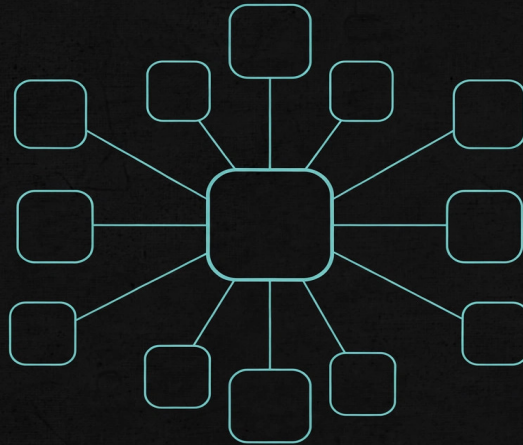


DALALBYTES RESEARCH



THE ROLL-UP MACHINE

Buy, fix, keep: 50 apps and counting.

Bending Spoons (BSP) Investment Report

The roll-up machine: 50-plus apps, real and rising margins, and the debt that funds it all. Why the execution deserves respect and the multiple deserves skepticism.

DalalBytes Research · October 2, 2026 · Reference price \$32.81 (October 1, 2026 close) · NASDAQ: BSP

DALALBYTES VERDICT

Selective Positive · 65/100

The most interesting capital allocator to list in years, priced as if the compounding already happened. Scenario targets (DalalBytes estimates): bear \$17, base \$31, bull \$48.

The story in 90 seconds

Bending Spoons IPO'd on the Nasdaq Global Select Market on July 1, 2026 at \$29.00 (57,971,015 shares; ~\$954M gross proceeds to the company), closed the first day at \$40.50, spiked to \$58.94, and now trades around \$32.81, about 44% off the high and 13% above the IPO price. The company is a Milan-based serial acquirer of consumer subscription apps: 50-plus deals, 500 million-plus monthly active users and 9 million-plus paying customers as of March 2026 (up from 111 million MAU and 3 million paying in December 2023). The playbook: buy established apps at distressed multiples, cut the cost base hard with headcount reductions and AI-assisted codebase rewrites, raise prices on the sticky installed base, and hold forever. The company states it has never sold an acquisition.

The bull case is capital allocation with receipts: Evernote revenue +30% since 2023 on 48% fewer users, WeTransfer and Tractive driving organic growth, adjusted operating margins rising every year (36% to 47%-plus), and 2026-vintage entry multiples of 1.7x to 2.7x revenue/ARR on assets bought 80-90% below prior peaks. The bear case is that the IPO priced in years of future deals that have not happened: organic growth faded from 13% to 3%, the stock trades at ~156x TTM earnings and ~9.7x TTM sales, leverage is 2.4x with 1.94x interest coverage, and the WSJ drew the Valeant parallel explicitly.

Snapshot

Metric	Value (dated)
Listing	Nasdaq Global Select Market, ticker BSP; IPO July 1, 2026 at \$29.00
Reference price	\$32.81 (October 1, 2026 close); 52-week range \$30.11-\$58.94
Market cap	~\$19.7B on ~600.8M shares (sources range \$19.7-21.3B)
Scale	500M+ MAU, 9M+ paying customers (March 2026)
Portfolio	50+ acquisitions; ~10 assets generate ~80% of revenue
Employees	2,187
TTM revenue	~\$2.04B
Q2 2026	Revenue \$704.2M (+126% YoY); adjusted EPS \$0.46 vs \$0.27 consensus
FY2026 guide	~\$1.4B adjusted EBITDA (CEO); Q3 revenue \$733-745M
Next earnings	November 6, 2026 (per stockanalysis)

The business model: buy, fix, keep

The company describes a three-step compounding cycle. **Acquire:** established digital platforms with self-serve subscription or advertising monetization and predictable revenue streams, in a \$50M to \$5B annual revenue band. Target screening explicitly accounts for potential AI-driven disruption to the target's business model.

Transform and optimize: simplify the organization through significant headcount reductions, rewrite codebases using AI plus proprietary tools (often Python, FastAPI, TypeScript), raise subscription prices, and cut free tiers. **Hold forever:** the stated aim is permanent ownership.

How it works economically: a shared central platform (payments, data analysis, product testing) is spread across every asset, so each acquisition plugs into existing infrastructure instead of carrying its own.

AI-assisted codebase rewrites compress engineering cost faster than headcount cuts alone. Price increases on sticky installed bases convert flat revenue into high-margin cash flow. Subscriptions are 84% of revenue and blended net revenue retention is about 94% (F-1 via mostlymetrics).

