



OTC Markets Group Inc. (OTCM)

OTC Link Volume Showed Continued Momentum In 1Q:26, With A Meaningful Contribution From MOON ATS; Estimate 22% EPS Improvement In 1Q:26; Maintain Estimates And \$65 Price Target

EPS ESTIMATES

	2024	2025	2026E		2027E	
			OLD	NEW	OLD	NEW
Mar	\$0.49	\$0.50	\$0.61		\$0.63	
Jun	\$0.56	\$0.60	\$0.70		\$0.71	
Sep	\$0.61	\$0.71	\$0.76		\$0.80	
Dec	<u>\$0.60</u>	<u>\$0.76</u>	<u>\$0.74</u>		<u>\$0.76</u>	
EPS	\$2.26	\$2.58	\$2.81		\$2.90	
P/E			19.2x		18.6x	

Note: NR = Not Rated. Risk Ratings: H = High; M = Moderate. Sum of quarterly EPS may not equal full-year total due to rounding and/or change in share count. NC=Not covered by Sidoti & Co., LLC.

Year	2018	2019	2020	2021	2022	2023	2024	2025	2026E	2027E
Rev.(Mil.)	\$59.3	\$62.8	\$71.2	\$102.9	\$105.1	\$109.9	\$111.1	\$125.3	\$131.5	\$135.9
GAAP EPS	\$1.36	\$1.25	\$1.53	\$2.52	\$2.53	\$2.28	\$2.26	\$2.58	\$2.81	\$2.90

COMPANY DESCRIPTION

OTC Markets Group, Inc. (www.otcm.com), operates three lines of business centered on more than 12,300 U.S. and global securities clients at the end of 2024. The company offers a cost-effective solution to penetrate the U.S. securities market, while providing a host of services that connect brokers and dealers, organize markets, and ultimately monetize OTC's vast database of information. OTC's three lines of business are OTC Link (21% of 2025 revenue), Market Data (40%) and Corporate Services (39%). Headquarters are in New York, NY. OTCM trades on the OTCQX market.

Release Date	Conference Call	Time (Eastern)	Contact	Co. Guidance	Consensus
May 6	May 7	8:30am	Webinar	N/A	EPS: \$0.61

- **Our outlook captures OTCM's role as a provider of critical market infrastructure, subscription derived revenue, stable capital structure, and progress toward expanding its product suite to drive growth.**
- **Key initiatives for OTCM in 2026 include increasing broad activity on OTC Link, including on the MOON ATS, and increasing Corporate Services subscribers.**
- **Dollar volume traded on OTC Market platforms continued to show strong momentum in 1Q:26, rising 24% from the prior year period to the highest quarterly read since 1Q:21. MOON ATS, which covers NMS securities traded overnight, generated more than \$5.7 billion in trading volume in March, up 37% from February.**
- **Our 1Q:26 EPS estimate of \$0.61 implies 22% growth from the prior year period, back by strong revenue growth and modest operating margin improvement.**
- **OTCM maintains a healthy and debt free balance sheet. Strong FCF generation continues to support capital allocation priorities that include returning capital to shareholders, opportunistic buybacks, and potential M&A. OTCM's Board authorized a nearly 67% increase in its quarterly dividend to \$0.30 per share (from \$0.18 per share) at 4Q:25.**
- **Our \$65 price target is based on 23x our 2027 EPS forecast of \$2.90. Our moderate risk rating reflects OTCM's role as a provider of critical market infrastructure and its recurring, subscription based revenue profile.**

Dollar volume traded on OTC Market platforms continued to show strong momentum in 1Q:26, rising 24% from the prior year period. According to OTCM's recent blog post, the total dollar volume traded across OTCM platforms increased 24% year over year in 1Q:26 to about \$226 billion, continuing strong momentum from elevated volume in 2025. The 1Q:26 measure represents 30% growth from 4Q:25 and is the highest quarterly measure since

NR

Price Target: \$65
Price: \$54.03
Risk Rating: M

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Key Statistics

Market Cap (Mil)	\$645
Enterprise Value (Mil)	\$595
52-Week Range	61-47
5-Year EPS CAGR.	13%
Avg. Daily Trading Volume	6,000
Shares Out (Mil)	11.975
Float Shares (Mil)	7.714
Insider Ownership	34%
Institutional Holdings	9%
Annualized Dividend	\$1.20
Dividend Yield	2.2%
FCF Per Share (2026E)	\$3.46
FCF Yield (2026E)	6.4%
Net Cash Per Share (2026E)	\$5.34
Price to Book Value	17.3x
Return on Equity (2026E)	65.1%
Total Debt to Capital	0%
Interest Coverage Ratio	N/A
Short Interest %	N/A
Short Interest Days To Cover	N/A
Russell 2000	2,739
Russell 2000 - Last 12 Months	38.0%
OTCM - Last 12 Months	14.6%

