

May 14, 2026

## MERIDIAN HOLDINGS INC.

(NasdaqCM: MRDN)

Meridian Holdings Inc. (formerly Golden Matrix Group Inc.), based in Las Vegas, is an established business-to-business (B2B) and business-to-consumer (B2C) gaming technology company that operates across more than 25 international markets. The B2B division develops and licenses proprietary gaming platforms, while its B2C operations, through Meridianbet, provide sports betting and gaming services across 18 regulated global markets. The company also operates a skill-based prize competition business on its proprietary platform in authorized markets.

### COMPANY HIGHLIGHTS

- \* **Expanding Global Footprint:** Meridian Holdings provides a broad and growing array of software solutions, products, and services to the gaming industry, offering casino, sports book, and competition products under B2B and B2C models. The company operates in more than 25 global markets, and we expect that to expand to at least 30 over the coming years. Its Meridianbet subsidiary, which operates in 18 markets, recently secured a license in Brazil, one of the world's largest regulated gaming markets.
- \* **Poised for Robust 2026:** In 2025, revenues increased by 21%. In 1Q26, revenue growth was 17%. We expect revenue growth of 19% in 2026, from both product and geographic expansion. We see the 2026 FIFA World Cup soccer tournament, which will span late 2Q and early 3Q, attracting betting interest across many of Meridianbet's markets, especially among four countries (Belgium, Brazil, Mexico, and Bosnia) whose national teams will participate in the tournament.
- \* **Balance Sheet Delevering:** As of March 31, 2026, MRDN had \$16.2 million in cash and equivalents on its balance sheet. It has been delevering its balance sheet, reducing total debt by more than 60% in 1Q26, compared with the same period in 2025. We continue to expect that MRDN's healthy cash flows from operations will support an internally funded growth strategy.

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### KEY STATISTICS

#### Key Stock Statistics

Recent price (5/13/26)	\$10.85
Fair Value Estimate	\$19.00
52 week high/low	\$23.76/\$5.80
Shares outstanding (M)	12.8
Market cap (\$M)	138.9
Dividend	NA
Yield	NA

#### Sector Overview

Sector	Consumer Discretionary
Sector % of S&P 500	10.0%

#### Financials (\$M, as of 3/31/26)

Cash & Mkt Securities	16.2
Debt	29.7
Working Capital	-22.8
Current Ratio	0.6
Revenue (TTM)	190.2
Net Income (TTM)	NM
Net Margin (TTM)	NM

#### Risk

Beta	1.41
Inst. ownership	6%

#### Valuation

P/E Forward EPS (2026)	12.9
Price/Revenue (TTM)	0.7
Price/BV	10.1

#### Top Holders

Topline Capital Management LLC  
 Goldman Sachs Group  
 BlackRock Inc

#### Management

Interim CEO/Chairman	Mr. William Scott
CEO, MeridianBet	Mr. Zoran Milosevic
CFO	Mr. Rich Christensen
Company website	<a href="https://meridian-holdings.com">https://meridian-holdings.com</a>

### PRICE CHART



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- \* **Valuation Disconnected from Peers and Fundamentals:** Despite recent appreciation since its 1Q26 earnings report, in our view, MRDN’s valuation does not fairly reflect its execution in significantly expanding its geographic and product footprint while growing revenue at an above-industry-average rate. The shares recently traded at a discount to peers on various metrics, including EV/revenues (around 0.7-times our 2026 estimate of \$217.5 million versus more than 2-times) and EV/adjusted EBITDA (around 5-times our 2026 estimate of \$28.8 million, compared with a peer average above 9-times), despite MRDN’s superior forward revenue growth outlook (19% expected in 2026, compared with a range of low-to-mid-double digits over the past 2-3 years for its peers).
- \* **Fair Value:** While we expect the multiple to expand over time, we believe a discount to its peers is warranted, given the company’s still early stages of scaling operations in new growth markets. As such, our blended forward EV/revenue and EV/adjusted EBITDA analysis arrives at a fair value of \$19.00 for MRDN shares, well above current levels.

