

OMDA (OMDA)



OMDA Way to Digitise the Healthcare Sector

OMDA AS ("OMDA" or "the Company") provides scalable software solutions to the healthcare sector, such as emergency response systems, primarily through tenured contracts, ensuring recurring revenue for 10+ years. With political headwinds and a strong cash position, the Company is set to grow organically and through acquisitions. However, reduced reliance on acquired growth facilitates the Company to focus on integrating previous acquisitions, thus enabling greater efficiency, lower operating costs, and higher EBITDA margins through scalable solutions. OMDA is estimated to reach an EBITDA of NOK 150.2m in 2025 and based on an applied EV/EBITDA target multiple of 10.4x, a potential fair value of NOK 49.1 per share is derived in a Base scenario.

Favourable Acquisitions Enables Increased Revenue

Tenders for new suppliers from public-owned hospitals can sometimes take up to ten years; therefore, acquisitions has been the primary strategy for OMDA to gain new customers and revenue streams. However, the Swedish and Norwegian governments have set aside SEK 660m and NOK 1.25bn, respectively, to digitise healthcare, leading to tenders for new suppliers are estimated to be more frequent going forward. Reduced reliance on acquired growth allows OMDA to focus on growing organically and creating synergies, leading to lower CapEx, which enables higher cash flows. Therefore, Analyst Group estimates that the revenue will grow with a CAGR of 18.1% until 2025, reaching NOK 608.6m.

Positioned to Capitalize on Political Initiatives

Nordic's most prominent public-owned hospitals have used OMDA's software solutions over the past 25 years, and as tenders increase, the Company is well-positioned to capitalize on the demand. OMDA's Coordcom platform, already serving 11% of the European population, aligns with the EU's directive towards NG112, fueling further possible revenue growth. With the healthcare sector's sensitivity to change, contracts of +15 years, and a churn below 2% annually, the stickiness of the solution enables up-selling and price increases. Analyst Group estimates ARR to grow with a CAGR of 21%, primarily through the underlying demand to digitise the European healthcare sector, continued up-selling, and price increases.

Further Integration Provides Compelling Margin Growth

In 2021, OMDA acquired two companies in the emergency segment, initially with EBITDA margins of -4% and 12%. The integration is now completed whereas EBITDA margins have increased to 18.5% YTD. As the 2022 acquired companies' integration period closes in, the EBITDA margins are estimated to increase further as integration-related salary expenses are reduced. With a strong position, serving nearly all hospitals in the Nordics, OMDA can scale the software without higher sales personnel expenses, enabling lower operating costs as a percentage of sales. Analyst Group estimates EBITDA to expand from 12.9% YTD to 24.7% in 2025 through proven integration effects and a scalable SaaS business model.

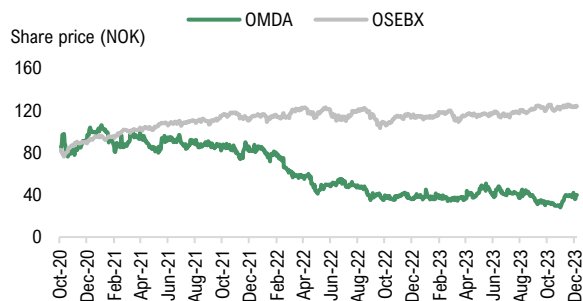
VALUATION RANGE

Bear
NOK 18.6
Base
NOK 49.1
Bull
NOK 64.8

KEY INFORMATION

Share Price NOK (2024-01-18)	37.5
Shares Outstanding	20,964,404
Market Cap (MNOK)	784
Net cash(-)/debt(+)(MNOK)	366
Enterprise Value (MNOK)	1,150
List	Euronext Oslo Growth
Quarterly report 4 2023	2024-03-01

SHARE PRICE DEVELOPMENT



OWNERS (SOURCE: THE COMPANY, 2023-12-29)

Equilibrium AS	19.5%
The Northern Trust Comp, London Br	12.8%
The Bank of New York Mellon SA/NV	8.2%
Pershing LLC	5.0%
DEFA Endeavour AS	4.7%

Estimates (MNOK)	2022A	2023E	2024E	2025E
Revenue	369.7	414.0	498.8	608.6
COGS	33.4	32.9	39.6	45.3
Gross Profit	336.3	377.9	455.3	558.4
Gross Margin	91.0%	92.0%	92.0%	92.5%
Operating Costs	320.7	324.9	364.3	408.2
EBITDA	15.6	52.9	90.9	150.2
EBITDA Margin	4.2%	12.8%	18.2%	24.7%
P/S	2.0x	1.9x	1.6x	1.3x
EV/S	3.1x	2.8x	2.3x	1.9x
EV/EBITDA	73.6x	21.2x	12.6x	7.6x
EV/EBIT	-12.7x	-30.6x	-64.1x	66.2x

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ABOUT THE COMPANY

OMDA is a Norwegian software company providing digital solutions to the healthcare industry, primarily to medical professionals and emergency responders within the public sector. Initially named CSAM Health Group, the Company was founded by Oslo University Hospital in 1999 and later spun out in 2012. OMDA serves over 500 customers in 27 countries, with the Nordic as the primary market, where the Company operates through seven business segments. The software solution varies from emergency response and blood donation to cancer treatment, focusing on enhancing efficiency for healthcare workers while delivering care safely to patients. OMDA has been listed on Euronext Growth since October 2020.

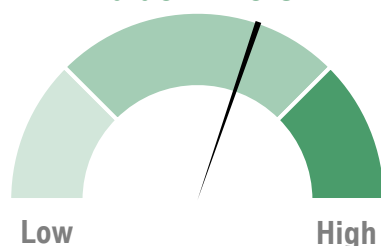
CEO AND CHAIRMAN

CEO	Sverre Flatby
Chairman	Åse Aulie Michelet

JUNIOR ANALYST

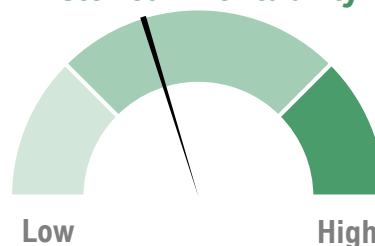
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Value Drivers



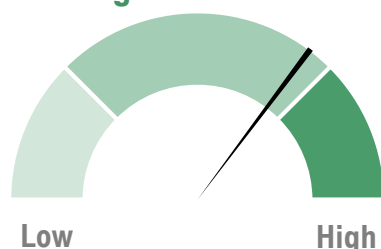
Demand for digital solutions is strong, with political initiatives of SEK 660m and NOK 1.25bn to further digitise healthcare. This provides a strong driver for OMDA which has a prominent position in the healthcare sector. Through long customer contracts with stickiness, continued up-selling acts as a driver for OMDA. As the integration of acquired companies continues, operational efficiency is expected, leading to EBITDA expansion going forward.

