EDISON

Spotlight — update

The Platform Group

Retail

23 April 2026

Growth across all verticals

The Platform Group (TPG) delivered strong growth in FY25 and a good improvement in its leverage ratio to management's target corridor. The results show a higher level of seasonality of the business versus FY24, and while leverage improved, operating cash generation relative to revenue was weaker due to less favourable working capital. The soon-to-be-completed acquisition of AEP will lead to a significant increase in TPG's scale.

Profit growth and deleveraging

The headline figures for FY25 provided at the end of January 2026 indicated strong revenue and profit growth that was in line with guidance. The growth was broad based, with all four of the existing verticals (TPG added a fifth vertical in FY25) growing revenue and profit in FY25. However, there was some seasonality with adjusted EBITDA for Consumer Goods and Freight Goods declining year-on-year in Q425, despite a significant increase in scale for the former, so that group adjusted EBITDA grew by c 7% in the period. As a result, there was a greater skew to H1 profit generation in FY25 than FY24 with c 61% of annual adjusted EBITDA earned in H125 versus c 53% earned in H124. This was magnified at operating income with 66% of annual profit earned in H125 versus 55% in H124, with an operating margin of 5.3% in H225 versus 11.3% in H125 and 7.0% in H224. TPG ended the year with an improved leverage position, net debt excluding leases/adjusted EBITDA of 2.1x from 2.6x at the end of FY24. The closing net debt position excluding leases increased by c €27m as a result of a y-o-y increase in gross debt of c €18m and c €8m reduction in cash. The reduction in cash reflects a y-o-y decline in free cash generation to c €35m from c €49m in FY24, with a marginal increase in operating cash flow more than offset by higher capex and lease payments. The reduction in operating cash generation relative to revenue is due to broadly neutral working capital versus more positive inflows in FY24 and pro forma results for FY23.

M&A to drive upgrades

Ahead of the closing of signed acquisitions, management has reiterated its underlying guidance for FY26 of gross merchandise volume (GMV) of €1.7bn (+30% y-o-y), net revenue of €1bn (+37% y-o-y) and adjusted EBITDA of €70–80m (+27–46% y-o-y). The planned acquisition of AEP gives pro forma FY26 guidance of GMV of €3.2bn, net revenue of €2.0bn and adjusted EBITDA of €90–100m, a €1bn revenue base with an incremental adjusted EBITDA margin of 2%.

Large discount to peers

The non-food e-commerce peers are trading with median FY26e EV/EBITDA multiples of 8.0x.

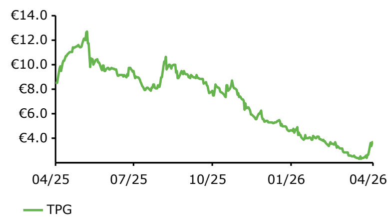
Historical financials and company guidance

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	6.1	2.1
12/25	728.1	55.0	49.0	2.26	3.7	1.5
12/26e	1,000.0	75.0	-	-	2.7	

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

Price	**€3.39**
Market cap	**€77m**

Share price performance



Share details

Code	TPG0
Listing	FSE
Shares in issue	22.6m
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 16,610) 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.

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