## COMPANY/INDUSTRY BACKGROUND

Las Vegas–based Meridian Holdings Inc. is an online gaming company that provides a broad and growing array of software solutions, products, and services to the gaming industry. It offers casino, sports book, and competition products under B2B and B2C models in more than 25 regulated jurisdictions across Europe, Africa, the Asia-Pacific region, Central and South America, the U.K., and Australia. The company also provides enterprise software-as-a-service (SaaS) solutions for iGaming operators, including casino and online sports betting operators.

The company has built a platform of configurable and scalable iGaming platforms and operates recognized brands including Meridianbet, R Kings Competitions, Classics for a Cause, Expanse Studios, MexPlay, and its GM-AG iGaming platform.

In our view, MRDN is well positioned to participate in a large and still growing global market for online gambling and iGaming products and services. While estimates vary across its iGaming and sports betting platforms, we estimate that the global market for these activities is at least \$200 billion. We see many global gaming markets as being in the early stages of building regulatory infrastructure.

In 2025, Europe accounted for approximately 56% of MRDN’s revenues, down from 59% in 2024. Other operating markets include the U.K. (19%, from 18%), Africa (8%, consistent between periods), Asia-Pacific (7%, unchanged), Central and

South America (5%, from 4%), and Australia (5%, from 3%). We see substantial opportunity for expansion over the coming years, as MRDN focuses on entering emerging growth markets that are currently underregulated and may include India, Canada, and Japan.

We note that some jurisdictions have blanketed national approaches regarding gaming regulations while others have state-by-state dynamics, as it is in the U.S., which will require distinct requirements and regulatory time frames. We note that MRDN has several license applications for its Expanse business nearing completion in the U.S., which we expect will foster broader entry into the world’s largest market.

Meridian Holdings was formed through the April 2024 merger with Meridianbet Group, in which the legacy Golden Matrix Group was folded into the existing operations of Meridianbet. In our view, the merger had a strong strategic rationale, given Meridianbet’s strong presence in Europe and Latin America and the former entity’s foothold in Asia.

In March 2026, the company changed its corporate name and ticker symbol to align with the Meridianbet brand, which has greater awareness among industry operators than the previous Golden Matrix entity. We view this positively as it allows the company to leverage its brand as it expands its B2B and B2C product footprints.

The company currently has three operating segments: Meridianbet (which includes Expanse Studios), R Kings/Classics for a Cause, and the B2B iGaming GM-AG platform. In 2025, these segments contributed 68%, 24%, and 8% of MRDN’s revenue mix, respectively.

Meridianbet operates through an omnichannel approach, including both online and retail channels, utilizing proprietary technology and scalable systems. The company operates in more than 10 legally regulated markets for sports betting/casinos and additional markets through a franchise model. In most of its markets, Meridianbet has been among the first to obtain a license to operate legally and is consistently a top three player in many of its operating markets.

As of the end of 2025, Meridianbet operated both online (mobile and web) and via approximately 740 company-owned or franchised betting shops, with a primary focus on sports betting, online casino games, and virtual games. Approximately one-third of the shops are owned by MRDN subsidiaries, and the balance are owned by franchisees. In many cases, customers who sign up for sports betting expand their engagement to include casino activities.

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## PEER COMPARISON

Company	Ticker	Recent Price (\$)	52-Week High (\$)	52-Week Low (\$)	Mkt. Cap (\$ML)	1-yr Price Change (%)	1-yr Rev Growth (%)	1 YR EPS Growth (%)	P/E Ratio	Beta	Yield (%)
MERIDIAN HOLDINGS INC	NASDAQ: MRDN	10.85	23.76	5.80	139	-48	21	NM	NM	1.41	NA
SPORTRADAR GROUP AG	NASDAQ: SRAD	12.45	32.22	11.66	3685	-47	17	192	33.6	1.65	NA
GENIUS SPORTS LIMITED	NYSE:GENI	4.21	13.73	3.82	1127	-59	31	NM	NM	1.80	NA
INSPIRED ENTERTAINMENT INC	NASDAQ: INSE	7.35	9.95	6.10	196	-13	2	NM	NM	1.25	NA

Among its other brands, MRDN operates competition operations in the U.K. via its profitable R Kings subsidiary, which operates competitions to win luxury prizes online by offering pay-to-enter prize competitions that require entrants to demonstrate sufficient skill, knowledge, or judgment to have a chance of winning. MRDN acquired an 80% stake in R Kings in 2021 and acquired the balance in 2022.