Historical Profitability



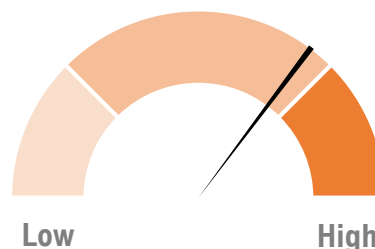
OMDA has a lumpy historical profitability with positive EBIT margins from 2017 to 2020. Five acquisitions were made from the IPO in 2020 until 2022, impacting operating costs negatively and leading to lower or negative EBITDA margins. The Company has never been net profit on a yearly basis, only quarterly once. LTM, margins have gradually improved to pre-IPO levels, but OMDA is still only positive on EBITDA level. The grade is solely based on the historical profitability of the Company.

Management & Board



The executive team possesses strong experience within the digital health industry. CEO Sverre Flatby and CFO Einar Bonnevie have worked with OMDA for the past 15 years and own a combined 19.5% of the Company through Equilibrium AS, making them highly incentivised and aligned with shareholders. Åse Aulie Michelet, the board chairman, has worked within the pharmaceutical industry since 1979, possessing years of experience.

Risk Profile



Cash and cash receivables currently amount to NOK 128.5m, while Net debt amounts to NOK 494m, converting to an ND/EBITDA of 8.5x. After Q3 2023, OMDA renewed the outstanding NOK 500m bond with a slightly higher interest rate of NIBOR +6%. The healthcare sector, OMDA's operating market, is non-cyclical, and with 80% of sales being recurring revenue, revenue streams are set to be stable, slightly derisking the high net debt.



**SEK 660M AND
NOK 1.25BN TO
FUND
DIGITIZATION OF
THE HEALTHCARE
SYSTEM**

Favourable Acquisitions as Organic Growth Ramp Up

The healthcare sector is a slow-moving and conservative industry, whereas public-owned hospitals stick with the same suppliers for a long time, meaning suppliers must wait ten years, at most, for new tenders. Therefore, acquisitions of companies with active customer contracts have been the main priority for OMDA to increase sales and recurring revenue. However, in 2023, the Swedish and Norwegian governments declared that the healthcare sector needs to be more digitised for better efficiency to ease the unnecessary administrative work burden for healthcare professionals, setting aside a start amount of SEK 660m, respectively NOK 1.25bn. Therefore, tenders from the healthcare sector, where OMDA has long-term relationships, are estimated to be more frequent than every ten years, leading to a lower need for the Company to acquire growth. However, after Q3 2023, the Company renewed its outstanding bond, realizing NOK 500m in cash and cash equivalence. Thus, Analyst Group estimates the Company will continue executing one acquisition per year until 2025 to gain new customers and increase market share within the current product portfolio. The Company decentralized the organization in 2022, providing future acquisitions to impact the operation only in that segment, whereas other segments can continue without any effect. The acquisition price is estimated to be the average price of all acquisitions since 2017, NOK 47m, leading to a lower growth CapEx of 9.5% of sales than after the IPO in 2020, when the focus was solely on development through acquisitions. With headwinds for organic development and a strong cash position, the Company is positioned for continued growth in 2024 and 2025. Onwards, revenue is estimated to grow with a CAGR of 18.1% until 2025 through a broader focus on winning customer contracts organic from more tenders rather than through acquisitions, meaning a slightly lower growth rate than 22% from 2020 – TTM.

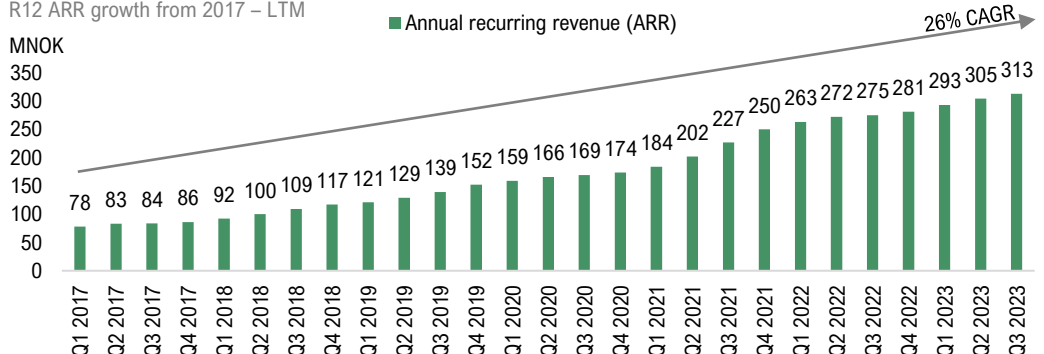
Proof of Concept Enables Capitalization on Political Decisions

Current political headwinds in the Nordic countries and EU are estimated to provide more frequent supplier tenders in the coming years. OMDA is well positioned to capitalize on this trend through a strong position within the Nordic countries, with the most prominent public-owned hospitals as customers for the past 40 years. OMDA operates within seven business segments, with emergency as the largest, generating 44% of total revenue. Currently, only 8 EU member countries use 112 as the sole emergency response number, which is beneficial for linking the emergency brigade with each other. In early 2023, the EU declared member nations to conclude a roadmap for NG112, meaning 112 is used as the sole number to enhance emergency responders with increased information. OMDA's emergency solution, Coordcom, is enhanced to incorporate NG112 standards, currently used by 11% of the European population, such as Sweden when calling for emergency support. Additionally, national political decisions for digital healthcare in Sweden and Norway enable growth in the other six business segments through proven products and scalability. OMDA's iPana solution has been Finland's leading supplier of digital maternity card cards since 2019, whereas Norway is looking to adopt the same system, setting aside NOK 30m. With long-existing relationships with the Norwegian healthcare system, OMDA is positioned to scale its solutions when demand for digital solutions increases. Notably, the healthcare sector is sensitive to change because of the high cost of failure, leading to long contracts when solutions are in place, as seen through OMDA's average customer contract of +15 years. Additionally, churn levels have been below 2% annually, compared to peers of 6.9%. Analyst Group estimates ARR to grow with a CAGR of 21% until 2025, made possible by increasing demand for digital solutions in the European healthcare sector, which OMDA, with proven solutions, is set to capitalize on while the sticky product provides further up-sales and price increases.