The talent machine is part of the moat: 800,000 job applications in 2025 for 286 hires, and the company dropped vesting entirely. With 2,187 employees running 500 million-plus MAU, the revenue-per-employee math is extreme for a consumer subscription business.

The honest version: It is a leveraged bet on execution. The playbook is debt-funded: over 500M euros in debt financing in August 2025 (JPMorgan-led syndicate), a 350M euro leveraged loan in July 2025, more than 1B euros raised pre-IPO in total. Every new deal adds debt, and the compounding requires ever-larger deals to keep the growth rate up.

The portfolio: 50 deals, the evidence

Roughly 10 assets generate about 80% of revenue (Dealroom via fastforward, September 2026). The rest is optionality and tail. The pattern is consistent: deep cuts, price increases, margin expansion, shrinking but more profitable user bases.

Asset	Acquired / price	Outcome
Evernote	Jan 2023 / ~\$200M	~250 staff cut 2023-24; free tier capped at 50 notes; Personal plan up 86% to \$249.99/yr. Revenue +30% in 2025 vs 2022 on 48% fewer users.
WeTransfer	Jul 2024 / ~433M euros	~75% staff cut (~260 of 350); free plan capped at 10 transfers/month. Largest positive organic contributor in Q2 2026.
Komoot	Mar 2025 / ~300M euros	~85% of ~150 staff cut, founders included. Deepest cut by share.
Brightcove	Nov 2024 / \$233M all-cash	~1/3 staff cut. Consolidated.

Asset	Acquired / price	Outcome
AOL	Closed Jan 2026 / ~\$1.45B	Reportedly about half of group revenue.
Vimeo	Closed Nov 2025 / \$1.38B all-cash	~10% cut at close, then mass layoffs Jan 2026 including the video team. See Vimeo section.
Eventbrite	Closed Mar 2026 / ~\$500M (1.7x TTM revenue)	Early integration. Flat \$325M revenue in 2023-2024 pre-deal.
Tractive	May 2026 / \$759M EV	Largest positive organic contributor in Q2 2026.
Airtable	Closed Sep 4, 2026 / \$1.285B EV (2.7x ARR)	~\$480M ARR +20% YoY; ~81% below the \$11.7B 2021 peak. Too fresh to judge.
Miro	Agreed Sep 10, 2026 / \$1.355B EV (2.3x ARR)	~\$600M ARR, ~90% enterprise; ~90% below the \$17.5B 2022 peak. \$295M of shareholder proceeds reinvested into BSP equity.

The failures and frictions are part of the record. Filmic's entire team was laid off in December 2023 and the asset was absorbed. Remini did 9x revenue and 5x users post-acquisition, then showed declining revenue in Q2 2026 alongside Splice. Meetup users complain the product got worse after monetization began. WeTransfer cofounder Nalden publicly criticized the decisions in December 2025 and is building a rival. The playbook has a body count, and it has a reputation cost.

The Vimeo test

Vimeo is the flagship acquisition and the test case for whether the playbook scales to enterprise. Announced September 10, 2025 at \$1.38B all-cash (\$7.85 per share, a 91% premium to the 60-day average), closed November 24, 2025, then delisted from Nasdaq. What was bought: ~260M active users, enterprise clients including Apple, Amazon, and Walmart, 2024 revenue of \$417M (down 0.1% year over year), ~\$320M of cash on the balance sheet, and ~\$42M of annual free cash flow. Vimeo was flat, not broken: a slow grower spun out of IAC in 2021 whose shares had collapsed about 90% from IPO.

The integration followed the classic script at maximum scale: an initial ~10% workforce reduction at close, then mass layoffs on January 20, 2026 that eliminated most of the workforce including the entire video team and several FFmpeg open-source contributors. Bending Spoons confirmed layoffs occurred but declined to specify numbers. Pricing plans were restructured. Vimeo On Demand is being shut down on a fixed calendar: new uploads blocked August 22, 2026; new purchases blocked September 21, 2026; final payouts October 21, 2026; storefronts offline November 20, 2026.

The competitive response: Video host Gumlet cut prices up to 70% effective May 2026 and claims a 200% increase in inbound migration requests from Vimeo since the acquisition closed (self-reported vendor claim, treat accordingly). The open question is whether enterprise video customers, who buy on reliability, security, and procurement relationships, tolerate the cuts.

Cost synergies from Vimeo, AOL, and Eventbrite underpin the CEO's \$1.4B 2026 adjusted EBITDA guide, and ~\$3.38B was deployed across those three transactions between November 2025 and March 2026. If Vimeo's enterprise base holds through the transformation, the playbook is validated at a new scale. If churn accelerates, the multiple on every future enterprise deal has to come down.

