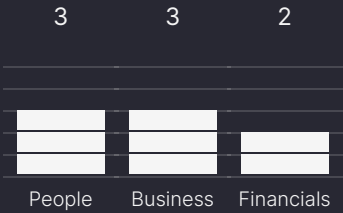




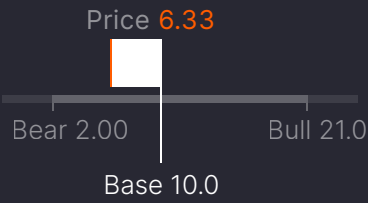
GiG Software

Research Note

QUALITY RATING



FAIR VALUE RANGE



MOMENTUM



Performance VS OMXS30

GIG SDB OMXS30



Share Information

Share Price SEK	6.33
Number of shares (M)	143.3
Marketplace	First North Stockholm
CEO	Richard Carter
Chairman	Petter Nylander

Key Stats

Market Cap	907.0m SEK
Entprs. Value (EV)	856.0m SEK
Net Debt (2025Q1)	-4.6m EUR
30 Day Avg Vol	282 K
Dividend Yield	N/A

Redeye Equity Analysts



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Shareholder ✓

More research on GiG Software



Scan the QR code to access all Redeye publications and research tools regarding GiG Software.

redeye.se/company/gig-software

GiG Software Q2 2025: Results as expected, trimmed guidance

Redeye comments on GiG’s Q2-results which were in line with expectations and the preliminary outcome announced on July 30. The company adjusts its guidance for 2025E, owing to some delays in launches, while it provides new guidance for 2026-27E which supports our topline forecasts, albeit indicating slightly softer profitability than we expected.

GiG reported revenue of EUR9.3m and EBITDA of EUR1.0 for Q2 2025, which was in line with the trading update announced on July 30 and our estimates of EUR9.3m and 1.0m, respectively. With full details of the P&L, we conclude that opex items also aligned with our estimates, confirming continued strong cost control. Operating cash flow was EUR1.8m, up from EUR0.2m in Q1 2025, while capex was stable at EUR3.6m. The company ended the quarter with a cash position of EUR4.3m, while the equity issue announced in June will increase the cash balance by EUR4.7m in July. The cash balance is expected to increase by an additional EUR22m following the directed share issue of EUR22m announced on July 30.

While Q2-results were in line, the company stated that client launches have been slower than anticipated. This is partly due to high focus on quality control, while increased regulatory uncertainty for sweepstake casinos has made some partners more cautious. While the company continued to sign new contracts and expand its pipeline, the slower launch pace has resulted in trimmed guidance for 2025E. GiG now expects to achieve revenue of EUR39m-42m for 2025E (previously at least EUR44m) with an EBITDA of EUR5m-7m (previously at least EUR10m). GiG furthermore provides new guidance for 2026-27E where it expects revenue of EUR56m-60m and EBITDA of at least EUR15m for 2026E, while it targets revenue of EUR70m-75m with an EBITDA margin in excess of 30% by 2027E (indicating an EBITDA of +EUR23m).

Redeye currently forecasts revenue of EUR44m and EBITDA of EUR10 for 2025E and expects to lower its 2025E estimates to align with the new guidance. Looking at the guidance for 2026-27E, our topline estimates are largely in line, although our EBITDA forecasts are somewhat higher than the guidance (we expect EUR20m for 2026E and EUR28m for 2027E). While the guidance confirms our expectations of solid operating leverage with expanding EBITDA-margin in 2026-27E, we are likely to somewhat lower our EBITDA forecasts for 2026-27E.

The table below summarizes Q2-results outcome compared to our forecast.

GiG Software results outcome							
EURm	Q2 24	Q3 24	Q4 24	Q1 25	Q2 25E	Q2 25A	Diff, %
Revenue	7.3	7.4	8.8	9.1	9.3	9.3	0%
Growth, %	-22%	-20%	-3%	10%	28%	27%	0%
COGS	-0.5	-0.3	-0.4	-0.4	-0.4	-0.4	0%
Marketing expenses	-0.3	-0.3	-0.1	-0.6	-0.1	-0.1	0%
Personnel costs	-5.3	-5.5	-6.0	-5.6	-5.6	-5.6	0%
Operating expenses	-2.6	-2.4	-2.3	-2.2	-2.2	-2.1	-5%
Non-recurring	-0.3	-2.5	-0.5	-0.1	0.0	-0.1	n.m.
EBITDA adj.	-1.4	-1.1	0.1	0.3	1.0	1.0	0%
EBITDA-margin	-19%	-14%	1%	3%	11%	11%	
EBIT	-13.7	-60.4	-6.1	-4.4	-4.0	-3.7	-7%
EPS, EUR	-0.04	-0.44	-0.04	-0.03	-0.03	-0.03	3%

Source: Redeye Research

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