29-Apr-2023 to 29-Apr-2026 (Daily) Price



Source: FactSet Prices

1Q:21. Cross traded international securities dollar volume surged to \$210 billion in 1Q:26, up 37% from 4Q:25, capturing OTCM's mission to enable international companies to list local, trade global. Activity was driven by European and Asian securities, underscoring OTCM's role in enabling cross-border investment and strong U.S. investor interest in international equities. MOON ATS, which covers NMS securities traded overnight, showed strong trends in 1Q:26, with more than \$5.7 billion in notional trading volume in March alone, up 37% from February. In the OTC Link segment, we estimate revenue rose 7% in 1Q:26 to \$7.0 million, driven by OTC Link ECN, OTC Link NQB, and MOON ATS, which generate transactional revenue based on the volume of shares traded.

Our outlook continues to reflect OTCM's focus on increasing activity on OTC Link, including on MOON ATS, and driving Corporate Services subscriber growth higher. Our outlook reflects OTCM's status as a provider of critical financial market infrastructure that aims to better organize markets and increase transparency. In 2026, we anticipate OTCM will focus on increasing the number of securities and activity on OTC Link and increasing the number of company subscribers in the Corporate Services segment. Corporate Services growth will be driven by international companies that meet the listing standards of a qualified non-U.S. stock exchange in their primary market and see more value/cost savings in listing with OTCM over a U.S. exchange. Cross traded international securities' dollar volume grew impressively in 2025 and comprised about 88% of total volume. In addition, we expect sales efforts to be aimed at enticing companies to subscribe to the highest quality available market platform (e.g., OTCQX, OTCQB, OTCID). In the OTC Link business, the company is focused on driving subscriber connectivity and trading activity on the MOON ATS and OTC Overnight platforms. MOON ATS volume has risen impressively, with OTCM acting as an early mover in capturing NMS security volume in a competitive space. We believe OTCM's ability to trade OTC equity and exchange listed NMS securities overnight will help grow 2026 revenue. With an estimated 5% increase in revenue and stable 31% operating margin, we forecast 2026 EPS to rise 9% to \$2.81.

We estimate broad segment revenue gains in 1Q:26, driven by OTCID and higher volume. We forecast 17% growth in Corporate Services due to the launch of OTCID market tier in 3Q:26, which had 1,052 subscribers at 4Q:25. In addition, the OTCQX and OTCQB subscriber base has trended favorably in 2H:25; OTCQX had 574 subscribers and OTCQB 1,106 subscribers as of 4Q:25, up 1% and 5%, respectively, year over year, and retention rates remained around the historical average. Despite economic headwinds affecting the subscriber base (subscriber variability is largely driven by new sales, voluntary non-renewals, and the effect of compliance downgrades), we sense that sales trends have improved in recent quarters and look for growth to continue. Along with the higher volume of shares traded on OTC Link, we estimate gross revenue rose 8% year over year in 1Q:26 to \$32.9 million, with gains across all segments.

Our 1Q:26 EPS estimate of \$0.61 implies 22% growth from the prior year period, back by strong revenue growth. We estimate total operating expenses rose 7% year over year in the quarter. Though we expect the company to maintain an operating margin of around 30% annually, our forecasted 1Q:26 margin of 26% is up modestly from 1Q:25, yet lower sequentially on 1Q-weighted compensation costs. We estimate operating income rose 15% in 1Q:26 to \$8.4 million.

Exhibit 1: OTC Markets Group Inc. Variance Table					
\$ in thousands except per share data					
	1Q:25E	4Q:25A	1Q:26E	% Change YoY	\$ Variance YoY
Total Dollar Volume (bn)	183.0	173.5	226.0	23%	43.0
OTC Link	6,563	6,830	7,029	7%	465.6
Market Data Licensing	12,783	12,745	12,911	1%	127.8
<u>Corporate Services</u>	<u>11,080</u>	<u>13,147</u>	<u>12,964</u>	<u>17%</u>	<u>1,883.6</u>
Gross Revenue	30,426	32,722	32,903	8%	2,477.1
Operating Expenses	19,783	17,788	21,255	7%	1,472.4
Operating Income	7,274	11,523	8,357	15%	1,083.4
Operating Margin*	25%	36%	26%		
Net Income	\$6,040	\$9,237	\$7,272	20%	1,232.2
Profit Margin*	21%	29%	23%		
EPS	\$0.50	\$0.76	\$0.61	22%	\$ 0.11
Consensus EPS			\$0.61		

Sources: Company reports and Sidoti & Company, LLC. estimates.