Financial deep dive

Revenue: \$387M (2023) to \$671M (2024) to \$1.31B (2025). Q1 2026: \$601M (+132% year over year). Q2 2026 (reported August 13, 2026): \$704.2M (+126% vs \$311.1M), ahead of the \$685M consensus. TTM revenue is about \$2.04B. The growth composition is the whole story: organic growth was 13% in 2025, 6% in Q1 2026, and 3% in Q2 2026. Reported growth is almost entirely acquired. For context, Constellation Software's organic growth ran 4%, 6%, 3% over the same periods: the organic profile is not unusual for a serial acquirer, but the acquisition pace is far faster.

Margins: gross margin ~66% (Q2 2026: \$463.6M gross profit on \$704.2M revenue, +127% year over year). Adjusted operating margin rose from 36% (2023) to 45% (2024) to 47% (2025) to 51% (Q1 2026). Q2 2026 GAAP operating income was \$240.3M (+139%), a 34% margin (+2pp); adjusted operating income was \$381M (+150%). Net income of \$89M in 2024 swung to a net loss of \$112M in 2025, driven by purchase price amortization, restructuring charges, and financing costs on the AOL, Vimeo, and Eventbrite deals. Q1 2026 net income was \$27.5M; Q2 2026 net income was \$177M (+171%), a 25% net margin. Diluted EPS was \$0.28 (+163%); adjusted EPS was \$0.46 vs \$0.27 consensus, a ~70% beat.

Guidance: the CEO guides to ~\$1.4B of adjusted EBITDA in FY2026, up from ~\$700M in FY2025. Q3 2026 guidance: revenue \$733-745M and adjusted operating income \$380-400M. The full-year sales outlook came in below analyst forecasts, which drove the post-earnings selloff: shares slipped 1.5% premarket, then fell ~25% over five sessions to ~\$38.50, and by October 1-2 traded ~\$32.7-32.8. The market loved the beat and hated the guide. LTM free cash flow is ~\$359M.

The balance sheet and the debt question

Item	Value (dated)
Gross debt at IPO	~\$4.36-4.4B against ~\$741M cash (net debt ~\$3.57B)
End of Q2 2026	\$793M cash and equivalents; \$1.28B revolver availability; leverage 2.4x
Post-Q2 actions	590M euros of new/expanded term loan facilities; revolver upsized by 30M euros
Debt/equity	3.94x (public.com, Oct 2026)
Interest coverage	1.94x
Current ratio	0.64x

The bull read: leverage sits against recurring subscription cash flows with 94% net revenue retention; IPO proceeds (~\$954M gross to the company) delever the balance sheet; the credit syndicate (JPMorgan, BofA, Goldman, Barclays, HSBC and others) keeps lending, which is its own signal. The bear read: interest coverage

under 2x and a sub-1.0 current ratio leave a thin cushion; every new deal adds debt; the equity is a leveraged bet on execution.

Competition

Constellation Software (TSX: CSU) is the closest public comp and the gold standard: buy-and-hold forever, decentralized, compounding through capital allocation. It trades at a richer multiple than BSP. Key difference: Constellation buys vertical-market B2B software slowly and decentralizes; Bending Spoons buys consumer subscription brands at hyper-speed and centralizes onto one platform.

PE-style roll-ups (Curious, Tiny, SaaS.group, Arising Ventures, Calm Capital) buy low-valuation SaaS and target 20-30% margins. Bending Spoons differs via permanent hold (no fund-life exits) and an operating platform rather than pure financial engineering. Miro shareholders reinvesting \$295M of proceeds into BSP equity (SEC 6-K, September 2026) is a tangible confidence signal.

Asset-level competitors: Notion and Obsidian (Evernote), Dropbox and Google Drive (WeTransfer), YouTube, Wistia, and Gumlet (Vimeo), Asana and Monday.com (Airtable, Miro). No single competitor spans the portfolio; competition is fought asset by asset, which is both the diversification and the complexity.

Risks

Valuation prices in years of future deals. Roughly 156x TTM P/E, 9.7x TTM sales, ~17x the 2026 adjusted EBITDA guide. An independent SOTP puts fair value at roughly half the market cap.

The Valeant parallel. The WSJ (September 11, 2026) flags amortization add-backs, noting Evernote's revenue growth came from price hikes on a 48% smaller user base. If organic decay ever outruns the transformation engine, the adjusted numbers stop covering it.

