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Investment recommendation: expected direction of the share price development of the financial instrument up to the given price target in the opinion of the analyst who covers this financial instrument.

-B-	Buy:	The price of the analysed financial instrument is expected to rise over the next 12 months.
-H-	Hold:	The price of the analysed financial instrument is expected to remain mostly flat over the next 12 months.
-S-	Sell:	The price of the analysed financial instrument is expected to fall over the next 12 months.
“-“	Rating suspended:	The available information currently does not permit an evaluation of the company.

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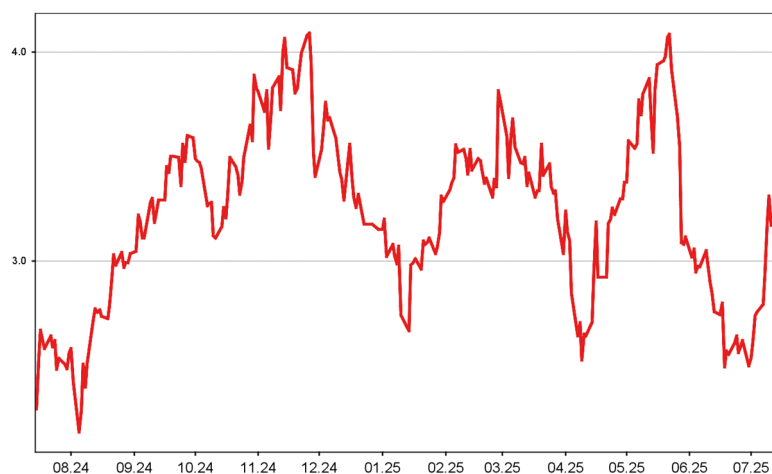
Rating	Number of stocks	% of Universe
Buy	144	71
Hold	49	24
Sell	6	3
Rating suspended	5	2
Total	204	100

WARBURG RESEARCH GMBH – ANALYSED RESEARCH UNIVERSE BY RATING ...

... taking into account only those companies which were provided with major investment services in the last twelve months.

Rating	Number of stocks	% of Universe
Buy	38	73
Hold	10	19
Sell	1	2
Rating suspended	3	6
Total	52	100

PRICE AND RATING HISTORY VERVE AS OF 14.07.2025



Markings in the chart show rating changes by Warburg Research GmbH in the last 12 months. Every marking details the date and closing price on the day of the rating change.

EQUITIES

Matthias Rode +49 40 3282-2678
Head of Equities mrode@mmwarburg.com

RESEARCH

Henner Rüschemeyer +49 40 309537-270
Head of Research hrueschmeier@warburg-research.com

Stefan Augustin +49 40 309537-168
Cap. Goods, Engineering saugustin@warburg-research.com

Christian Cohrs +49 40 309537-175
Industrials & Transportation ccohrs@warburg-research.com

Dr. Christian Ehmann +49 40 309537-167
BioTech, Life Science cehmann@warburg-research.com

Felix Ellmann +49 40 309537-120
Software, IT fellmann@warburg-research.com

Jörg Philipp Frey +49 40 309537-258
Retail, Consumer Goods jfrey@warburg-research.com

Marius Fuhrberg +49 40 309537-185
Financial Services mfuhrberg@warburg-research.com

Fabio Hölscher +49 40 309537-240
Automobiles, Car Suppliers fhoelscher@warburg-research.com

Philipp Kaiser +49 40 309537-260
Real Estate, Construction pkaiser@warburg-research.com

Thilo Kleibauer +49 40 309537-257
Retail, Consumer Goods tkleibauer@warburg-research.com

Hannes Müller +49 40 309537-255
Software, IT hmueller@warburg-research.com

Andreas Pläsier +49 40 309537-246
Banks, Financial Services aplaesier@warburg-research.com

Malte Schaumann +49 40 309537-170
Technology mschaumann@warburg-research.com

Oliver Schwarz +49 40 309537-250
Chemicals, Agriculture oschwarz@warburg-research.com

Simon Stippig +49 40 309537-265
Real Estate, Telco sstippig@warburg-research.com

Marc-René Tonn +49 40 309537-259
Automobiles, Car Suppliers mtonn@warburg-research.com

Robert-Jan van der Horst +49 40 309537-290
Technology rvanderhorst@warburg-research.com

Andreas Wolf +49 40 309537-140
Software, IT awolf@warburg-research.com

INSTITUTIONAL EQUITY SALES

Klaus Schilling +49 69 5050-7400
Head of Equity Sales, Germany kschilling@mmwarburg.com

Tim Beckmann +49 40 3282-2665
United Kingdom tbeckmann@mmwarburg.com

Jens Buchmüller +49 69 5050-7415
Scandinavia, Austria jbuchmueller@mmwarburg.com

Matthias Fritsch +49 40 3282-2696
United Kingdom, Ireland mfritsch@mmwarburg.com

Rudolf Alexander Michaelis +49 40 3282-2649
Germany rmichaelis@mmwarburg.com

Roman Alexander Niklas +49 69 5050-7412
Switzerland, Poland, Italy rniklas@mmwarburg.com

Sascha Propp +49 40 3282-2656
France spropp@mmwarburg.com

Leyan Ilkbahar +49 40 3282-2695
Roadshow/Marketing lilkbahar@mmwarburg.com

Antonia Möller +49 69 5050-7417
Roadshow/Marketing amoeller@mmwarburg.com

Juliane Niemann +49 40 3282-2694
Roadshow/Marketing jniemann@mmwarburg.com

SALES TRADING

Oliver Merckel +49 40 3282-2634
Head of Sales Trading omerckel@mmwarburg.com

Bastian Quast +49 40 3282-2701
Sales Trading bqast@mmwarburg.com

Christian Salomon +49 40 3282-2685
Sales Trading csalomon@mmwarburg.com

DESIGNATED SPONSORING

Sebastian Schulz +49 40 3282-2631
Designated Sponsoring sschulz@mmwarburg.com

Jörg Treptow +49 40 3282-2658
Designated Sponsoring jtreptow@mmwarburg.com

MACRO RESEARCH

Carsten Klude +49 40 3282-2572
Macro Research cklude@mmwarburg.com

Dr. Christian Jasperneite +49 40 3282-2439
Investment Strategy cjasperneite@mmwarburg.com

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Capital IQ www.capitaliq.com

For access please contact:

Andrea Schaper +49 40 3282-2632
Sales Assistance aschaper@mmwarburg.com

Kerstin Muthig +49 40 3282-2703
Sales Assistance kmuthig@mmwarburg.com