EDISON

# Spotlight — update

# The Platform Group

Retail

26 August 2025

## Robust revenue growth and margin delivery

**The Platform Group (TPG) delivered robust growth in H125 as it continues to benefit from a greater presence in more verticals, with more partners (+26% y-o-y) and ultimately serving more customers (+29%). While seasonality meant lower, but still-high, rates of revenue growth in Q225 than Q125, TPG delivered its highest ever adjusted EBITDA profit and margin for the period. All of its four verticals saw stable or improving profitability.**

## Seasonally weaker sales growth, better profitability

TPG reported strong year-on-year growth in gross merchandise value (GMV), revenue and adjusted EBITDA of c 47% to €652m, 48% to €343m and 89% to €33.3m, respectively, in H125. Following the high growth reported in Q125, there was some slowing in growth rates during Q225, mainly reflecting the seasonality of the many different verticals TPG is exposed to. The respective growth rates were: GMV Q225 17%, Q125 87%; reported revenue 47%, 49%; organic revenue 12%, 29%; and adjusted EBITDA 81%, 17%. TPG demonstrated a strong improvement in gross margin of 5.6pp in H125, helped by a relatively weak comparative as a result of a high level of car sales in H124. Although the majority of operating costs, (ie personnel, marketing and distribution costs), were stable or improved relative to revenue in the period, other operating costs increased significantly and limited the progress in adjusted EBITDA margin to 210bp, to 9.7% (H124: 7.6%), an all-time high for the period. Free cash flow generation declined in absolute terms and relative to revenue as working capital investment normalised and there was incremental fixed asset investment. By the period end, net debt/EBITDA was 2.05x, comfortably within management's target for FY25 of 1.5–2.3x.

## Recently upgraded guidance reiterated

Management updated its guidance in July 2025. The new FY25 guidance is €1.3bn GMV, €715–735m revenue, and €54–58m adjusted EBITDA, equivalent to year-on-year growth of 44%, 38% and 69%, respectively. The guidance implies a slowing in revenue growth and lower profitability, in absolute terms and margins, in H225 than delivered in H125, despite the imminent consolidation of three more acquisitions, following four in H125. As always, management states that this reflects its natural conservatism. FY26 guidance was also increased to €1.6bn GMV, €860m revenue and an adjusted EBITDA margin of 7.5–10.0% (ie EBITDA of €64.5–86.0m).

## Valuation: Discount to peers

TPG's prospective FY25e EV/EBITDA multiple is at a significant discount to its non-food online peers, for which the median FY25e multiple is 9.0x.

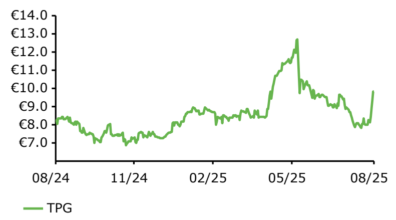
Historical financials and guidance

| Year end | Revenue (€m) | EBITDA (€m) | PBT (€m) | EPS (€) | EV/EBITDA (x) | P/E (x) |
|---|---|---|---|---|---|---|
| 12/23 | 440.8 | 22.6 | 33.0 | 1.48 | 13.5 | 6.8 |
| 12/24 | 524.6 | 33.2 | 36.3 | 1.60 | 9.2 | 6.3 |
| 12/25e | 725.0 | 56.0 | - | - | 5.4 | |
| 12/26e | 860.0 | 75.3 | - | - | 4.0 | |

Source: Company accounts and guidance. Note: Forecasts are midpoint of management's guidance.

| | |
|---|---|
| Price | €10.00 |
| Market cap | €204m |

### Share price performance




### Share details

| | |
|---|---|
| Code | TPG |
| Listing | FSE |
| Shares in issue | 20.4m |
| Net cash/(debt) at 30 June 2025 (including IFRS 16 liabilities of €16.4m) | €(100.3)m |

### Business description

The Platform Group is a leading European online e-commerce platform company. Its software solutions connect partners in many sectors to new e-commerce customers across numerous online channels. Its services include marketing, customer support, payment and delivery.

### Bull points

- Connects commercial partners that lack scale to access a high number of online stores.
- Large (c 15,800) and growing number of commercial partners across many industries.
- Investment requirements beyond M&A are low, in particular software for platform solutions.

### Bear points

- E-commerce markets are competitive.
- M&A aspirations (five to eight acquisitions per year) present execution risk.
- Expansion into new business verticals and geographies may bring different operational challenges and financial rewards.

### Analysts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