Organic growth is fading: 13% to 6% to 3%. The compounding is deal flow, which requires ever-larger deals funded with ever-more debt.

Leverage: 2.4x with 1.94x interest coverage and a 0.64x current ratio. A failed large integration hits the equity twice: through the write-down and through the multiple.

Reputational and retention risk: price-hike backlash, a founder building a rival (Nalden at WeTransfer), enterprise-customer risk at Vimeo.

Governance: dual-class shares give the four founders 5 votes per share each; public shareholders cannot change management. The story is Ferrari-centric.

Lock-up expiry: December 28, 2026, when restrictions on insider selling lift.

Street split: Buy consensus, \$47.67 average target (+45.7%), but BofA rates it Underperform and cut its target to \$36 from \$39 in late September 2026.

Valuation: three lenses

Lens 1: relative and historical. At \$32.81 on ~600.8M shares, the market cap is ~\$19.7B. P/S on TTM revenue (\$2.04B): ~9.7x. P/E on TTM EPS (\$0.21): ~156x; forward P/E ~19.9x. EV (~\$23.3B estimated, including ~\$3.6B net debt): EV/TTM revenue ~11.4x; EV/2025 adjusted EBITDA (~\$700M) ~33x; EV/2026E adjusted EBITDA (\$1.4B guide) ~16.6x. The stock is 44% below its \$58.94 high and 13% above the \$29 IPO price: the market has already derated the novelty once.

Lens 2: what the price implies. At \$32.81, you are paying ~17x forward adjusted EBITDA for a roll-up that must keep rolling to justify the multiple. The equity works if the deal machine keeps finding 2-3x ARR entries and transforming them at 45%-plus adjusted operating margins. It does not work if the machine slows, because the organic engine alone (3% growth) cannot carry a 156x trailing multiple.

Lens 3: scenarios. FY2028 scenario math (DalalBytes estimates, not forecasts):

Scenario	FY2028 adjusted EBITDA	Multiple	Target
Bull	\$2.2B	15x = \$33B EV	\$48 (~\$30B equity after debt paydown)
Base	\$1.7B	13x = \$22B EV	\$31 (~\$19B equity)
Bear	\$1.4B	10x = \$14B EV	\$17 (~\$10.5B equity)

Bear: -48%. Base: -5%. Bull: +46%. The bull requires successful Airtable/Miro integrations and continued deal flow. The base has the compounding continuing but the multiple compressing as novelty fades. The bear has organic decay plus a failed large integration re-rating the roll-up. The base case is the highest probability, which is why the verdict is Selective Positive rather than Positive.

What would change the verdict

To the upside: organic growth reaccelerating above 5% on a sustained basis; leverage falling below 2x; clean Airtable and Miro integrations with disclosed unit economics; or multiple compression toward 10x EV/EBITDA, which would flip the risk/reward favorably.

To the downside: a failed large integration (Vimeo enterprise churn is the one to watch); organic growth going negative; leverage rising above 3x; or the lock-up expiry in December 2026 bringing sustained insider selling.

Sources

Bending Spoons F-1 / IPO prospectus (via mostlymetrics S-1 breakdown and investgame.net)
 Company Q2 2026 earnings press release, August 13, 2026
 SEC Form 6-K on the Miro merger agreement, September 2026
 Businesswire IPO closing announcement, July 2, 2026
 Wikipedia: Bending Spoons (company history, IPO details, founders)
 TechCrunch, January 2026: company explainer; September 2026: Miro deal
 Wall Street Journal, September 11, 2026: "At Bending Spoons, the Numbers Are the Real Mind-Bender"
 investresearch substack, July 2026: SOTP analysis
 investgame.net: "Europe's Software Roll-Up Goes Public"
 mostlymetrics: "Bending Spoons IPO: S1 Breakdown"
 Dealroom via fastforward.com.cy, September 2026
 finviz and ainvest, August 2026: Q2 2026 coverage
 TheFly via stockanalysis, ~September 29, 2026: BofA target cut to \$36, Underperform
 LinkedIn/Finch, September 2026: Bending Spoons vs Constellation Software
 stockanalysis.com, finnhub.io, public.com: price, multiples (October 2026)
 onthehiway.com, September 2026: Vimeo On Demand shutdown timeline
 ppc.land, January 2026: Vimeo layoffs timeline

Gumlet press release via EINPresswire, May 2026
business-sale.com, July 2026: "Buy, fix, keep"
clawnify.com, September 2026: playbook tracker

Research for informational purposes only, not investment advice. Investing involves risk. This analysis discusses the ticker only and contains no portfolio or position information.