* Based on net revenue consistent with company operating metrics

Valuation	We maintain our \$65 price target on OTCM, based on 23x our 2027 EPS estimate of \$2.90. In the past five years, OTCM shares traded at 16x-29x forward EPS and averaged 23x. Corporate service and exchange peers trade at 21x-59x and average 30x forward earnings. OTCM's lack of trading liquidity could validate a discount to peers. Yet we view the recurring, subscription derived revenue model (81% of 2025 gross revenue), product expansion, strong balance sheet, and key regulatory role as supporting our multiple. We also think OTCM operates with a wide economic moat as an operator of critical market infrastructure for smaller companies. Technology investments to increase the value of Market Data Licensing and grow international Corporate Service subscribers could warrant a higher multiple, in our view. Our Moderate risk rating reflects strengths in OTCM's business model as a provider of critical market infrastructure with diverse end markets and subscription-derived revenue of 80%-90%.			
Key Risks	<table border="1" style="width: 100%;"> <tr> <td style="width: 33%;">Volatile trading volumes</td> <td style="width: 33%;">Economic sensitivity</td> <td style="width: 33%;">Regulatory</td> </tr> </table>	Volatile trading volumes	Economic sensitivity	Regulatory
Volatile trading volumes	Economic sensitivity	Regulatory		

OTC Markets Group Inc.

Table 1. OTC Markets Group Inc., Income Statement
(\$ in thousands, except where noted)