**SOFTWARE
SOLUTIONS USED
BY 11% OF THE
EUROPEAN
POPULATION**

Historical strong development of annual recurring revenue.

R12 ARR growth from 2017 – LTM



Source: OMDA

**27 CONSECUTIVE
QUARTERS WITH
ARR GROWTH**



Margins Improving as the Integration Period is Closing In

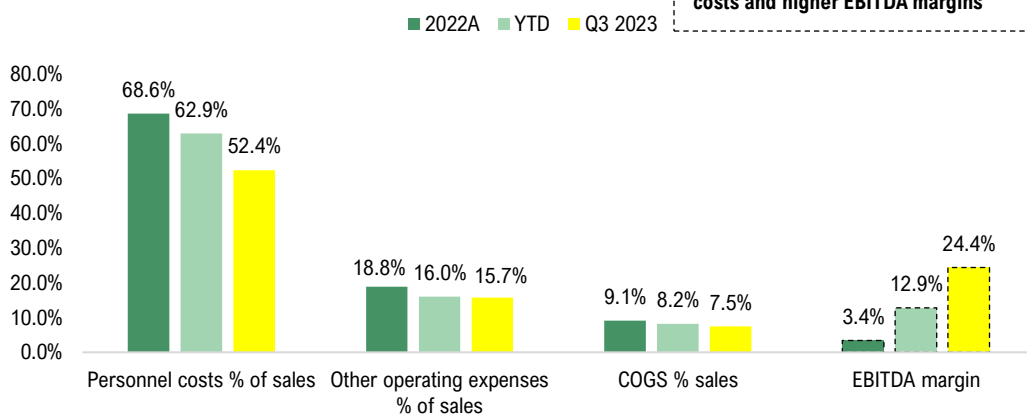
OMDA has an integration period of 24 months for acquired companies to improve efficiency, cut unnecessary operating costs, and improve margins. The acquisitions made after the IPO in 2020 increased salary expenses as a percentage of sales from 50.7% in 2020 to 68.8% in 2022. As 2021 acquired companies within the emergency segment are fully integrated, personnel expenses as a percentage of sales have declined, amounting to 62.9% YTD. Furthermore, EBITDA margins have expanded from 12%, respectively -8% when acquired, to 18.5% YTD in the emergency segment, clearly stating OMDA's strength in enhancing efficiency through synergies and improving margins. Currently, the emergency segments generate 44% of revenue and 59% of EBITDA, growing 25% y-o-y. Going forward, the Company is estimated to reduce the acquisition rate to focus on integrating the remaining 2022 acquisitions for further margin improvement by lowering consulting personnel costs related to the integration process while enhancing group efficiency through the decentralized organisation. Furthermore, OMDA initiated a cost-saving program of NOK 90m in H2 2022 to reduce operating costs, broadening the focus on margin improvement to 2020 levels of 25%. Through OMDA's recurring revenue, with 90% coming from public-owned hospitals, amounting to 80% of total revenue, and contracted for an average of +15 years, the leading personnel cost is upgrading current software for up-selling. Additionally, the strong position with nearly all Nordic hospitals as customers enables the Company to scale up without increasing salary costs for sales personnel. Furthermore, the software solutions are highly scalable, requiring low levels of COGS when expanding, with gross margins averaging 90.5% since 2017. Therefore, Analyst Group estimated EBITDA margins to increase from 12.9% YTD to 24.7% in 2025, lower than the Company's EBITDA goal of 30%. The estimated higher margins are motivated by the completed integration of acquired companies and the high scalability of the software solutions, which enables lower operating costs as a percentage of sales.

EBITDA MARGINS HAVE INCREASED FROM 4% 2021 TO 18.5% YTD IN ACQUIRED COMPANIES

Reduced operating costs with integration of acquisitions.

Overhead cost % of sales from Q3-22 – Q3-23, and EBITDA margin

Trend moving toward lower operating costs and higher EBITDA margins



Source: OMDA

High Net Debt Poses Risk for Cash-flows

OMDA currently has a net debt of NOK 365m and an ND/EBITDA of 8.5x. The renewal of the outstanding bond holds a slightly higher interest rate of 3-month moving Nibor +6% compared to the earlier bond of 3-month moving Nibor +4%. The higher interest rate poses a risk for the Company if rates were to move higher in the coming years, and revenue would stay the same, leading to higher financial costs and lower sales, impacting OMDA negatively. However, as 90% of the Company's income comes from AA+ credit-rated public-owned hospitals, and 80% of sales are recurring, the revenue stream is set to be stable in the coming years. Additionally, as OpEx and CapEx decrease from integrating acquired companies and fewer acquisitions, cash flow is set to improve, leading to lower financial risk.

80% OF SALES RECURRING ENABLES HIGHER DEBT LEVELS

Strong customer portfolio



+ 500 other customers

Product Portfolio



Emergency: Omda CoordCom ensures a safe and robust emergency response system by supporting emergency call center operators, dispatchers, first responders, and casualty clinic staff while enabling seamless sharing of critical patient information with emergency room doctors. Coordcom is based on technology with over 35 years of operational use and is currently used by 11% of the European population when calling for emergency help. OMDA Optima is a modeling solution that enables thorough comparisons between historical data and simulated events, covering almost every aspect of performance for emergency responders. Doing so offers valuable insights into the real-world consequences of operational decisions before their implementation in a live environment to guarantee patient safety.



LIMS (Laboratory Information Management System): OMDA ProSang is an end-to-end blood, cell, and tissue management system with full traceability from donor to recipient. ProSang provides detailed oversight from donor to recipient with automated barcode labelling in accordance with ISBT 128, automatically detecting irregularities between donor blood group and recipient. The software solution increases workflow efficiency for medical professionals while delivering safe patient care. OMDA ProSang is used by 180 blood centers in five countries, including a 100% market share in Sweden and Denmark.