In August 2024, MRDN acquired an 80% stake (paid in cash/restricted shares) in Classics for a Cause, a profitable, revenue-generating Australian online trade promotions company. It operates a well-established B2C platform that offers paid members access to a wide range of discounts and free entries to promotional giveaways on luxury items and experiences from retailers across Australia. Classics for a Cause has more than 10,000 VIP members.

In 2025, R Kings and Classics for a Cause delivered 35% revenue growth (20% organically), as the latter was acquired in 3Q24. While 4Q25 revenues declined modestly year over year due to a shift in acquisition strategy toward higher-value users, the segment generated 9% growth in 1Q26. R Kings has recently deployed a customer relationship management (CRM) system to enhance the platform's functionality to improve stickiness, customer engagement, and lifetime value. This has supported continued double-digit growth in value per new registration and unit order value, which we see signaling an improving customer mix. In 1Q26, new users for Classics rose 18% year over year, and total transactions grew 12% sequentially.

In March 2023, MRDN acquired Meridian Holdings MX, which operates an online casino in Mexico that operates under the brand MexPlay. MexPlay features an extensive number of table games and slots, as well as a sports book, and offers tournament competition prizes that are similar to those that R Kings offers. It is the only iGaming business that provides access to casino, sports book, and competition products and that is fully licensed by the Mexican government. Although still small in scale, MexPlay doubled its active players in 2025 and saw 271% growth in registrations in 1Q26 to 74,000. Over the long term, we see Mexico as an attractive market for growth and view positively its inclusion among MRDN's top countries in terms of new customer registrations and depositors.

MRDN's B2B segment operates the iGaming platform GM-AG (or Atlas). It provides enterprise SaaS services and products that comprise its core platforms for online casino and sportsbook operators. The majority of its customers hold gaming licenses in Asia, South America, and Europe, and MRDN is focused on expanding its deployment into Europe, the U.S., South America, and Africa. Under this model, MRDN does not deal directly with players through its SaaS services segment. Its online gaming intellectual property develops and supports scalable, turnkey, and direct or "white-label" gaming access to over 10,000 games that can be configured and customized for the needs of its international customers, helping providers to expand into new markets. GM-AG generated 16% revenue growth in 2025, though more modest growth is expected in 2026, as it focuses on building higher-margin client relationships. The content MRDN distributes includes games such as slots; table games like roulette, blackjack, and poker; sports books; and live games, where a live casino game is streamed in

real time through a streaming video link from a table located in a physical casino. This latter feature enables players to place an online bet on the outcome of a live card game that is taking place in a physical casino.

MRDN's casino offerings include a mix of in-house developed games from its Expanse Studios, which operates through revenue-sharing agreements with gaming providers based on game performance, and a selection of titles from renowned third-party casino providers. Expanse focuses on placing game titles with the appropriate operator to maximize player engagement and title monetization.

Expanse has signed more than 1,500 B2B partners as of 1Q26, up from less than 200 at the end of 2024. The platform features a current 77-title portfolio. Despite its early stages of monetization, we think that Expanse Studios is a strategic growth driver for Meridianbet, as its recurring revenues and attractive margins provide operating leverage, with new game launches incurring minimal incremental cost to the platform.

Expanse recently launched proprietary features to help operators address challenges related to customer retention and promotional spend efficiency. These features include Bonus Bets, Time Free Spins, and Bonus Game Triggers. The company has cited early deployment successes for customer engagement, and it believes such features strengthen Expanse's market position and represent a competitive advantage.