	2024	MarA	JuneA	SepA	DecA	2025	MarE	JuneE	SepE	DecE	2026E	MarE	JuneE	SepE	DecE	2027E
Operating Segments																
OTC Link	\$22,409	\$6,563	\$6,447	\$6,420	\$6,830	\$26,260	\$7,029	\$6,511	\$6,484	\$6,830	\$26,854	\$6,888	\$6,609	\$6,614	\$6,932	\$27,044
Market Data Licensing	43,625	12,783	12,316	12,520	12,745	50,364	12,911	12,809	12,958	13,127	51,805	13,492	13,385	13,477	13,652	54,006
Corporate Services	45,030	11,080	11,742	12,695	13,147	48,664	12,964	13,151	13,203	13,541	52,859	13,482	13,546	13,731	14,083	54,842
Gross Revenue	\$111,064	\$30,426	\$30,505	\$31,635	\$32,722	\$125,288	\$32,903	\$32,471	\$32,645	\$33,499	\$131,518	\$33,862	\$33,540	\$33,821	\$34,668	\$135,891
Redistribution fees and rebates	3,182	994	998	976	985	3,953	987	974	979	1,005	3,946	1,016	1,006	1,015	1,040	4,077
Net Revenue	\$107,882	\$29,432	\$29,507	\$30,659	\$31,737	\$121,335	\$31,916	\$31,497	\$31,666	\$32,494	\$127,572	\$32,846	\$32,534	\$32,807	\$33,628	\$131,814
Redistribution & Transaction fees	6,649	2,375	2,292	2,155	2,426	9,248	2,303	2,273	2,285	2,345	9,206	2,370	2,348	2,367	2,427	9,512
Revenues less transaction-based expenses	\$101,233	\$27,057	\$27,215	\$28,504	\$29,311	\$112,086	\$29,613	\$29,224	\$29,381	\$30,149	\$118,366	\$30,476	\$30,186	\$30,439	\$31,201	\$122,302
Compensation	44,122	12,906	11,573	11,162	10,795	46,436	13,819	12,112	11,426	11,725	49,081	14,363	12,678	11,973	12,411	51,425
IT Infrastructure	10,574	2,715	2,858	2,896	2,910	11,379	3,093	3,052	3,069	3,149	12,363	3,183	3,153	3,179	3,328	12,843
Professional fees	6,295	1,956	1,842	1,916	1,947	7,661	2,106	2,046	2,024	2,077	8,252	2,032	2,012	2,029	2,149	8,223
Marketing & Advertising	1,367	343	438	368	488	1,637	494	455	490	469	1,907	440	470	440	485	1,835
Occupancy costs	2,369	638	668	629	622	2,557	658	617	653	670	2,598	677	637	676	693	2,684
D&A	2,680	660	656	635	610	2,561	658	649	653	670	2,630	677	671	676	693	2,718
General and administrative	1,613	565	349	291	416	1,621	428	422	424	435	1,710	440	436	440	451	1,767
Total Operating Costs	\$69,020	\$19,783	\$18,384	\$17,897	\$17,788	\$73,852	\$21,255	\$19,353	\$18,738	\$19,195	\$78,541	\$21,813	\$20,057	\$19,413	\$20,211	\$81,495
Operating Income	\$32,213	\$7,274	\$8,831	\$10,607	\$11,523	\$38,235	\$8,357	\$9,871	\$10,642	\$10,954	\$39,825	\$8,663	\$10,129	\$11,026	\$10,990	\$40,807
Interest Income & Other income	929	150	216	269	317	953	300	300	300	300	1,200	300	300	300	300	1,200
Pretax Income	\$33,142	\$7,424	\$9,047	\$10,876	\$11,840	\$39,188	\$8,657	\$10,171	\$10,942	\$11,254	\$41,025	\$8,963	\$10,429	\$11,326	\$11,290	\$42,007
Income Taxes	(5,782)	(1,384)	(1,747)	(2,318)	(2,603)	(8,052)	(1,385)	(1,892)	(1,970)	(2,476)	(7,723)	(1,434)	(1,940)	(1,982)	(2,258)	(7,614)
Net Income	\$27,360	\$6,040	\$7,300	\$8,558	\$9,237	\$31,136	\$7,272	\$8,279	\$8,973	\$8,778	\$33,302	\$7,529	\$8,489	\$9,344	\$9,032	\$34,393
Less restricted stock	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50	50
Net Income To Common	\$27,360	\$6,040	\$7,300	\$8,558	\$9,237	\$31,136	\$7,272	\$8,279	\$8,973	\$8,778	\$33,302	\$7,529	\$8,489	\$9,344	\$9,032	\$34,393
Basic EPS	\$2.29	\$0.50	\$0.61	\$0.71	\$0.77	\$2.59	\$0.62	\$0.70	\$0.76	\$0.75	\$2.83	\$0.64	\$0.72	\$0.80	\$0.77	\$2.92
FD EPS	\$2.26	\$0.50	\$0.60	\$0.71	\$0.76	\$2.58	\$0.61	\$0.70	\$0.76	\$0.74	\$2.81	\$0.63	\$0.71	\$0.80	\$0.76	\$2.90
FD Shares Outstanding	11,841	11,834	11,831	11,870	11,878	11,853	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878	11,878
Dividend	\$2.22	\$0.18	\$0.18	\$0.18	\$1.93	\$2.47	\$0.30	\$0.30	\$0.30	\$0.30	\$1.20	\$0.30	\$0.30	\$0.30	\$1.98	\$2.88
<i>Payout Ratio</i>	<i>97%</i>	<i>36%</i>	<i>29%</i>	<i>25%</i>	<i>249%</i>	<i>96%</i>	<i>49%</i>	<i>43%</i>	<i>39%</i>	<i>40%</i>	<i>42%</i>	<i>47%</i>	<i>42%</i>	<i>37%</i>	<i>258%</i>	<i>99%</i>
Adjusted EBITDA																
Operating Income	32,213	7,274	8,831	10,607	11,523	38,235	8,357	9,871	10,642	10,954	39,825	8,663	10,129	11,026	10,990	40,807
D&A	2,681	660	656	635	610	2,561	658	649	653	670	2,761	677	671	676	693	2,961
Stock Based Comp	6,370	1,881	1,627	1,587	1,693	6,788	1,974	1,624	1,632	1,675	6,905	2,032	2,012	2,029	1,733	7,807
Non-Recurring & Other	-	1	1	-	(1)	2	-	-	-	-	-	-	-	-	-	-
Adj. EBITDA	41,253	9,816	11,115	12,829	13,825	47,585	10,990	12,144	12,927	13,299	49,491	11,372	12,812	13,731	13,417	51,575
Growth Analysis																
OTC Link	14.3%	21.6%	19.2%	22.5%	7.3%	17.2%	7.1%	1.0%	1.0%	0.0%	2.3%	(2.0%)	1.5%	2.0%	1.5%	0.7%
Market Data Licensing	0.6%	15.3%	14.2%	15.3%	17.0%	15.4%	1.0%	4.0%	3.5%	3.0%	2.9%	4.5%	4.5%	4.0%	4.0%	4.2%
Corporate Services	(4.0%)	(0.8%)	3.3%	12.4%	17.4%	8.1%	17.0%	12.0%	4.0%	2.4%	8.6%	4.0%	3.0%	4.0%	4.0%	3.8%
Revenue YOY Growth	1.1%	10.0%	10.7%	15.5%	15.0%	12.8%	8.1%	6.4%	3.2%	2.4%	5.0%	2.9%	3.3%	3.6%	3.5%	3.3%
Seq. Rev Growth	-	6.9%	0.3%	3.7%	3.4%	-	0.6%	(1.3%)	0.5%	2.6%	-	1.1%	(1.0%)	0.8%	2.5%	-
Adjusted Net Income YoY Growth	(1.1%)	0.9%	8.4%	15.2%	28.0%	13.8%	20.4%	13.4%	4.8%	(5.0%)	7.0%	3.5%	2.5%	4.1%	2.9%	3.3%
Adjusted FD EPS YoY Growth	(0.9%)	1.2%	6.9%	17.0%	26.6%	14.0%	22.3%	16.7%	6.2%	(2.5%)	9.2%	3.5%	2.5%	5.5%	2.9%	2.9%
Adj. EBITDA YOY Growth	0.9%	7.0%	7.8%	19.1%	24.2%	15.3%	12.0%	9.3%	0.8%	(3.8%)	4.0%	3.5%	5.5%	6.2%	0.9%	4.2%
Margin Analysis																
Operating Margin	29.9%	24.7%	29.9%	34.6%	36.3%	31.5%	26.2%	31.3%	33.6%	33.7%	31.2%	26.4%	31.1%	33.6%	32.7%	31.0%
Adjusted Profit Margin	25.4%	20.5%	24.7%	27.9%	29.1%	25.7%	22.8%	26.3%	28.3%	27.0%	26.1%	22.9%	26.1%	28.5%	26.9%	26.1%
Tax Rate	17%	19%	19%	21%	22%	21%	16%	19%	18%	22%	19%	16%	19%	18%	20%	18%

Sources: Company reports, Sidoti & Company, LLC estimates

OTC Markets Group Inc.