Medication Management: OMDA Cytodose enables optimal and safer treatment for oncology patients. The software solution presents a full view of the patient's medication record so doctors can prescribe and adjust doses within a single integrated system based on lab results or clinical observations during treatment. Earlier treatment-deciding solutions for oncology patients were entirely paper-based, leading to a fatal wrongful dosage to a child in 2007. Cytodose minimizes paper flows within a single system while automating many processes that are critical, accessible to all healthcare professionals, from doctors to pharmacies. The solution has a 15-year record of stability and is widely used in Nordic healthcare.



Woman and Child: OMDA iPana solutions improve the collection, storage, and sharing of crucial medical information between expectant mothers and their healthcare team at every stage of the pregnancy and beyond. The digital maternity cards for pregnant women enable direct input of vital health metrics in the application, directly uploaded to healthcare professionals, reassuring the mother that the pregnancy is going as expected. The digital information is cloud-based and can be shared from hospitals to local healthcare providers, eliminating paperwork to quickly identify any health issues during the pregnancy while eliminating the need for hospital visits so pregnant women can go to the local healthcare provider instead. Post birth, the solution provides childbirth registration, which currently all childbirths in Norway and a third in Finland are registered in OMDA's systems.



Health Analytics: OMDA Compos and MedSciNet are standardized software that simplifies the process for clinical researchers, medicine, and academic professionals to collect and analyse well-managed medical data. The solutions enable fast and easy access to relevant data while prior studies are matched with the current analysis. The software solutions facilitate the development of innovation in both medical practice and scientific knowledge. The software solution has a 20-year track record of successfully hosting studies and clinical trials in varying sizes.



Connected Healthcare and Medical Imaging: The connected healthcare solutions enable a quick and securely encrypted exchange of confidential patient data between healthcare organizations and departments, easing the day-to-day administrative work. Medical professionals can store and quickly retrieve patient medical data, including audio or video files and lab reports, with no limits on file size or content through the cloud-based system based on Norwegian Data Protection Authority requirements. Omda Medical Imaging is a secure, end-to-end system for all medical images – capturing, storing, sharing, and archiving. The software solutions include applications for frontline healthcare professionals to take medical images on mobile devices or through integration with a wide range of connected hardware, such as DSLR cameras, microscopes, and endoscopes.



Non-cyclical and Non-sensitive End Market

The healthcare industry is arguably one of the most essential parts for a society to function correctly; regardless of economic climate and macro sentiment, people will and should always receive help. The trend in recent years, as well as prognosis, is that the population is growing older. This trend leads to a higher demand for healthcare in the future, whereas digital solutions, like OMDA's, can increase efficiency for healthcare professionals to provide faster patient care. Currently, most of the Nordic healthcare industry is owned by the public sector, which is conservative and slow-moving, meaning that they often stick to the same supplier for a long time because of the crucial part hospitals and emergency responders have for the population. The systems and solutions must work accordingly to provide care for everyone, while the education costs to handle new systems, instead of already implemented, are needed elsewhere in the healthcare sector. OMDA, with almost all Nordic hospitals as customers, has a competitive advantage against new companies, serving as a moat because hospitals know that the solutions work accordingly. This position increases the probability of receiving new and retaining customers, expanding the relationship with more solutions in other healthcare departments. For example, OMDA has a 100% market share within digital solutions for blood donation facilities in Sweden, and through this, gained a 100% market share in the Danish market as well, showing the strength of a strong position within healthcare.

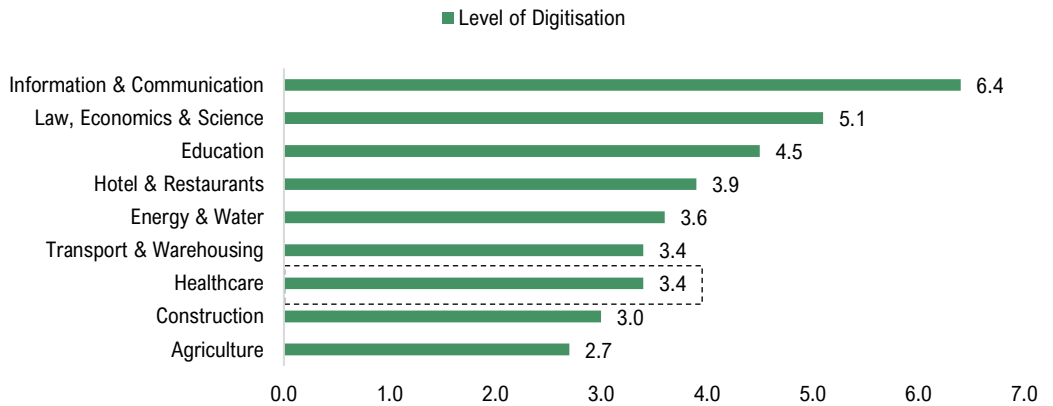
Current Digital Solutions in the Healthcare Sector

The Nordic countries are among the most digitised countries in the world and have, during the 2000s, seen rapid digitalisation growth within several industries; however, the level of digitisation varies across sectors. Currently, the healthcare industry in Sweden is one of the least digitized sectors of all, at levels compared to the construction and transport industries. According to estimates, 29% of nurses' working days are spent on indirect patient care, for example, mailing, referral management, and dictation. Notably, these are essential when providing healthcare, but many of these work tasks could be done more efficiently if more digital solutions were in place. OMDA has software solutions proven to help hospital workers reduce administrative time and increase patient care time while providing hospitals with lower costs through software solutions rather than personnel time, including costly salary expenses.

29% OF NURSES WORKING DAYS SPENT ON IN-DIRECT PATIENT CARE

Level of digitisation in some Swedish industries.

Healthcare sector lower than most peer industries



Source: Tillväxtverket

0 = No digital solutions used. 10 = Completely digitised.

Underlying Demand and Political Decisions for Digital Healthcare Solutions

Currently, there is an underlying need to digitise the healthcare industry further. Political decisions in Sweden and Norway have declared that the healthcare industry needs to be more digitised, setting aside SEK 660m and NOK 1.25bn, respectively. The political decisions aim to reduce unnecessary time spent on administrative work to reduce the work burden of health providers. Tenders for new or current suppliers will increase, providing software suppliers such as OMDA with higher demand for the solutions in the future. Furthermore, the EU has provided financial aid to the member countries to help in the transformation to e-health and more digitised healthcare, leading to incentives on both national and international levels. In Europe, only five countries use 112 as the only emergency number, which the EU wants to change. EU has declared that all member states must form a roadmap toward NG112 (next-generation 112) by December 2023. The delegation is to unite the EU member states into one number for EU citizens while increasing ways to contact emergency responders to support them with more information. OMDA's CoordCom solutions enable this development while already being used by 11% of the European population, again proving the Company's strong position within the healthcare sector.

