

## The Platform Group

### Feedback from January 2025 CMD

At The Platform Group's (TPG's) January 2025 capital markets day (CMD), management provided an overview of the headline FY24 results (above guidance) and updated future guidance released that day. TPG also outlined its M&A strategy, future acquisitions, software updates and interactions with external marketplaces. The key highlight for us was the planned rollout of PAY, a new payment solution enabling TPG to maximise revenue, reduce the need for factoring and lower transaction fees on the high proportion (20%) of customers that have an elevated credit risk. Previously, these customers were rejected at the payment stage but now, with the use of external data, TPG will be better able to offer the most suitable payment options. Management believes the solution should be attractive to external parties as well as for use on its own platforms. TPG is also realising revenue synergies between the different platforms where possible.

### FY24 results ahead of management's guidance

Headline figures show FY24 was a good year of growth, exceeding [management's guidance](#), with gross merchandise volume (GMV) of c €903m (guidance €880–900m, +28% vs FY23 c €705m), revenue of c €525m (guidance €500–520m, +19% vs FY23 c €441m) and adjusted EBITDA of €33.2m (guidance of €29–32m, +47% vs FY23 €22.6m). Part of the beat was attributable to the Chronext acquisition in December 2024, but we believe the results and KPIs (number of partners +145%, number of orders +15%, active customers +26% and average order value +9%) indicate that TPG's strategy is delivering. The figures imply revenue fell by c 2% y-o-y in Q424, while GMV and adjusted EBITDA grew by 19% and 6%, respectively.

### Updated FY25 guidance and new FY26 guidance

Management increased its FY25 revenue guidance to €590–610m (+13–16% y-o-y) from €570m previously, while that for GMV remained unchanged at €1.2bn. Now management expects adjusted EBITDA of €40–42m (+21–27% y-o-y) or a margin of at least c 7%, compared to the prior expected range of 7–10%. Management also introduced first-time guidance for FY26 for GMV of €1.5bn (+25% y-o-y), revenue of €700m (+15–19%) and an adjusted EBITDA margin of 7–10% (ie a range of €49–70m, +23–67% y-o-y). The guidance does not include any contribution from future M&A, five to eight acquisitions per year, or the rollout of PAY.

### Valuation

TPG's EV/EBITDA multiple for FY25 of 6.7x remains at discount of 45% to the average multiple of the non-food online retail peers we used in our [initiation](#).

Historical financials						
Year end	Revenue (€m)	EBITDA (€m)	PBT (€m)	EPS (€)	P/E (x)	EV/EBITDA (x)
12/23	440.8	22.6	33.0	1.50	6.2	12.2
12/24	524.6	33.2	-	1.60	5.8	8.3
12/25e	600.0	41.0	-	-	-	6.7
12/26e	700.0	59.5	-	-	-	4.6

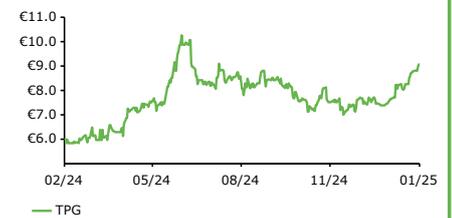
Source: Company accounts and guidance. Forecasts are the midpoint of management's guidance.

Retail

3 February 2025

Price **€9.34**  
Market cap **€191m**

#### Share price performance



#### Share details

Code TPG  
Listing FSE  
Shares in issue 20.4m  
Net (debt) at 31 December 2024 €(84.5)m  
(excluding value of holding in Mister Spex)

#### Business description

The Platform Group is a leading European online ecommerce platform company. Its software solutions connect partners in many sectors to new ecommerce 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 13,500) and growing (+11% in 9M24) 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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