Table 2. OTC Markets Group Inc., Statement of Cash Flows

(\$ in thousands except where noted)

	2023	2024	MarA	JuneA	SepA	DecA	2025	MarE	JuneE	SepE	DecE	2026E	2027E
Operating Activities													
Net Income	\$27,661	\$27,360	\$6,040	\$7,300	\$8,558	\$9,237	\$31,135	\$7,272	\$8,279	\$8,973	\$8,778	\$33,302	\$34,393
Depreciation & amortization	2,398	2,681	660	656	635	610	2,561	710	706	685	660	2,761	2,961
Provision for bad debts	367	(13)	137	(63)	(98)	27	3	0	0	0	0	0	0
Share based compensation	5,858	6,370	1,881	1,627	1,587	1,693	6,788	1,974	1,624	1,632	1,675	6,905	7,807
Excess tax benefit	(815)	(417)	(128)	(115)	(78)	(1)	(322)	0	0	0	0	0	0
Deferred rent & other	31	0	0	0	0	1	1	0	0	0	0	0	0
Deferred income taxes	(2,838)	(2,429)	(453)	(458)	3,697	525	3,311	0	0	0	0	0	0
Loss on fixed assets	0	13	0	0	0	0	0	0	0	0	0	0	0
Change in Operating Assets & Liabilities	\$32,662	\$33,565	\$8,137	\$8,947	\$14,301	\$12,092	\$43,477	\$9,956	\$10,609	\$11,290	\$11,113	\$42,968	\$45,161
Net Change in Working Capital	374	(692)	(8,955)	2,274	(967)	12,810	7,802	(5,762)	2,658	5,427	4,671	6,994	6,652
Net Cash Provided by Operations	\$33,036	\$32,873	(\$818)	\$11,221	\$13,334	\$24,902	\$51,279	\$4,195	\$13,267	\$16,717	\$15,784	\$49,963	\$51,814
Investing Activities													
Acquisitions	0	0	0	0	0	0	0	0	0	0	0	0	0
Capital expenditures	(1,567)	(1,301)	(116)	(42)	0	(62)	(220)	(625)	(552)	(392)	(402)	(1,971)	(2,035)
Net proceeds/purchase of short term investments	(3,622)	(891)	642	(989)	0	(187)	(534)	0	0	0	0	0	0
Net Cash Provided by Investing Activities	(\$5,189)	(\$2,192)	\$526	(\$1,031)	\$0	(\$249)	(\$754)	(\$625)	(\$552)	(\$392)	(\$402)	(\$1,971)	(\$2,035)
Financing Activities													
Dividends	(26,482)	(26,585)	(2,162)	(2,164)	(2,164)	(23,202)	(29,692)	(3,600)	(3,600)	(3,600)	(20,981)	(31,781)	(32,468)
Proceeds from stock options	0	86	11	5	0	0	16	0	0	0	0	0	0
Restricted stock issuance	1	(825)	1	0	0	0	1	0	0	0	0	0	0
Withholding taxes paid	(1,236)	(797)	(130)	(251)	(160)	(26)	(567)	0	0	0	0	0	0
Excess tax benefits	0	0	0	0	0	0	0	0	0	0	0	0	0
Purchase of treasury stock	(3,379)	(2,944)	(2,934)	0	0	0	(2,934)	(3,000)	0	0	0	(3,000)	(3,000)
Net Cash Provided by Financing	(\$31,096)	(\$31,065)	(\$5,214)	(\$2,410)	(\$2,324)	(\$23,228)	(\$33,176)	(\$6,600)	(\$3,600)	(\$3,600)	(\$20,981)	(\$34,781)	(\$35,468)
Net Cash Increase (decrease) in cash	(\$3,249)	(\$384)	(\$5,506)	\$7,780	\$11,010	\$1,425	\$17,349	(\$2,374)	\$9,115	\$12,725	(\$5,598)	\$13,211	\$14,310
Beginning cash balance	38,936	35,687	36,128	30,622	38,402	49,412	35,303	50,837	48,463	57,578	70,303	52,652	65,863
Ending Cash Balance	\$35,687	\$35,303	\$30,622	\$38,402	\$49,412	\$50,837	\$52,652	\$48,463	\$57,578	\$70,303	\$64,705	\$65,863	\$80,174
CFFO	\$33,036	\$32,873	(\$818)	\$11,221	\$13,334	\$24,902	\$51,279	\$4,195	\$13,267	\$16,717	\$15,784	\$49,963	\$51,814
CapEx	(1,567)	(1,301)	(116)	(42)	0	(62)	(220)	(625)	(552)	(392)	(402)	(1,971)	(2,035)
Free Cash Flow (excluding SBC)	\$25,611	\$26,005	(\$2,815)	\$9,552	\$11,747	\$23,147	\$41,631	\$1,595	\$11,091	\$14,693	\$13,708	\$41,087	\$41,971
FCF / Share	\$2.16	\$2.20	(\$0.24)	\$0.81	\$0.99	\$1.95	\$3.51	\$0.13	\$0.93	\$1.24	\$1.15	\$3.46	\$3.53