In December 2025, Expanse received licensing to operate in the fast-growing Romanian and Swedish markets, and we see potential for regulatory approvals in New Jersey (U.S.) and Ontario (Canada) in 2026. MRDN plans to enter these markets and other jurisdictions that comprise much of the U.S.'s core regulated iGaming landscape, as part of a phased, partner-driven strategy.

## INVESTMENT THESIS

In our view, Meridian Holdings has successfully implemented a strategy through M&A activity, which we expect to continue, given the large global market opportunity. Over the coming years, we expect MRDN to expand its footprint from the current 25 markets to at least 30.

We view positively that many of these companies began through B2B partnerships, giving each party an opportunity to validate management. As such, we see this fostering continuity and a seamless integration into the company's operations, as most of these deals have resulted in the retention of the founding leadership teams, thus limiting execution risk. In addition, the structure of these deals has resulted in many of these management teams having an equity stake in the business, which has included subsequent insider buying and limited M&A cash outlays.

As mentioned earlier, we view the Meridianbet acquisition positively for its diversification, as it should help mitigate macro-economic volatility that could impact individual markets or product categories. We also think this is important given the challenges in implementing operations in new markets, particularly in emerging markets that may have limited regulatory infrastructure in place.

In this regard, we see Meridianbet's model as scalable as it expands, given that its management team has expertise in local markets and navigating their regulations. Over the longer term,

we see such experience helping the company to penetrate the U.S. online gambling market, which is regulated at the state level and requires different processes as compared with countries such as Brazil, which is regulated at the national level.

In 2025, Meridianbet segment revenue increased by 17% year over year, with a gross margin of approximately 70%. Meridianbet accounted for approximately 85% of MRDN's segment gross profit. We see this validating the platform's core growth prospects.

Importantly, Meridianbet recently secured one of only a few granted betting licenses in Brazil, providing entry into what we view as one of the world's largest regulated gaming markets. MRDN estimates Brazil represents a gross gaming revenue market of more than \$5 billion, supported by more than 200 million in population and strong demand, given the country's passionate following of sports, including soccer. Meridianbet will be able to operate through both online and physical channels.

We expect Brazil's contribution to MRDN's operations will ramp up meaningfully across 2026. We believe that regulators will enforce the removal of unlicensed platforms from the market and expect increased penetration for MRDN as these customers are displaced. Moreover, the upcoming FIFA World Cup games and anticipated regulatory changes in Brazil could also be potential catalysts for growth in both sports betting and casino engagement.

The iGaming platform GM-AG (Atlas) provides seamless integration of gaming content and a transfer wallet for casinos to provide its players with access in various markets, which we see supporting customer stickiness among its casino and betting customers.

Another key competitive advantage for MRDN, in our view, is that it owns its own proprietary software, which is rare in the gaming industry. We think this should enable it to adapt its platform to meet its customers' needs. Importantly, much of the investment phase in building these capabilities has already been incurred, which we think should yield enhanced operating leverage and scalability, while limiting the need for further capital investment.

The platform leverages artificial intelligence (AI) technology to enhance the user experience. Primary among these features is the platform's ability to learn its players' behaviors and preferences, offering AI-driven bet recommendations for casino games and real-time sports betting. These features are fully integrated within MRDN's CRM tools. The company is also optimistic about the benefits of its AI-driven technology as a key factor contributing to lowering its acquisition costs and extending customer lifetime value.

MRDN also has added new gaming licenses, expanding its geographic footprint significantly and growing its gaming content library, among other growth initiatives. The company also cites the benefits of its AI-driven technology as a key factor contributing to lowering its acquisition costs and extending customer lifetime value.

In our view, the platform has already had a positive impact on customer behavior, as MRDN has cited a 10% increase in engagement and a 9% boost in interactions with new game titles since launch. We see these features further supporting operators, as all back-office capabilities and loyalty, marketing, and promotional tools to facilitate customer acquisition and retention are embedded.

This should present operators with an attractive return on investment and allow them to streamline costs and optimize resources.