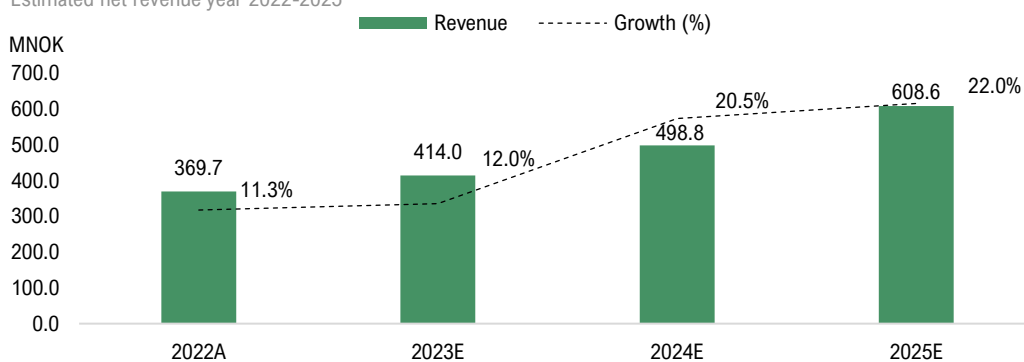
**18.1% REVENUE
CAGR UNTIL 2025**

Revenue Forecast 2023 – 2025

OMDA is estimated to continue executing acquisitions; however, fewer than after the IPO in 2020. Acquisitions are estimated to be within existing business segments to enhance synergies, amounting to one per year until 2025, for the average paid price since 2017 of NOK 47m. The lower need for acquired growth is because of political decisions in the Nordic and EU to digitise the healthcare sector further, leading to more frequent tenders for OMDA's solutions. Through an already strong position within the Nordics and parts of the European healthcare sector, the Company has a higher possibility to win new customers while expanding current customer relations when funding of SEK 660m and NOK 1.25bn for digital solutions appear in the healthcare sector. Furthermore, through OMDA's long-lasting customer contracts and sticky solution, organic growth from complementary up-sales and price increases are estimated going forward, leading to higher recurring revenue for stable cash flow. Overall, Analyst Group estimates revenue to grow with a CAGR of 18.1% until 2025, reaching NOK 608.6m through organic and acquired growth fuelled by political decisions and a strong market position.

Revenue are Estimated to Reach NOK 608.6M by the Year 2025.

Estimated net revenue year 2022-2025



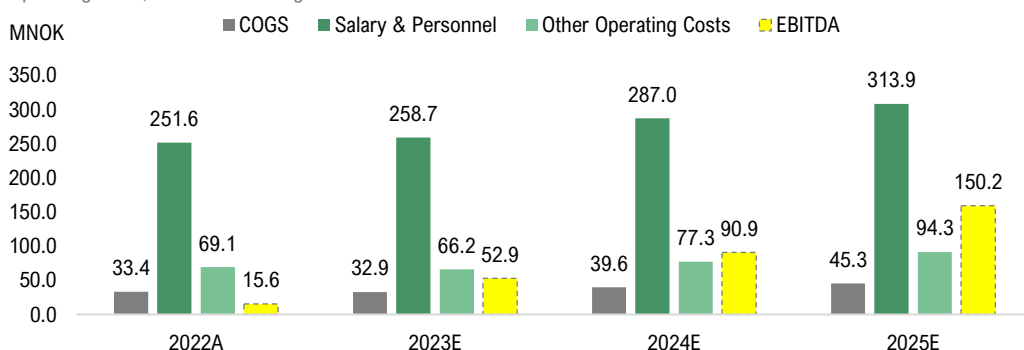
Source: OMDA, Analyst Group's Estimates

Integration and Cost Awareness Provides the Mean to Higher EBITDA Margins

Since Q3-22, OMDA has focused on reducing operating costs to improve EBITDA margins. COGS decreased by 14%, going from 9.1% of sales in 2022 to 8.6% LTM, and is estimated to decline further to 7.5% of sales in 2025. The lower percentage of sales is made possible by an increased focus on software sales generating recurring revenue rather than COGS-intensive hardware sales. Estimated gross margins going from 91% in 2022 to 92.5% in 2025. Personnel and salary are estimated to decrease from 66% of sales LTM (YTD 63%) to 52% in 2025. This lowering is made possible when completing the integration process of acquired companies, which has been consulting intensive, leading to lower salary expenses going forward. Since H2-2022, the total number of employees has decreased from 314 to 285, derived from integration moving toward completion, combined with the cost-saving program to reduce overall operating costs. Furthermore, as demand for digital solutions increases, the Company, with proven software used by almost all Nordic hospitals, is set to capitalize on this trend without increasing costs for sales personnel or higher COGS. Analyst Group estimates an EBITDA margin of 24.7% in 2025, from 12.9% YTD fuelled by the scalable business model, enabling lower operating costs as a percentage of sales.

Lower operating costs as percentage of sales.

Operating costs, and EBITDA margin forecast from 2022 to 2025



Source: OMDA, Analyst Group's Estimates

**SALARY
EXPENSES
ESTIMATED TO
REACH 52% OF
SALES IN 2025**

Peer Valuation: Base Scenario

A relative valuation is performed to determine the value of OMDA, where peers were chosen based on the business model and operating market. All four companies deliver digital solutions to the healthcare sector through a SaaS model, enabling recurring revenue as the primary sales segment.