Sources: Company reports, Sidoti & Company, LLC estimates

OTC Markets Group Inc.

Table 3. OTC Markets Group Inc., Balance Sheet

(\$ in thousands except where noted)

	2023	2024	MarA	JuneA	SepA	DecA	2025	MarE	JuneE	SepE	DecE	2026E	2027E
ASSETS													
Current Assets													
Cash and cash equivalents	34,101	34,522	\$29,016	\$36,796	\$47,806	\$49,231	49,231	\$47,225	\$56,340	\$69,065	\$63,467	63,467	77,778
Short-term investments	3,622	4,513	3,871	4,860	4,860	5,047	5,047	5,047	5,047	5,047	5,047	5,047	5,047
Receivables	7,680	8,097	9,268	8,515	8,651	9,053	9,053	9,468	8,715	8,851	9,253	9,253	9,453
Prepaid income taxes	1,324	244	430	750	2,445	249	249	249	249	249	249	249	249
Prepaid expenses	1,865	2,237	2,771	2,808	2,113	2,361	2,361	2,361	2,361	2,361	2,361	2,361	2,361
Total Current Assets	\$48,592	\$49,613	\$45,356	\$53,729	\$65,875	\$65,941	\$65,941	\$64,350	\$72,712	\$85,573	\$80,377	\$80,377	\$94,888
PP&E	8,429	7,096	6,697	6,229	5,739	5,557	5,557	4,447	4,293	4,000	3,742	3,742	2,816
Operating lease right-of-use assets	12,324	10,951	10,597	10,239	9,876	9,508	9,508	9,508	9,508	9,508	9,508	9,508	9,508
Non-current deferred tax asset	7,691	10,120	10,573	11,031	7,334	6,809	6,809	6,809	6,809	6,809	6,809	6,809	6,809
Goodwill	3,984	3,984	3,984	3,984	3,984	3,984	3,984	3,984	3,984	3,984	3,984	3,984	3,984
Intangible assets	7,411	6,829	6,684	6,538	6,393	6,247	6,247	6,247	6,247	6,247	6,247	6,247	6,247
Other Assets	2,094	2,149	2,159	2,066	1,968	2,063	2,063	2,063	2,063	2,063	2,063	2,063	2,063
Total Assets	\$90,525	\$90,742	\$86,050	\$93,816	\$101,169	\$100,109	\$100,109	\$97,409	\$105,616	\$118,184	\$112,730	\$112,730	\$126,315
Liabilities													
Accounts payable	2,152	1,175	854	1,102	1,155	1,184	1,184	1,533	1,557	1,569	1,578	1,578	1,631
Income tax payable	141	54	1,457	3	382	138	138	138	138	138	138	138	138
Accrued expenses	14,065	13,425	7,388	10,269	12,820	14,884	14,884	8,188	11,069	13,620	15,684	15,684	16,484
Deferred revenue	29,267	29,084	27,001	26,930	23,843	33,640	33,640	34,640	33,640	36,640	39,640	39,640	45,640
Current Liabilities	\$45,625	\$43,738	\$36,700	\$38,304	\$38,200	\$49,846	\$49,846	\$44,499	\$46,404	\$51,967	\$57,040	\$57,040	\$63,893
Operating Lease Liabilities	11,895	10,360	9,964	9,564	9,159	1,050	1,050	1,050	1,050	1,050	1,050	1,050	1,050
Income tax reserve	778	927	962	1,007	1,048	8,748	8,748	8,748	8,748	8,748	8,748	8,748	8,748
Total Liabilities	\$58,298	\$55,025	\$47,626	\$48,875	\$48,407	\$59,644	\$59,644	\$54,297	\$56,202	\$61,765	\$66,838	\$66,838	\$73,691
Shareholders' Equity													
Class A	127	128	129	129	129	129	129	129	129	129	129	129	129
Additional paid-in capital	29,469	35,127	36,889	38,270	39,697	41,364	41,364	40,338	41,962	43,594	45,269	45,269	50,076
Retained earnings	22,425	23,200	27,078	32,214	38,608	24,644	24,644	28,316	32,996	38,368	26,166	26,166	28,091
Treasury shares	(19,794)	(22,738)	(25,672)	(25,672)	(25,672)	(25,672)	(25,672)	(25,672)	(25,672)	(25,672)	(25,672)	(25,672)	(25,672)
Total Stockholders' Equity	\$32,227	\$35,717	\$38,424	\$44,941	\$52,762	\$40,465	\$40,465	\$43,111	\$49,414	\$56,419	\$45,892	\$45,892	\$52,624
Total Liabilities & Stockholders' Equity	\$90,525	\$90,742	\$86,050	\$93,816	\$101,169	\$100,109	\$100,109	\$97,409	\$105,616	\$118,184	\$112,730	\$112,730	\$126,315
Key Metrics													
ROA	30.4%	30.1%	31.0%	31.1%	29.9%	30.9%	30.9%	32.8%	32.8%	30.2%	28.8%	28.8%	26.6%
ROE	72.6%	65.9%	74.0%	67.1%	59.6%	66.8%	66.8%	77.5%	72.1%	63.8%	65.1%	65.1%	59.2%
ROIC	54.3%	51.7%	56.9%	53.4%	49.1%	55.0%	55.0%	62.7%	59.5%	53.8%	54.6%	54.6%	50.7%
Cash per share	\$2.87	\$2.92	\$2.45	\$3.11	\$4.03	\$4.14	\$4.15	\$3.98	\$4.74	\$5.81	\$5.34	\$5.34	\$6.55