Meridianbet has been active in taking social responsibility actions across its operating markets. Such initiatives focused on healthcare, education, responsible gambling, amateur sports, and environmental sustainability, aligning with the United Nations Global Compact principles. In addition, it is a participant in the UN Global Compact, which we see enhancing the company's reputation among investors who look for companies with a commitment to making a favorable social impact over time.

## RECENT DEVELOPMENTS

Meridian Holdings shares are listed on the Nasdaq Capital Markets under the ticker symbol "MRDN." Year-to-date in 2026, the shares have increased by 13%, compared with a 9% increase for the S&P 500.

In April 2026, MRDN reported 1Q26 results, which were highlighted by 17% revenue growth to \$50.1 million. On a segment basis, Meridianbet revenues increased by 26%, while segment gross margin was 69.3%. Meridianbet accounted for 70% of company revenue. This outpaced revenue growth at RKings/Classics for a Cause (9%, 24% of revenue) and GM-AG (-18%, 6% of revenue). Within GMG, however, MexPlay revenues increased by 28% amid strong registration growth of 261% year over year.

Adjusted EBITDA came in at 6.3 million, representing a 12.6% margin and a 26% increase year over year. Net income per share was \$0.18 (\$2.2 million), compared with a net loss per share of \$0.02 (\$300,000) in 1Q25.

In April 2026, MRDN issued 2Q26 revenue guidance of \$51 million-\$53 million, which would represent 18%-23% growth over 2Q25.

In March 2026, Meridian Holdings executed a 1-for-12 reverse split, reducing its shares outstanding to 12.6 million, from 151.7 million.

In January 2026, Meridian Holdings subsidiary, Meridianbet, completed the acquisition of Fairbet Ltd., a licensed retail gaming operator in Malta and a former technology partner. Meridianbet acquired Fairbet's operations across Malta and Gozo — the second-largest island of the Maltese Archipelago. In the deal, Meridianbet added nine new retail locations, bringing its footprint in the market to 20 total storefronts.

In December 2025, Expanse Studios was granted a Class 2 license to distribute specialized gaming software, including its portfolio of proprietary slot games, crash games, and casino content, in Romania, one of Europe's fastest-growing regulated markets.

In December 2025, MRDN's CEO and board member Brian Goodman stepped down from these roles and was replaced on an interim basis as CEO by Chairman William Scott, who is leading the board in identifying a successor.

In March 2025, Meridianbet secured a full online betting license in Brazil, after having previously received a provisional license in January 2025.

In March 2025, Meridianbet officially launched its B2B operations in Nigeria, one of the largest and fastest-growing regulated betting markets in Africa.

In February 2025, Meridianbet secured a 10-year renewal for its online gaming license in Serbia, one of the oldest regulated online gaming and sports betting markets in Europe. Meridian was one of the first operators to be granted a license renewal in Serbia.

## EARNINGS & GROWTH ANALYSIS

We expect MRDN to continue to produce robust revenue growth over the coming years, as it expands its product offerings and geographic footprint. We note that 1Q tends to be the lightest revenue-generating quarter due to the impact of weather on sporting event betting.

In 2025, the company reported \$182.9 million in revenue, which represented 21% growth. Revenue growth rates in 2025 were boosted by a favorable comparison over 2024, given that the legacy Golden Matrix entities were not included prior to the closing of the merger after 1Q and the Classics acquisition closed in August 2024.

For 2026, we project revenue of \$217.5 million, which would represent 19% growth, from both product and geographic expansion. We expect the core Meridianbet business to drive near-term revenue growth and margin expansion, with R Kings/Classics and MexPlay complementing revenue growth in the coming years.

We view positively Meridianbet's robust registrations growth (72% for full-year 2025) to over 1.2 million, active user growth of 35%, and depositor growth of 40%. In 1Q26, new customer registrations increased 41%, active users increased 21%, and depositors grew 27% year over year. We view these high conversion rates from registration to active use and depositing positively and see these trends validating the platform and its acceptance among customers in its key operating markets.

