EDISON

Spotlight — update

The Platform Group

A strong start to FY26

Retail

10 June 2026

The Platform Group (TPG) delivered strong growth in revenue, with all KPIs moving in the right direction, although EBITDA margins, both reported and adjusted, were lower in Q126 than in Q125. Ahead of the expected completion of the acquisition of AEP, management has reiterated its financial guidance for FY26 on both an underlying and a pro forma basis. On the conference call, management highlighted the number of acquisitions completed is likely to be lower in FY26 than in FY25; however, we note the scale of the AEP acquisition is significant in a historical context.

Strong revenue growth, lower margins

With c 51% growth in revenue on c 23% growth in gross merchandise volume, there was a significant improvement in TPG's revenue conversion in Q126. We have noted previously that revenue conversion is quite variable between the financial quarters, depending on the relative performances of the industry verticals. TPG provided no disclosure with respect to the financials and KPIs of the individual industry verticals in Q126, which is consistent with both Q124 and Q125. However, the presentation referenced higher growth in consumer goods and freight goods. There was strong growth in the non-financial KPIs, with number of orders up 36%, average order value up 2.4%, active customers up 42.1% and number of partners up 12.2%. We note the number of orders for Q125 has been restated significantly to 2.5m from 1.5m in the Q125 presentation. The gross margin decline of 40bp to 34.4% in Q126, due to discounting and higher provisions, was magnified to a 190bp decline in reported EBITDA margin to 10.3% and a 90bp decline in adjusted EBITDA margin to 9.0%. With some leveraging of personnel, marketing and distribution expenses, to a greater or lesser extent, there was some implied deleveraging of other operating expenses. Ahead of expected greater inflationary pressures for logistics due to the Middle East conflict, management has sought efficiencies. Despite the strong growth in reported EBITDA of c 28%, net profit declined as a result of an unquantified one-off depreciation benefit in Q125.

FY26 guidance reiterated

Q1 is typically a relatively important quarter from a financial perspective, so Q126's performance is an encouraging step towards management's reiterated financial guidance for the year.

Valuation: Significant discount to peers

TPG's valuation remains at a significant discount to non-food online retailers, which have a median FY26 EV/EBITDA multiple of 8.0x.

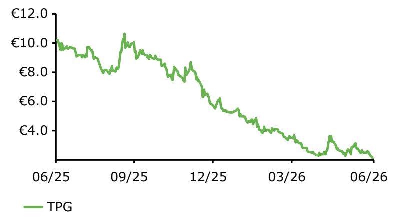
Historical financials and company guidance

Year end	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (€)	EV/EBITDA (x)	P/E (x)
12/24	524.6	33.2	36.3	1.60	5.2	1.4
12/25	728.1	55.0	49.0	2.26	3.2	1.0
12/26e	1,000.0	75.0	-	-	2.3	

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

Price	**€2.25**
Market cap	**€48m**

Share price performance



Share details

Code	TPG
Listing	FSE
Shares in issue	20.6m
Net cash/(debt) at 31 December 2025	€(126.0)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 17,221) 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

Russell Pointon	+44 (0)20 3077 5700
Chloe Wong	+44 (0)20 3077 5700

consumer@edisongroup.com

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Australia

New Zealand

United Kingdom

United States

London | New York | Frankfurt
20 Red Lion Street
London, WC1R 4PS
United Kingdom