Sources: Company reports, Sidoti & Company, LLC estimates

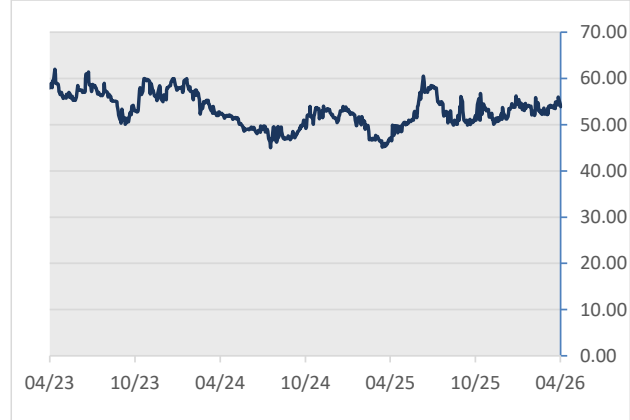
Required Disclosures

OTC Markets Group Inc. (OTCM-\$53.90) NR Price Target: \$65 Risk Rating: M

Rating and Price Target History Table

Action	Date	Px	Rating	PT	Risk Rating
Risk Rating	03/08/2024	11.1			M
PT	08/08/2024	48.0		63	
PT	11/14/2025	54.3		65	

29-Apr-2023 to 29-Apr-2026 (Daily) Price



Source: FactSet Prices

Valuation	We maintain our \$65 price target on OTCM, based on 23x our 2027 EPS estimate of \$2.90. In the past five years, OTCM shares traded at 16x-29x forward EPS and averaged 23x. Corporate service and exchange peers trade at 21x-59x and average 30x forward earnings. OTCM's lack of trading liquidity could validate a discount to peers. Yet we view the recurring, subscription derived revenue model (81% of 2025 gross revenue), product expansion, strong balance sheet, and key regulatory role as supporting our multiple. We also think OTCM operates with a wide economic moat as an operator of critical market infrastructure for smaller companies. Technology investments to increase the value of Market Data Licensing and grow international Corporate Service subscribers could warrant a higher multiple, in our view. Our Moderate risk rating reflects strengths in OTCM's business model as a provider of critical market infrastructure with diverse end markets and subscription-derived revenue of 80%-90%.		
Key Risks	Volatile trading volumes	Economic sensitivity	Regulatory

(IF A COMPANY SPONSORED RESEARCH ("CSR") REPORT, ALSO REFER TO ADDITIONAL CSR-SPECIFIC DISCLOSURES PROVIDED BELOW)

Rating System

Sidoti's Equity Research rating system consists of BUY and NEUTRAL recommendations, as well as a NOT RATED classification. We do not assign these BUY or NEUTRAL ratings for companies covered under our Company Sponsored Research program. Companies (or equity securities) covered by our CSR program are classified as NOT RATED (NR) and are only assigned a HIGH (H) or MODERATE (M) risk rating. Unless otherwise noted in a report, Sidoti ratings should be interpreted as follows:

Rating	Industry	Interpretation
BUY	All, except Utilities	Capital appreciation of at least 25% over the next 12 months
NEUTRAL	All, except Utilities	Capital appreciation of less than 25% over the next 12 months
BUY	Utilities(a)	Capital appreciation of at least 15% over the next 12 months
NEUTRAL	Utilities(a)	Capital appreciation of less than 15% over the next 12 months
HIGH (RISK)	All in CSR program	Companies/equities with among others, one or more of the following characteristics:

		<ul style="list-style-type: none"> • significant potential for loss of principal; • significant share price volatility; • limited revenue or cash flow and/or high unpredictability associated with revenue and cash flow; • short and/or unprofitable operating history; • potentially significant issues regarding operational and/or financial success; • problematic financial, liquidity, legal, regulatory or political issues; • upcoming need for additional capital when availability is questionable; • significant related party transactions which could lead to a conflict of interest; • any other factor that the analyst believes could materially and adversely impact the subject company and/or the value of its securities.
MODERATE (RISK)	All in CSR program	<p>Companies which have many of the same risks as described under the HIGH risk rating, but which risks are mitigated (on a relative basis and in the opinion of the analyst) due to, among others, one or more of the following:</p> <ul style="list-style-type: none"> • more stable and predictable revenue, profits and cash flow; • more established operating history; • more favorable operating or business environment • lower potential for financial, liquidity, regulatory or political issues; or • less onerous upcoming capital needs.

(a) those with at least 75% of operations derived from regulated state and federal businesses

Percentage of Covered Companies with Each Rating and Realization of Investment Banking Income from Covered Companies Over the Past 12 Months:

With reference to the information described in the header immediately above please refer to the table below, which is as of 4-29-2026 , and reflects information immediately prior to, the publication of this report:

Rating	# of Companies	% (b)	Realized Investment Banking Income (# of companies with rating)	Realized Investment Banking Income (% of companies with rating)
BUY	19	14.4%	0	0.0%
NEUTRAL(a)	5	3.8%	0	0.0%
NOT RATED	0	0.0%	0	0.0%
NR - CSRs Moderate Risk (c)	92	69.7%	0	0.0%
NR - CSRs High Risk (c)	16	12.1%	0	0.0%
TOTAL	132	100%	0	0.0%
(a) Of the NEUTRALS 3 trade above our price target.				
(b) Numbers may not add due to rounding or because of a pending drop of coverage.				
(c) 85.2% of our CSRs are moderate risk, while 14.8% are high risk.				

Certain Risks

A universal risk to all our price targets is that the analyst's estimates or forecasts may not be met. Past performance should not be construed as indicative of future performance. This report contains forward-looking statements, which involve risks and uncertainties. Actual results may differ significantly from such forward-looking statements. Factors that may cause such a

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Sidoti Investment Banking Revenue Realized from the Subject Company in the Last 12 Month

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Date	Role	Transaction	Security

Sidoti Non-Investment Revenue Realized from the Subject Company in the Last 12 Months

Prior to December 31, 2022, Sidoti held multiple conferences a year and charged a fee of up to \$6,000 per conference to presenting companies. Beginning January 2023, Sidoti Events, LLC (“Sidoti Events”), an affiliate of Sidoti by common ownership, began to hold these conferences. Sidoti or Sidoti Events may also receive a fee of up to \$8,000 for scheduling a Non-Deal Roadshow (“NDR”) day. Sidoti Events reimburses Sidoti for certain services provided by Sidoti to Sidoti Events in respect of these conferences (or NDR days) pursuant to an Expense Sharing Arrangement. The table below sets forth instances where Sidoti or Sidoti Events received non-investment revenue from the company covered hereunder, if any, over the past 12 months:

Conferences	NDR Days

Additional Disclosures Specific to the Subject Company of this Report Including the Pursuit or Expectation of Investment Banking Revenue in the Next Three Months

None

Analyst Certification

The research analyst that authors this report, Brendan McCarthy, certifies that this report accurately reflects his/her personal views about the subject securities and issuers and that none of the research analysts compensation was, is or will be directly or indirectly related to the analysts specific recommendations or views contained in this research report.

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- requires the term of a contract extend for one full year, which contract the issuer cannot unilaterally terminate;
- provides Sidoti the ability to terminate the contract under certain circumstances;
- insists that, at a minimum, pro-rata payment of the annual fee is received prior to the publication or release of a research report;
- utilizes analysts who must abide by the CFA Institute Code of Ethics and Standards of Professional Conduct;
- provide analysts with full discretion on the price target and over other coverage points based on their own due diligence;
- maintains and enforces written policies and procedures reasonably designed to prevent any controlling persons, officers (or persons performing similar functions), or employees of Sidoti from influencing the activities of research analysts and the content of research reports prepared by the research analyst;
- does not directly tie analyst compensation to their willingness to cover a company on a commissioned basis, provided however that the provision of CSR coverage is one of several overall considerations that is factored into Sidoti's determination of analyst compensation; and
- does not directly or indirectly tie analyst compensation to the specific recommendations or views expressed in any research report.

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Source(s)

Key Statistics data is sourced from FactSet Research Systems