Peer Valuation (NOKm)	Market data		Financials			Valuation	
	LTM		LTM			LTM	2025E
Company name	MCAP	EV	EBITDA Margin	Rev Growth YoY	Gross Margin	EV/EBITDA	EV/EBITDA
Carasent	1,033	449	-13%	31%	82%	-16.5x	6.9x
Nordhealth	2,093	1,797	-44%	24%	94%	-12.1x	16.8x
Nexus AG	10,808	9,873	22%	14%	84%	17.0x	13.1x
Vitalhub Corp	1,355	1,132	15%	41%	81%	17.3x	7.7x
Average	3,215	2,880	-3%	24%	87%	1.4x	10.4x
Median	1,355	1,150	5%	24%	84%	2.5x	7.7x
OMDA	784	1,150	5%	12%	92%	50.9x	7.6x

Source: OMDA, Analyst Group's Estimates, Bloomberg

49.1 NOK BASE SCENARIO

OMDA has higher gross margins than the median average but a lower LTM EBITDA margin than profitable peers. The Company is smaller relative to peers; however, it is not factored in as one peer substantially increases the average. In a Base scenario, Analyst Group estimates that the EBITDA margin is set to rise from 5% LTM to 24.7% in 2025 through lower operating costs when the integration of acquired companies is completed while sales increase from the underlying political demand to digitise the healthcare sector. A more extensive margin expansion than peers is provided by higher scalability in the business model seen through higher gross margins and current margin trajectory. Applying the average 2025 EV/EBITDA multiple of 10.4x to 2025 EBITDA of NOK 150.2m implies a potential enterprise value of NOK 1,562, which, when adjusted for the estimated net debt of NOK 273.7m, implies a potential value per share of NOK 49.1.¹

47.8 NOK DCF VALUATION

Complementary DCF Valuation: Base Scenario

For additional validation, a complementary DCF has been contrived (see Appendix p.13). The DCF valuation is based on the estimated Base scenario EBIT until 2025 with a 5% growth until 2034 and 2% TGR after the normalization periods ends in 2034. The WACC of 9.2% is derived from a 15% equity and 85% debt funding, with a 12% cost of equity and 8.6% after-taxes cost of debt. The DCF valuation implies a potential price per share of 47.8 NOK, near the implied equity value in the peer valuation.

48.5 NOK 50/50 WEIGHTED DCF AND PEER VALUATION

Summarized Valuation

Through equally weighing the DCF and peer valuation, a target price of NOK 48.5 is implied in a Base scenario, confirming a more robust validation for the implied potential price per share of NOK 49.1.¹

64.8 NOK BULL SCENARIO

Bull scenario

The following factors are potential value drivers in a Bull scenario:

- OMDA captures a more significant amount of tenders, contributing to an extra NOK 39.7M in sales by 2025.
- Integration speeds up, enabling further focus on enhancing efficiency, providing an EBITDA of 28% in 2025.
- ARR as a percentage of sales increases through increased up-selling, leading to lower COGS and gross margins of 93% in 2025.

By applying a target multiple of EV/EBITDA 10.7x to the 2025 EBITDA of NOK 184.5M implies a potential value per share of NOK 64.8¹ in a Bull scenario.²

Bear scenario

The following factors are potential factors in a Bear scenario:

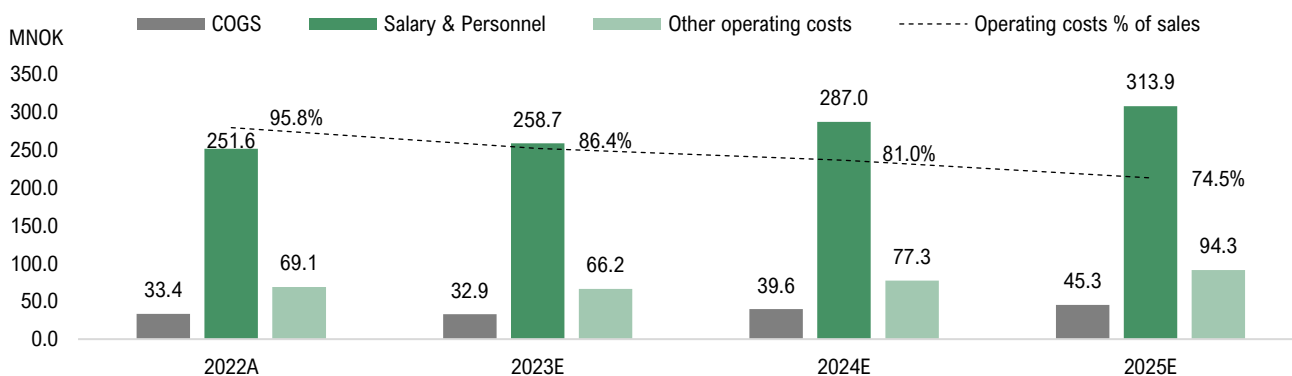
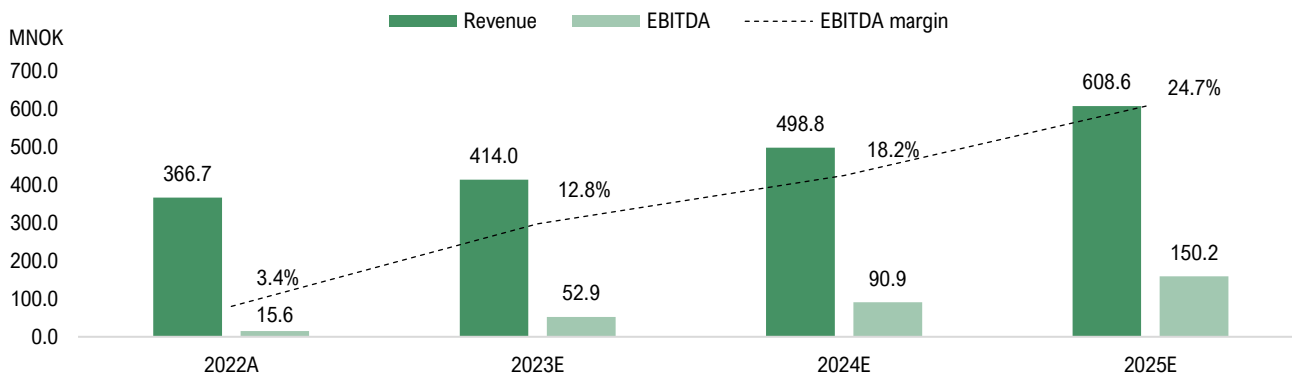
- OMDA captures a small amount of tenders, diminishing NOK 60.8M in sales by 2025.
- Integration of acquired companies takes longer time than expected, leading to a slower reduction of operating costs and therefore a lower EBITDA margin of 13% in 2025.
- ARR as a percentage of sales stays intact, leading to the gross margin remaining at 92% in 2025.