Importantly, we do not attribute much of this growth to interest ahead of the upcoming World Cup soccer tournament. Thus, we see growth trends accelerating from 1Q levels across the year. The World Cup tournament, which will span 2Q and 3Q in late June through early July, will feature 48 countries, up from 32 previously, and we see this expansion attracting additional betting interest across many of Meridianbet's markets, particularly in the four markets (Belgium, Brazil, Mexico, and Bosnia) whose national teams are participating in the tournament.

We expect enhanced registrations and activity to also boost casino engagement as well, as marketing efforts appeal to new customers but also to reengage inactive existing customers.

For 2027, we forecast revenues of \$255 million, which would represent 17% growth.

We forecast gross margins of 58% in 2026 and 59% in 2027, above 2025's gross margin of 57%, but are taking a more conservative near-term outlook than our prior forecast (59% and 60%, respectively), due to ongoing investments to scale operations in less mature markets and newly entered markets. Still, we see results benefiting from operational efficiencies and a more favorable product mix, as Meridianbet, which carries an approximately 70% gross margin at scale, grows revenues at a higher rate and accounts for a larger proportion of revenues.

As a percentage of revenues, SG&A expenses should be approximately 51% in 2026 and 49% in 2027, driven by economies of scale and operating efficiencies. We view positively the emerging

leverage for operating expenses and an outlook for lower capital expenditures, which should drive operating margin expansion, even with increased marketing expense ahead of high-profile events such as the World Cup this year and new sponsorship agreements.

We project adjusted EBITDA of \$28.8 million in 2026 and \$38.9 million in 2027, representing 49% and 34% growth, and a margin of 13.2% and 15.2%, respectively. With the reduction in amortization, we see MRDN generating a higher quality of earnings, with fewer exclusions to derive adjusted EBITDA, which should support investor confidence over time.

We forecast EPS of \$0.84 in 2026 and \$1.44 in 2027. We assume a weighted average diluted share count of around 12.8 million shares in 2026 and 2027. Based on management's commentary, we see recent stock price volatility likely resulting in Meridianbet's founders extending terms for satisfying remaining consideration requirements.

## FINANCIAL STRENGTH & DIVIDEND

Our financial strength rating for Meridian Holdings is Medium. As of March 31, 2026, the company had \$16.2 million in cash and equivalents on its balance sheet. The company's working capital deficit (\$22.8 million, with a current ratio around 0.6) includes future considerations following the Meridianbet acquisition as current liabilities.

Since the merger, MRDN has been delevering its balance sheet. As of March 31, 2026, total debt was \$29.7 million, which represents a reduction of 54% compared with the same period in 2025. Net debt was \$13.4 million, 62% lower than the end of 1Q25.

Total debt includes around \$12.9 million in long-term debt (\$8.0 million classified as current), which is being paid down on an amortization schedule over the next few years. The remaining \$16.8 million is tied to consideration related to the Meridianbet acquisition, which is down from an initial \$70 million. MRDN has reduced these obligations using both cash and share issuances. We do not anticipate further conversions over the immediate term.

We view MRDN's operational cash flow generation positively, with more than \$25.4 million in 2025, compared with \$23.9 million in 2024. For 2025, net cash used in investing activities was \$22.0 million, compared with \$37.4 million used in 2024. Net cash used by financing activities was \$19.4 million in 2025, compared with net cash provided of \$27.7 million in 2024, as MRDN repaid long-term debt in 2025 after issuing \$34.7 million in debt in 2024.

In 1Q26, cash flow from operations was \$5.2 million, compared with \$7.7 million in the same period in 2025, which we attribute to increased internal growth investments to support market expansion.

As of March 31, 2026, MRDN's net debt-to-adjusted EBITDA leverage ratio was 0.5, improved from 0.9-times at the end of 2025 and 2.1 at the end of 2024. Thus, we see MRDN executing its growth strategy while maintaining sufficient liquidity and financial flexibility to fund operations and support growth initiatives, including M&A.

