Team Internet Group

Positive progress in H1

H1 results

Software and comp services

7 September 2026

Team Internet's H1 results were in line with the July trading update. DIS's 28% EBITDA growth should support the disposal process, with discussions ongoing with multiple parties. Management continues to expect a valuation materially above $160m, with completion around year-end. Comparison is establishing itself as the key pillar of the post-DIS story, with H1 net revenue up 38% and EBITDA up 56%. Growth remains predominantly DACH-led, but new channels, such as Google Shopping ads, broaden the opportunity, and France is now profitable. Search has completed its transition away from AFD and returned to profit in June, although RSoC remains unpredictable as the model matures. Our estimates look well-supported with a sum of the parts (SOTP) returning a 60–70p fair value.

Year end	Revenue ($m)	EBITDA ($m)	PBT ($m)	EPS (¢)	DPS (p)	P/E (x)	Yield (%)	EV/EBITDA (x)
12/24	802.8	91.9	71.4	21.45	1.00	2.7	2.4	2.8
12/25	481.9	42.7	24.8	7.80	0.00	7.3	N/A	6.0
12/26e	386.0	46.2	26.4	8.19	0.00	6.9	N/A	5.6
12/27e	412.1	49.5	37.0	10.57	0.00	5.4	N/A	5.2

Note: EBITDA, PBT and diluted EPS are normalised, excluding amortisation , share-based payments and exceptional items. 24% tax rate used for adjusted EPS.

DIS and Comparison EBITDA up 37% in H1 2026

H1 results were in line with the July trading update and encouraging overall. DIS net revenue increased 8% and EBITDA 28%, despite lower gross revenue, reflecting the focus on higher-value accounts and operational rationalisation. Comparison was particularly strong, with net revenue up 38% and EBITDA up 56%, while Search completed its transition away from AFD and returned to profitability in June. With H2 typically stronger, the results provide good support for our unchanged EBITDA forecasts.

Comparison the key pillar of the post-DIS story

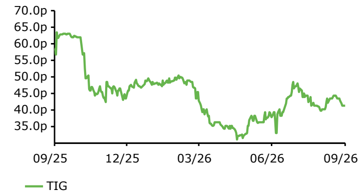
Comparison is increasingly emerging as the key growth pillar of the remaining group. New acquisition channels, including Google Shopping ads, broaden the opportunity beyond traditional search, while international expansion provides additional upside. Non-DACH activity remains modest, but France is already profitable at a relatively low revenue base, supporting management's view that the model can be replicated in new geographies with limited incremental investment.

Valuation: Material upside from a successful transaction

Our EBITDA forecasts are unchanged, although we modestly increase EPS on lower depreciation and amortisation and nudge FY26e year-end net debt to $105m (vs $103 previously). Our peer-based SOTP implies 60–70p/share, versus a current price of 42p, including 63–72p/share for DIS and 28–31p for Comparison before net debt. A successful DIS transaction should therefore crystallise significant value, while further upside could come from Comparison growth, Search recovery, post-disposal cost savings and the antitrust claims.

Price	**42.00p**
Market cap	**£103m**
Net cash/(debt)	$(117.6)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	2.4	7.7	(28.4)
52-week high/low		64.9p	31.5p

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.

Analyst

Dan Ridsdale +44 (0)20 3077 5700

tmt@edisongroup.com

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H1 results

DIS: Strategic initiatives drive margin expansion and should support disposal discussions

Domains, Identity and Software (DIS) performed well in H1, with net revenue up 8% to $40.8m and adjusted EBITDA up 28% to $13.7m. Gross revenue reduced by 6% to $97.9m reflecting the focus on higher-value, more profitable accounts, alongside growth in value-added services, which increased to 18.9% of DIS revenue from 17.1%. As a result, gross margin increased to 41.7% from 36.5%, while ongoing operational rationalisation also supported EBITDA growth.

Looking ahead, the next ICANN new gTLD round should provide an additional tailwind, with activity expected to build from later this year and support demand for registry and related services, providing good support for our estimate. We believe this solid progress and prospects should support the sales process.

