Team Internet Group

Trading in line, DIS sale process ongoing

Team Internet's trading update confirms that FY25 was in line with our estimates, with EBITDA and net debt slightly better than forecast. Discussions relating to the sale of DIS are progressing well, with management confident that a transaction would achieve a value in excess of the group's market capitalisation. Our estimates are largely unchanged, as is our SOTP valuation range of 63–76p.

Year end	Revenue ($m)	EBITDA ($m)	PBT ($m)	EPS (¢)	DPS (p)	EV/EBITDA (x)	P/E (x)	Yield (%)
12/24	802.8	91.9	71.4	21.18	1.00	2.4	2.6	2.4
12/25e	481.9	42.7	27.2	8.38	0.00	5.1	6.5	N/A
12/26e	508.7	45.8	31.8	9.75	0.00	4.7	5.6	N/A
12/27e	532.6	49.6	36.6	10.20	0.00	4.4	5.3	N/A

Note: EBITDA, PBT and diluted EPS are normalised, excluding amortisation of acquired intangibles, share-based payments and exceptional items.

FY25 results in line or slightly ahead

Gross revenue of $482m compares to our prior estimate of $485m (FY24: $803m), while net revenue (gross profit) is expected to be $136m (vs Edison's $132m) with gross margin increasing to 28.3% (FY24: 23.4%) reflecting the acute change in mix towards DIS. Adjusted EBITDA is expected to be $43m (Edison $41m; FY24: $92m), while FY25 net debt of $88m is comfortably below our prior $100m estimate.

Segments: Transformation and transition

Segmentally, DIS's focus on higher-value business and efficiency gains is reflected in a 10% y-o-y rise in EBITDA to $21.4m with net revenue increasing 3% to $75.6m, while gross revenue reduced by 4% to $195m. Comparison's financial performance reflects a recovery then stabilisation following a difficult Q1 and investment in establishing and growing the international operations. EBITDA was $12m (down 23% y-o-y), with net revenue down 7% to $21m and gross revenue up 4% to $65m, with H2 stronger than H1 across all these measures. The contribution of non-DACH gross merchandise value (GMV) increased to 4.8% (FY24: 0.4%). Search's performance reflects the impact of Google's discontinuation of AdSense for Domains (AFD), which is not yet offset by transactions from Related Search on Content (RSoC) and other platforms. FY25 revenue decreased 59% y-o-y to $222m, net revenue by 57% to $40m and EBITDA by 84% to $9m. Revenue from next-generation platforms increased to 39% in FY25, from 4.7% in FY24 (300%+ growth), and with AFD now shut down, new platforms will have accounted for the significant majority of the $96m H2 gross revenue figure (with EBITDA break-even in H2).

SOTP valuation of 63–76p unchanged

Management confirmed that discussions regarding a disposal of DIS are progressing well and that if a transaction does go through, it should deliver a value above the group's £97m market cap. Our peer sum-of-the-parts analysis values the group at 63–76p/share, with DIS alone worth around 57p/share before factoring in potential synergies or the central cost removal. Comparison and Search are harder to value given recent earnings volatility, but we see scope for value creation through international expansion at Comparison and increased uptake of RSoC at Search.

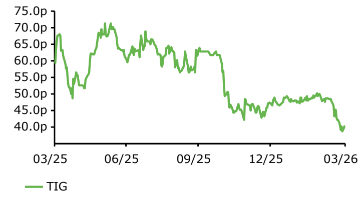
Trading update

Software and comp services

17 March 2026

Price	**41.00p**
Market cap	**£97m**
	US$1.35/£
Net cash/(debt) at 31 December 2025	$(87.6)m
Shares in issue	246.2m
Free float	100.0%
Code	TIG
Primary exchange	AIM
Secondary exchange	N/A

Share price performance



%	1m	3m	12m
Abs	(21.5)	(16.3)	(29.5)
52-week high/low		72.9p	40.0p

Business description

Team Internet Group is a global internet company that generates revenue through domain name distribution, online product comparison and AI-driven customer digital marketing solutions. The company's mission is to 'create meaningful connections' by enhancing user experiences and by fostering deeper engagement through innovative technology.

Next events

Full year results	26 April

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Edison profile page

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Estimate changes

Our estimates have not changed significantly and are detailed below. Our FY27 estimates are new, and assume a slight moderation of growth on FY26 with flat EBITDA margins (9%).