In April 2025, MRDN repaid the remaining \$7.2 million balance on a \$10 million secured convertible note that had no prepayment penalty. The noteholder, Lind Global, retained a warrant to acquire 750,000 shares of common stock. Also in April 2025, MRDN

entered into an agreement to convert approximately \$9.5 million in consideration from the Meridianbet acquisition into equity, which resulted in the issuance of around 4.8 million common shares.

MRDN also has an at-the-market equity distribution agreement in place through Craig-Hallum Capital Group LLC, under which it can sell up to \$20 million of its shares. As of December 31, 2025, it had \$16.9 million available to be sold under the agreement.

On December 16, 2025, the board of directors approved a share repurchase program for the purchase of up to \$3.0 million of common stock. A previous program for up to \$5 million in stock expired in July 2025.

As of December 31, 2025, Aleksandar Milovanovic controlled nearly two-thirds of the voting power of MRDN's capital stock.

Meridian Holdings currently does not pay a dividend. We see potential for the company to initiate a dividend policy as early as 2027, after recent favorable management commentary.

## MANAGEMENT

William Scott has served as an independent chairman at Meridian Holdings since April 2024 and assumed the interim CEO role in December 2025, upon the retirement of former CEO Brian Goodman. Mr. Scott is leading the board's search for a new CEO. Mr. Scott serves as an advisor and investor in the technology sector with a focus on the gaming industry, and his diverse executive background has spanned strategy, M&A, corporate finance, business development, and commercial operations. He has built and developed new businesses in over 20 countries.

Zoran Milosevic has served as CEO of Meridianbet since 2008. He has more than 20 years of experience in various iGaming managerial roles. He led Meridianbet's expansion to its current operating footprint of 18 global markets. Under his leadership, Meridianbet has expanded its brand portfolio and has improved market share in Europe, Africa, and Latin America.

In March 2025, MRDN appointed Rich Christensen as its CFO. Mr. Christensen has more than 25 years of experience in corporate finance, capital markets, M&A, and financial operations at publicly traded companies. Most recently, he served as senior vice president, chief accounting officer, and treasurer at TrueBlue Inc. Previously, he held leadership roles at Itron Inc., overseeing global finance operations, strategic restructuring, and M&A transactions.

The board of directors consists of four directors, following the departure of Mr. Goodman. MRDN has three independent directors, including Mr. Scott, the interim CEO.

MRDN's stock is largely held by insiders, led by Mr. Milovanovic, Meridianbet's founder, who held close to 66% of the shares and voting power as of December 31, 2025. Overall, insiders held approximately 84% of MRDN's shares as of December 31, 2025, while institutions held approximately 4%.

## RISKS

Risks to an investment in Meridian Holdings include the potential for near-term operational volatility around individual sports-betting outcomes that can be unusually favorable to customers, its reliance

on gaining key regulatory licenses and market share to expand its operating footprint and sustain revenue growth, its participation in competitive markets and its reliance on maintaining adequate technological advantages over peer companies to retain current users and attract new ones, the potential need to raise additional capital in uncertain financing markets, the potential for increased regulatory oversight of gambling markets, and the potential for foreign exchange risk resulting from its diversification model. We note that goodwill and intangibles represented 30% of its total assets as of March 31, 2026. At the end of 2024, this figure stood at 60%, resulting from a \$91.8 million noncash impairment charge taken in 4Q25.

## VALUATION

Despite a recent peak that more than doubled from their February 2026 low and an increase of around 50% since reporting 1Q26 earnings, MRDN shares remain below the midpoint of their 52-week split-adjusted range of \$5.80 to \$23.76. We continue to see the stock's valuation as disconnected from its fundamentals and its expanding geographic and product footprint, as well as its significant debt reduction and balance sheet fortification. In our view, the solid 1Q report supports our growth thesis.