The DIS strategic review is said to be at an advanced stage with discussions ongoing with multiple parties interested in all or parts of the division. Management continues to anticipate a valuation materially above $160m and completion around year-end. We believe that the drawn-out timetable reflects the complexity of the transaction and a dynamic market backdrop rather than any weakening of the process.

Comparison: Emerging as the key post-DIS growth pillar

Comparison was particularly strong in H1 and is increasingly emerging as the key growth pillar of the post-DIS business. Gross revenue increased by 18% to $32.9m, while gross profit/net revenue rose by 38% to $12.4m, lifting gross margin to 37.7% from 32.3%; adjusted EBITDA increased by 56% to $8.4m, with EBITDA conversion rising to 67.7%. The business is also broadening its growth opportunity through new customer-acquisition channels, (eg Google Shopping ads), which should reduce its reliance on traditional search. International remains modest, with non-DACH gross merchandise value at just 5.2%, but France is now profitable at a relatively low revenue base. Management believes this demonstrates that the model can be replicated in other geographies with limited incremental investment and limited drag on profitability as those markets develop. Comparison is typically H2 weighted and management expects this seasonal pattern to repeat in FY26, providing further support for our forecasts.

The group continues to pursue self-funded damages claims arising from conduct established by regulatory anti-trust decisions. Management notes that a successful outcome could be material relative to the group’s current market capitalisation, although timing and quantum remain uncertain.

Search: On a more solid footing, RSoC still finding its way

Search is now on a more solid footing following a hugely challenging transition. The company’s growth strategy is now based on connecting consumer audiences with advertisers across digital platforms that are not directly integrated, using content-led formats such as Related Search on Content (RSoC) versus the previous AdSense for Domains (AFD) centric model, which monetised traffic from parked domains. Legacy AFD revenue was negligible in H1 and has been nil in H2 to date, while Search returned to EBITDA profitability in June. The division and the wider market are still refining customer journeys and workflows around RSoC, so revenue growth remains difficult to predict, but management expects a profitable H2. With activity heavily weighted to Q4, the peak fourth-quarter period will be the key determinant of the full-year outcome.

Exhibit 1: Segmental model

	FY24	FY25	H126	H226e	FY26e	FY27e
Domains, Identity and Software (DIS)						
Revenue	203	195	98	99	197	202
Growth (y-o-y, %)	7%	-4%	-6%	9%	1%	3%
Gross profit	74	76	41	41	82	84
Gross margin (%)	36%	39%	42%	42%	42%	42%
EBITDA	19	21	14	13	27	26
EBITDA margin	10%	11%	14%	13%	14%	13%
Comparison						
Revenue	63	65	33	39	72	79
Growth (y-o-y, %)	43%	4%	18%	4%	10%	10%
Gross profit	22	21	12	15	27	29
Gross margin (%)	36%	32%	38%	37%	38%	37%
EBITDA	16	12	8	10	18	19
EBITDA margin	26%	19%	26%	25%	25%	24%
Search						
Gross revenue	537	222	48	69	118	131
Growth (y-o-y, %)	-11%	-59%	-63%	-23%	-47%	11%
Net revenue	92	40	8	15	22	26
Gross margin (%)	17%	18%	16%	21%	19%	20%
EBITDA	56	9	(3)	4	1	5
EBITDA margin	11%	4%	-5%	6%	1%	4%
Group						
Group revenues	803	482	179	207	386	412
Growth (y-o-y, %)	-4%	-40%	-32%	-5%	-20%	7%
Gross profit	188	136	61	70	131	140
Gross margin (%)	23%	28%	34%	34%	34%	34%
Cash opex	(96)	(94)	(42)	(44)	(85)	(90)
Opex growth	1%	-2%	0%	0%	-9%	6%
EBITDA	92	43	20	27	46	50
Margin %	11%	9%	11%	13%	12%	12%

Source: Company Accounts, Edison Investment Research

Estimates

Our group EBITDA forecasts are unchanged at $46m in FY26e and $50m in FY27e, although we have modestly rebalanced the divisional mix, with a greater contribution from Comparison offsetting lower expectations for Search. EPS increases, principally reflecting lower forecast depreciation and amortisation, while our FY26 year-end net debt estimate is nudged higher to reflect a higher forecast cash tax charge.

