

Team Internet Group

Two potential bids at 125p

Potential acquisition

Software and comp services

8 January 2025

Team Internet's board yesterday confirmed that it has received two separate acquisition proposals from TowerBrook Capital Partners and Verdane Fund Manager. Each proposal offers 125p per share in cash, with an option for shareholders to choose an unlisted equity alternative.

Year end	Revenue (US\$m)	EBITDA (US\$m)	PBT* (US\$m)	EPS* (c)	DPS (p)	EV/EBITDA (x)	P/E (x)	Yield (%)
12/22	728.2	86.0	64.2	16.7	1.0	5.6	8.9	0.7
12/23	836.9	96.4	77.4	22.5	2.0	5.0	6.6	1.3

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

The 125p potential bid price represents a 39% premium to the unaffected share price, which corresponds to EV/EBITDA of 5.2x, adjusted P/E of 7.1x and a free cash flow yield of 12% based on FY23 financials. According to the Takeover Code our estimates have been withdrawn until the offer period ends.

These proposals follow earlier approaches from both offerors, which the board previously rejected as they undervalued the company. The current proposals are subject to several preconditions, including due diligence and the finalisation of financing.

The board is considering both proposals with its advisers and will make further announcements as appropriate. According to the Takeover Code, the offerors must announce their firm intentions by 5pm on 4 February 2025, unless an extension is granted.

Price 117p

Market cap £295m

US\$1.23/£

Net debt (\$m) at 30 September 2024 99.7

Shares in issue (excl 21.4m share held in treasury) 252m

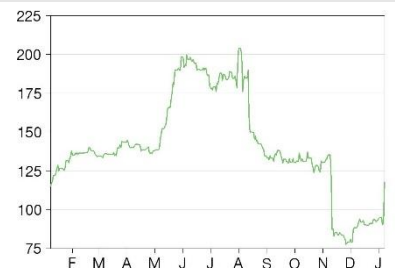
Free float 49%

Code TIG, TIGXF

Primary exchange AIM

Secondary exchange OTCQX

Share price performance



Business description

Team Internet Group is a global internet company which derives recurring revenue from privacy-safe, AI-based customer journeys that help online consumers make informed choices, as well as from the distribution of domain names.

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