Exhibit 1: Estimate changes

	Reported	Reported	Old	New	Change	Old	New	Change	New
US$m	**2023**	**2024**	**2025e**	**2025e**		**2026e**	**2026e**		**2027e**
Gross revenue	**837**	**803**	**485**	**482**	-0.6%	**511**	**509**	-0.4%	**533**
Gross Profit	**191**	**188**	**132**	**136**	3.5%	**134**	**137**	2.1%	**144**
Adjusted EBITDA	**96**	**92**	**41**	**43**	3.3%	**46**	**46**	-0.5%	**50**
EBITDA Margin	11.5%	11.4%	8.5%	8.9%		9.0%	9.0%		9.3%
Profit Before Tax (norm)	**81**	**71**	**26**	**27**	5.4%	**32**	**32**	-0.8%	**37**
Profit Before Tax (reported)	**29**	**(9)**	**(15)**	**(14)**	-9.1%	**(0)**	**(0)**	262.2%	**4**
Net income (normalised)	**67**	**52**	**18**	**19**	5.8%	**22**	**22**	-0.9%	**25**
Basic average number of shares outstanding (m)	272	254	245	245		246	246		246
EPS - basic normalised (c)	23.2	21.4	8.1	8.5	5.4%	9.9	9.9	-0.8%	10.3
EPS - diluted normalised (c)	22.4	21.2	8.0	8.4	5.4%	9.8	9.8	-0.8%	10.2
Dividend (p)	2.0	1.0	0.0	0.0		0.0	0.0		0.0
Closing net debt/(cash)	**74**	**96**	**100**	**88**	-12.0%	**95**	**92**	-2.7%	**85**

Source: Team Internet Group, Edison Investment Research estimates

Exhibit 2: Financial summary

31-Dec	$'m	2024	2025e	2026e	2027e
INCOME STATEMENT		**IFRS**	**IFRS**	**IFRS**	**IFRS**
Gross Revenue		**803**	**482**	**509**	**533**
Cost of Sales		(615)	(346)	(372)	(389)
Gross Profit (net revenue)		188	136	137	144
EBITDA		**92**	**43**	**46**	**50**
Normalised operating profit		**89**	**40**	**42**	**46**
Amortisation of acquired intangibles		(44)	(39)	(30)	(30)
Exceptionals		(36)	0	0	0
Share-based payments		(1)	(2)	(2)	(2)
Reported operating profit		**8**	**(1)**	**10**	**13**
Net Interest		(18)	(13)	(10)	(9)
Exceptionals		(36)	(3)	0	0
Profit Before Tax (norm)		**71**	**27**	**32**	**37**
Profit Before Tax (reported)		**(9)**	**(14)**	**(0)**	**4**
Reported tax		(8)	3	0	(1)
Profit After Tax (norm)		**52**	**19**	**22**	**25**
Profit After Tax (reported)		**(18)**	**(11)**	**(0)**	**3**
Minority interests		0	0	0	0
Net income (normalised)		**52**	**19**	**22**	**25**
Net income (reported)		**(18)**	**(11)**	**(0)**	**3**
Basic average number of shares outstanding (m)		254	245	246	246
EPS - basic normalised (c)		21.45	8.48	9.87	10.33
EPS - diluted normalised (c)		21.18	8.38	9.75	10.20
EPS - basic reported (c)		(6.97)	(4.34)	(0.10)	107.50
Dividend (p)		1.00	0.00	0.00	0.00
Revenue growth (%)		17.5	10.0	11.0	11.0
Gross Margin (%)		23.4	28.3	26.9	27.1
EBITDA Margin (%)		11.4	8.9	9.0	9.3
EBITDA/Net Revenue (%)		49.0	31.4	33.4	34.4
Normalised Operating Margin		11.1	8.2	8.2	8.6
BALANCE SHEET					
Fixed Assets		**94**	**66**	**41**	**16**
Intangible Assets		76	52	30	8
Tangible Assets		6	2	(1)	(4)
Investments & other		12	12	12	12
Current Assets		**180**	**122**	**123**	**132**
Stocks		0	0	0	0
Debtors		92	41	46	48
Cash & cash equivalents		88	81	77	84
Current Liabilities		**174**	**118**	**104**	**87**
Creditors		132	94	89	93
Short-term borrowings		0	0	0	0
Lease liabilities		1	1	1	1
Long-Term Liabilities		**213**	**191**	**181**	**181**
Long-term borrowings		185	169	169	169
Other long term liabilities		28	22	12	12
Net Assets		**(112)**	**(120)**	**(121)**	**(120)**
CASH FLOW					
Op Cash Flow before WC and tax		38	28	34	38
Working capital		(1)	12	(10)	2
Exceptional & other		54	15	12	11
Tax		(9)	(20)	(19)	(21)
Net operating cash flow		**81**	**35**	**17**	**30**
Capex		(10)	(8)	(9)	(9)
Acquisitions/disposals		(36)	(1)	0	0
Net interest received (paid)		(15)	(13)	(10)	(9)
Equity financing		(21)	(7)	0	0
Dividends		(10)	0	0	0
Other		(2)	(2)	(2)	(2)
Net Cash Flow		(12)	4	(4)	10
Opening net debt/(cash)		**86**	**96**	**88**	**92**
FX		(4)	4	0	0
Other non-cash movements		(1)	(3)	(1)	(3)
Closing net debt/(cash)		**96**	**88**	**92**	**85**

Source: Team Internet Group, Edison Investment Research estimates

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