MRDN's net debt-to-adjusted EBITDA leverage ratio was 0.5-times at the end of 1Q26, improved from 2.1 at the end of 2024. We think this improvement is underappreciated by investors. We see the company's expansion into high-growth markets and its technology offerings as likely to expand market share. In particular, we view the Brazil market, the third-largest regulated betting market in the world, as attractive. Therefore, we think the Meridianbet merger with MRDN and the integration of its proprietary technology platform is strategically positive.

We note that the company's forward EV/revenues multiple on our 2026 revenue estimate of \$217.5 million is around 0.7-times. That is lower than a basket of global gaming peers that carry an average above 2-times and which was below 3-times as recently as 2H25. The stock's current valuation is around 5-times our 2026 adjusted EBITDA estimate of \$28.8 million, which is below more than 9-times for the peer group.

We expect MRDN's valuation multiples to expand and for the gap to its peers to narrow as the company executes on its growth strategy. But we note that it is operating in a volatile global market that has potential for an impact from rising inflation due to global conflicts, which could impact discretionary spending and gaming activity.

Given that MRDN is still in its early stages of penetrating new growth markets, we see a discount to its peers, albeit narrower, as prudent over the near term.

To value the stock, we blend a 1.3-times EV multiple to our 2026 revenue estimate (\$21) and apply an 8-times multiple to our 2026 adjusted EBITDA estimate of \$28.8 million (\$17). After adjusting for net debt, we arrive at a fair value of \$19.00 for MRDN shares.

Steve Silver,  
Argus Research Analyst

**INCOME STATEMENT**

(\$MIL)	2024	2025	Q1 2026	Q2 2026E	Q3 2026E	Q4 2026E	2026E	Q1 2027E	Q2 2027E	Q3 2027E	Q4 2027E	2027E
Revenue	151.1	182.9	50.1	52.5	57.4	57.5	217.5	59.4	60.5	66.1	69.0	255.0
Gross Profit	88.6	103.5					125.5					149.8
SG&A	85.8	199.6					110.0					124.2
Adjusted EBITDA	22.2	19.4	6.3	6.6	6.9	9.0	28.8	7.9	9.4	10.6	10.9	38.9
Operating Income	2.6	-96.2					15.6					25.7
Interest Expense	3.5	4.6					1.4					1.4
Pretax Income	2.8	-97.2					14.9					25.3
Tax Rate (%)	NA	NA					24					24
Net Income to MRDN	-1.5	-90.0					10.8					18.4
EPS (\$)	-0.16	-7.76	0.18	0.17	0.18	0.31	0.84	0.26	0.34	0.41	0.43	1.44
Diluted Shares	9.5	11.6					12.8					12.8
Dividend Per Share (\$)	NA	NA					NA					NA
<b>Growth Rates (%)</b>												
Revenue	24	21					19					17
Adjusted EBITDA	NM	NM					48					35
Operating Income	NM	NM					NM					65
Pre-Tax Income	NM	NM					NM					70
Net Income	NM	NM					NM					70
EPS	NM	NM					NM					71
<b>Valuation Analysis</b>												
Price (\$): High	75.24	31.20					NA					NA
Price (\$): Low	22.68	8.44					NA					NA
PE: High	NA	NA					NA					NA
PE: Low	NA	NA					NA					NA
PS: High	NA	NA					NA					NA
PS: Low	NA	NA					NA					NA
Yield: High	NA	NA					NA					NA
Yield: Low	NA	NA					NA					NA
<b>Financial &amp; Risk Analysis (\$MIL)</b>												
Cash	30.1	18.1					NA					NA
Working Capital	-18.5	-24.1					NA					NA
Current Ratio	0.7	0.6					NA					NA
LTDebt/Equity (%)	29.1	71.8					NA					NA
Total Debt/Equity (%)	29.1	71.8					NA					NA
<b>Ratio Analysis</b>												
Gross Profit Margin	59%	57%					58%					59%
Operating Margin	2%	NM					7%					10%
Net Margin	NM	NM					5%					7%
Return on Assets (%)	1.2	NM					NA					NA
Return on Equity (%)	NM	NA					NA					NA
Op Inc/Int Exp	NM	NM					NM					NM

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