By applying a target multiple of EV/EBITDA 10.1x to the 2025 EBITDA of NOK 75.4M implies a potential value per share of NOK 18.6¹ in a Bear scenario.²

¹Refer to Appendix page 10-11 for forecasts in the Bull and Bear scenarios.

²12% discount rate has been taken into account.

Base scenario (NOKm)	2022A	LTM	2023E	2024E	2025E
Net revenue	366.7	399.5	410.7	494.9	603.7
Other operating income	3.0	4.4	3.3	4.0	4.8
Total group revenue	369.7	403.9	414.0	498.8	608.6
Cost of goods are services	-33.4	-34.5	-32.9	-39.6	-45.3
Gross profit	336.3	369.4	377.8	455.3	558.4
<i>Gross margin</i>	<i>91.0%</i>	<i>91.4%</i>	<i>92.0%</i>	<i>92.0%</i>	<i>92.5%</i>
Salary and personnel	-251.6	-263.9	-258.7	-287.0	-313.9
Other operating costs	-69.1	-82.9	-66.2	-77.3	-94.3
EBITDA	15.6	22.6	52.9	90.9	150.2
<i>EBITDA margin</i>	<i>3.4%</i>	<i>4.6%</i>	<i>12.8%</i>	<i>18.2%</i>	<i>24.7%</i>
D&A	-106.1	-86.2	-90.3	-108.9	-132.8
EBIT	-90.5	-63.6	-37.5	-17.9	26.4
<i>EBIT margin</i>	<i>-25.5%</i>	<i>-17.0%</i>	<i>-9.1%</i>	<i>-3.6%</i>	<i>2.9%</i>
Key metrics	2022A	LTM	2023E	2024E	2025E
EV/S	3.1x	2.8x	2.8x	2.3x	1.9x
EV/EBITDA	73.6x	50.9x	21.7x	12.6x	7.6x
EV/EBIT	-12.7x	-18.1x	-30.6x	-64.1x	66.2x
P/S	2.1x	1.9x	1.9x	1.6x	1.3x



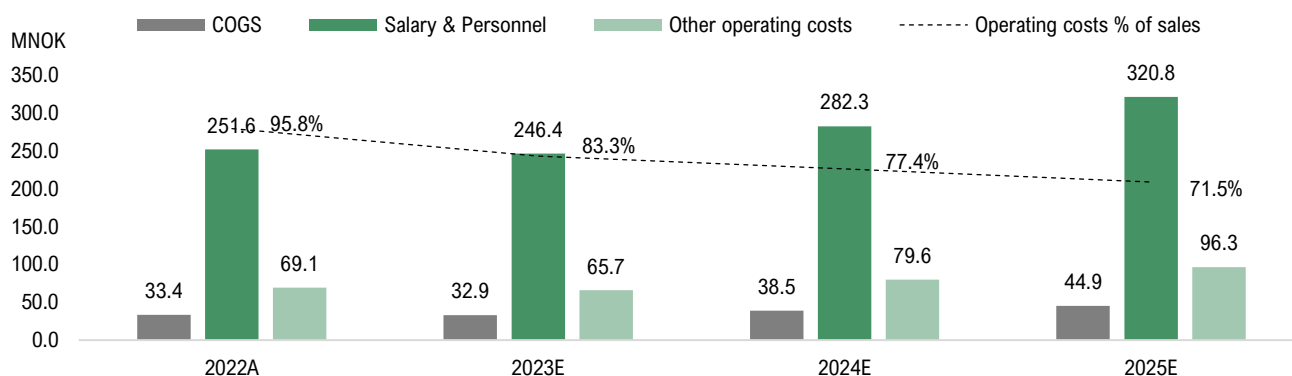
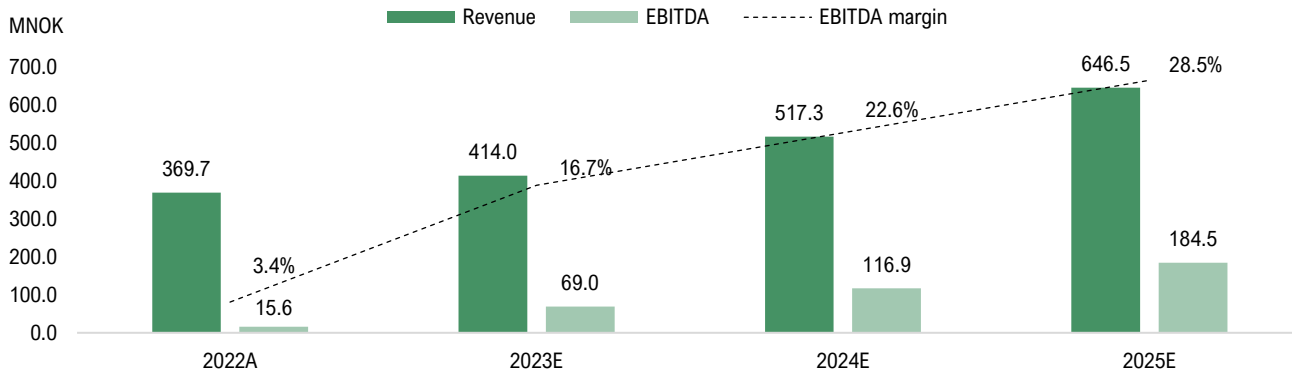
Bull scenario (NOKm)	2022A	LTM	2023E	2024E	2025E
Net revenue	366.7	399.5	410.7	513.3	641.7
Other operating income	3.0	4.4	3.3	4.0	4.8
Total group revenue	369.7	403.9	414.0	517.3	646.5

Cost of goods are services	-33.4	-34.5	-32.9	-38.5	-44.9
Gross profit	336.3	369.4	381.1	478.8	601.6
<i>Gross margin</i>	<i>91.0%</i>	<i>91.4%</i>	<i>92.1%</i>	<i>92.6%</i>	<i>93.1%</i>

Salary and personnel	-251.6	-263.9	-246.4	-282.3	-320.8
Other operating costs	-69.1	-82.9	-65.7	-79.6	-96.3
EBITDA	15.6	22.6	69.0	116.9	184.5
<i>EBITDA margin</i>	<i>3.4%</i>	<i>4.6%</i>	<i>16.7%</i>	<i>22.6%</i>	<i>28.5%</i>