Exhibit 2: Estimate changes

	Reported	Old	New	Change	Old	New	Change	Old	New	Change
US$m	**2024**	**2025e**	**2025e**		**2026e**	**2026e**		**2027e**	**2027e**	
Gross revenue	**803**	**482**	**482**	0.0%	**386**	**386**	0.0%	**413**	**412**	-0.3%
Gross Profit	**188**	**136**	**136**	0.0%	**131**	**131**	0.4%	**138**	**140**	0.8%
Adjusted EBITDA	**92**	**43**	**43**	0.0%	**46**	**46**	-0.1%	**50**	**50**	0.1%
EBITDA margin	11.4%	8.9%	8.9%		12.0%	12.0%		12.0%	12.0%	
Net interest	(18)	(13)	(15)		(16)	(16)		(9)	(9)	
Profit before tax (norm)	**71**	**27**	**25**	-8.8%	**25**	**26**	5.7%	**36**	**37**	4.2%
Profit before tax (reported)	**(9)**	**(14)**	**(65)**	366.2%	**(12)**	**(5)**	-55.5%	**5**	**12**	129.4%
Net income (normalised)	**52**	**19**	**17**	-12.2%	**16**	**18**	11.2%	**24**	**26**	7.7%
Basic average number of shares outstanding (m)	254	245	243		246	246		246	246	
EPS - basic normalised (c)	21.4	8.5	7.8	-8.0%	7.7	8.2	5.7%	9.8	10.6	7.7%
EPS - diluted normalised (c)	0.0	8.4	7.8	-6.9%	7.7	8.2	5.7%	9.8	10.6	7.7%
Dividend (p)	1.0	0.0	0.0		0.0	0.0		0.0	0.0	
Closing net debt/(cash)	**96**	**88**	**87**	-0.4%	**102**	**105**	2.8%	**89**	**95**	6.4%

Source: Edison Investment Research

Valuation: A successful transaction should support material upside

Our peer-based SOTP framework continues to indicate meaningful upside.

For DIS, applying the peer median multiple to our FY26e EBITDA forecast implies a value of $208m–$241m, or 63–72p/share, consistent with management's expectation of a transaction value materially above $160m. As previously, we note that the divisional EBITDA bears a substantial allocation of central costs that would not necessarily transfer to a buyer.

Comparison underpins the post-DIS investment case with a relatively modest 5-6x EBITDA multiple implying a $94–104m or 28–31p/share valuation. While Search looks to be on a substantially stronger footing, valuing the business is difficult until it shows some consistency of earnings. Hence, we apply a low multiple on earnings which could turn out to be trough levels, returning a valuation of 2–4p/share.

After deducting $118m of June 2026 net debt, our FY26e SOTP implies a value of 60–70p/share.

We see several potential drivers of further upside, including a stronger-than-expected DIS disposal price, continued growth and margin expansion in Comparison, further recovery in Search, post-disposal cost rationalisation and potential proceeds from the group's antitrust damages claims.

Exhibit 3: Sum-of-the-parts analysis

EBITDA ($m)		**FY26e**	**FY27e**
Domains, Identity and Software (DIS)		27	26
Comparison		18	19
Search		1	5
Fair EBITDA multiple (x)			
DIS		9	8
Comparison		6	5
Search		4	3
Fair value – based on peer median		**$m**	**$m**
DIS		241	208
Comparison		104	94
Search		6	14
Fair value – based on peer median		**£/share**	**£/share**
DIS		0.72	0.63
Comparison		0.31	0.28
Search		0.02	0.04
Implied SOTP valuation			
Enterprise value ($m)		351	316
Net debt (June 2026) ($m)	118		
Implied market cap ($m)		233	199
Implied market cap (£m)		172	147
Implied share price (p)		70	60