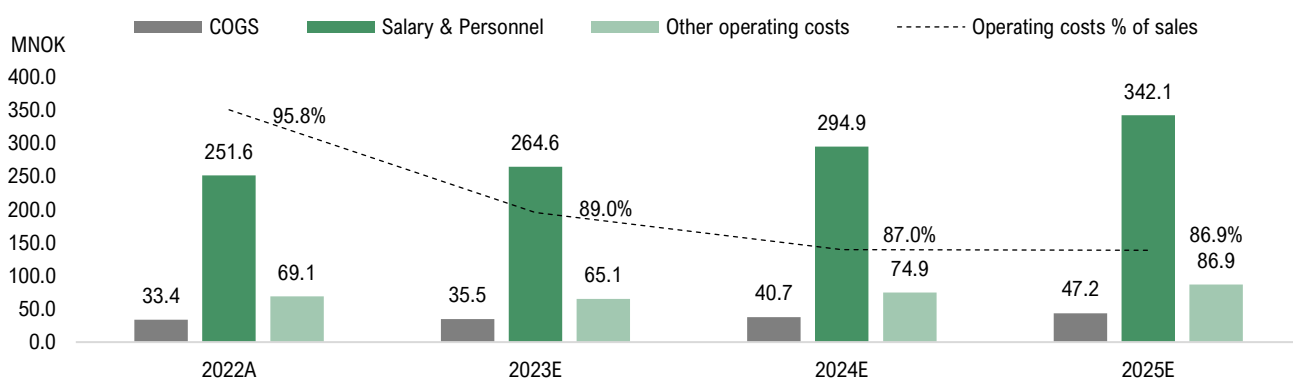
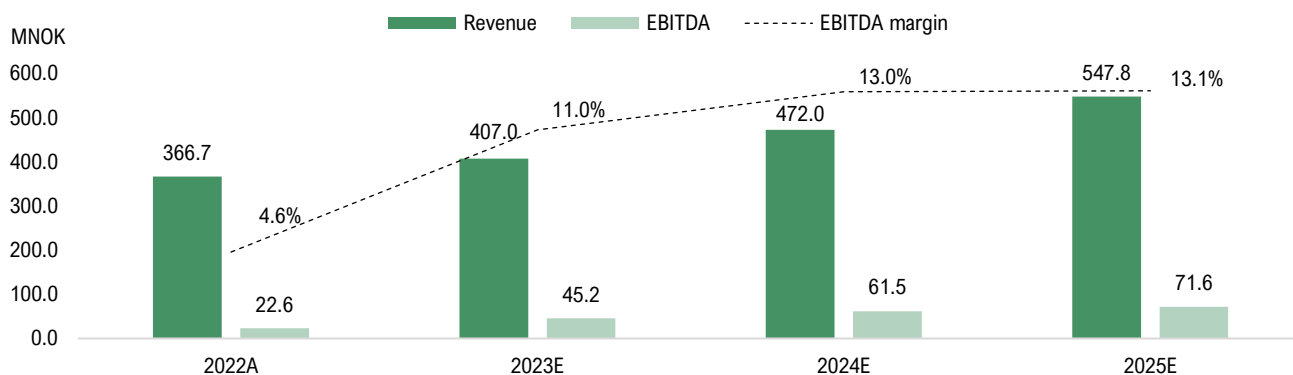
D&A	-106.1	-86.2	-82.8	-103.5	-129.3
EBIT	-90.5	-63.6	-13.8	13.4	55.2
<i>EBIT margin</i>	<i>-25.5%</i>	<i>-17.0%</i>	<i>-3.3%</i>	<i>2.6%</i>	<i>8.5%</i>

Key metrics	2022A	LTM	2023E	2024E	2025E
EV/S	3.1x	2.8x	2.8x	2.2x	1.8x
EV/EBITDA	73.6x	50.9x	16.7x	9.8x	6.2x
EV/EBIT	-12.7x	-18.1x	-83.3x	85.5x	20.8x
P/S	2.1x	1.9x	1.9x	1.5x	1.2x



Bear scenario (NOKm)	2022A	LTM	2023E	2024E	2025E
Net revenue	366.7	399.5	407.0	468.1	542.9
Other operating income	3.0	4.4	3.3	4.0	4.8
Total group revenue	369.7	403.9	410.3	472.0	547.8
Cost of goods are services	-33.4	-34.5	-35.4	-40.7	-47.2
Gross profit	336.3	369.4	374.9	431.3	500.5
<i>Gross margin</i>	<i>91.0%</i>	<i>91.4%</i>	<i>91.4%</i>	<i>91.4%</i>	<i>91.4%</i>
Salary and personnel	-251.6	-263.9	-264.6	-294.9	-342.1
Other operating costs	-69.1	-82.9	-65.1	-74.9	-86.9
EBITDA	15.6	22.6	45.2	61.5	71.6
<i>EBITDA margin</i>	<i>3.4%</i>	<i>4.6%</i>	<i>11.0%</i>	<i>13.0%</i>	<i>13.1%</i>
D&A	-106.1	-86.2	-98.5	-113.3	-131.5
EBIT	-90.5	-63.6	-53.3	-51.8	-59.9
<i>EBIT margin</i>	<i>-25.5%</i>	<i>-17.0%</i>	<i>-13.0%</i>	<i>-11.0%</i>	<i>-10.9%</i>

Key metrics	2022A	LTM	2023E	2024E	2025E
EV/S	3.1x	2.8x	2.8x	2.4x	2.1x
EV/EBITDA	73.6x	50.9x	25.4x	18.7x	16.0x
EV/EBIT	-12.7x	-18.1x	-21.6x	-22.2x	-19.2x
P/S	2.1x	1.9x	1.9x	1.7x	1.4x



DCF Valuation Breakdown 2034E		TGR		WACC			
Sum of Forecasted Value (MNOK)	781	47.8	7.2%	8.2%	9.2%	10.2%	11.2%
Discounted Terminal Value	583	0.5%	61.6	50.9	42.6	36.1	30.8
Enterprise Value (MNOK)	1,364	1.0%	64.8	53.1	44.2	37.2	31.6
Net Debt (MNOK)	365	2.0%	72.9	58.4	47.8	39.8	33.4
No. Shares (m)	20.9	3.0%	85.0	65.8	52.6	43.1	35.8
Equity Value per Share (NOK)	47.8	4.0%	104.7	76.7	59.3	47.5	38.8

Source: OMDA, Analyst Group's Estimates

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