Source: Edison Investment Research

Exhibit 4: Financial summary

31-Dec	$'m	2024	2025	2026e	2027e
INCOME STATEMENT		**IFRS**	**IFRS**	**IFRS**	**IFRS**
Gross Revenue		**803**	**482**	**386**	**412**
Cost of Sales		(615)	(346)	(255)	(272)
Gross Profit (net revenue)		188	136	131	140
EBITDA		**92**	**43**	**46**	**50**
Normalised operating profit		**89**	**40**	**43**	**46**
Amortisation of acquired intangibles		(44)	(47)	(31)	(25)
Exceptionals		(36)	(42)	0	0
Share-based payments		(1)	1	(1)	(1)
Reported operating profit		**8**	**(49)**	**11**	**21**
Net Interest		(18)	(15)	(16)	(9)
Exceptionals		(36)	(3)	0	0
Profit Before Tax (norm)		**71**	**25**	**26**	**37**
Profit Before Tax (reported)		**(9)**	**(65)**	**(5)**	**12**
Reported tax		(8)	3	(4)	(3)
Profit After Tax (norm)		**52**	**17**	**18**	**26**
Profit After Tax (reported)		**(18)**	**(62)**	**(9)**	**9**
Minority interests		0	0	0	0
Net income (normalised)		**52**	**17**	**18**	**26**
Net income (reported)		**(18)**	**(62)**	**(9)**	**9**
Basic average number of shares outstanding (m)		254	243	246	246
EPS - basic normalised (c)		21.45	7.80	8.19	10.57
EPS - diluted normalised (c)		21.18	7.80	8.19	10.57
EPS - basic reported (c)		(6.97)	(25.63)	(3.55)	3.56
Dividend (p)		1.00	0.00	0.00	0.00
Revenue growth (%)		(4.1)	(40.0)	(19.9)	6.7
Gross Margin (%)		23.4	28.3	34.0	33.9
EBITDA Margin (%)		11.4	8.9	12.0	12.0
EBITDA/Net Revenue (%)		49.0	31.4	35.2	35.5
Normalised Operating Margin		11.1	8.3	11.0	11.2
BALANCE SHEET					
Fixed Assets		**299**	**251**	**227**	**206**
Intangible Assets		281	237	220	201
Tangible Assets		6	5	(1)	(4)
Investments & other		12	9	9	9
Current Assets		**180**	**151**	**120**	**133**
Stocks		0	0	0	0
Debtors		92	70	56	59
Cash & cash equivalents		88	81	63	74
Current Liabilities		**174**	**339**	**139**	**125**
Creditors		132	140	116	124
Short-term borrowings		0	169	1	1
Lease liabilities		1	1	1	1
Long-Term Liabilities		**213**	**21**	**179**	**179**
Long-term borrowings		185	0	168	168
Other long term liabilities		28	21	11	11
Net Assets		**92**	**43**	**29**	**34**
CASH FLOW					
Op Cash Flow before WC and tax		38	(15)	29	40
Working capital		(1)	28	(10)	5
Exceptional & other		54	16	17	10
Tax		(9)	(19)	(22)	(24)
Net operating cash flow		**81**	**10**	**15**	**30**
Capex		(10)	(8)	(8)	(7)
Acquisitions/disposals		(36)	(0)	0	0
Net interest received (paid)		(15)	(14)	(16)	(9)
Equity financing		(21)	(7)	0	0
Dividends		(10)	0	0	0
Other		(2)	(2)	(2)	(2)
Net Cash Flow		(12)	5	(17)	13
Opening net debt/(cash)		**86**	**96**	**87**	**105**
FX		(4)	8	0	0
Other non-cash movements		(1)	(3)	(1)	(3)
Closing net debt/(cash)		**96**	**87**	**105**	**95**

Source: Company data, Edison Investment Research

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London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom