

The Platform Group AG / Key word(s): Half Year Report/Half Year Report
The Platform Group AG: First half-year with significant growth and increase in profitability

23.08.2024 / 07:30 CET/CEST

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The Platform Group AG: First half-year with significant growth and increase in profitability

- GMV grows by 20% to EUR 442.5 million (H1 2023 pro-forma: EUR 367.3 million)
- Net sales increase by 23% to EUR 231.5 million (H1 2023 pro-forma: EUR 187.5 million)
- EBITDA adjusted from continuing operations up 33% to EUR 17.6 million (H1 2023 pro-forma: EUR 13.2 million)
- EBITDA reported from continuing operations grows by 26% to EUR 30.0 million (H1 2023 pro-forma: EUR 23.9 million)
- Profitability target of 7% achieved, EBITDA margin of 7.6%
- Consolidated net profit increases significantly by 39% to EUR 18.8 million (H1 2023 pro-forma: EUR 13.5 million), earnings per share of EUR 0.90 (H1 2023 pro-forma: EUR 0.59) and earnings per share from continuing operations of EUR 1.09 (H1 2023 pro-forma: EUR 0.82) respectively.
- Number of active customers rises by 26.3% to 4.8 million (H1 2023: 3.8 million) – Average shopping basket up 3.5% to EUR 118 (H1 2023: EUR 114)
- Strong start to the second half of the year and continuation of the acquisition strategy
- Forecast for the 2024 financial year confirmed: GMV between EUR 840 million and EUR 870 million, net sales between EUR 480 million and EUR 500 million and adjusted EBITDA between EUR 26 million and EUR 30 million

Düsseldorf, 23 August 2024. The Platform Group AG (ISIN [DE000A2QEFA1](#), “TPG”), a leading software company for platform solutions, has recorded a successful business development in the first half year of 2024. TPG achieved a gross merchandise volume (GMV, continuing operations) of EUR 442.5 million (H1 2023 pro-forma: EUR 367.3 million) and generated revenue of EUR 231.5 million (H1 2023 pro-forma: EUR 187.5 million). This growth was driven by the increase in the number of connected partners to 12,547 (H1 2023, LTM: 10,857) as well as the successful expansion of the platform and software solutions to 22 sectors. Four acquisitions were made in the first half year of 2024, two of which were already consolidated in the reporting period. Correspondingly, the number of active customers increased year-on-year to over 4.8 million (H1 2023, LTM: 3.8 million), with an order volume of 3.7 million (H1 2023 pro-forma: 3.2 million).

Under the comprehensive cost and efficiency program implemented since 2023, profitability was significantly increased: Adjusted EBITDA (continuing operations) rose to EUR 17.6 million in the first half year of 2024 (H1 2023 pro-forma: EUR 13.2 million), which corresponds to an increase of 33% compared to the same period of the previous year. Reported EBITDA (continuing operations) reached EUR 30.0 million (H1 2023 pro-forma: EUR 23.9 million), while consolidated net income (continuing operations) amounted to EUR 21.7 million (H1 2023 pro-forma: EUR 16.4 million). This corresponds to earnings per share (continuing operations) of EUR 1.09 (H1 2023, pro forma: EUR 0.82 per share), which represents an increase of 33%. Consolidated net income including discontinued operations amounted to EUR 18.8 million (H1 2023 pro forma: EUR 13.5 million), which corresponds to earnings per share of EUR 0.90 (H1 2023 pro forma: EUR 0.59 per

share).

Dr. Dominik Benner, CEO of The Platform Group AG: “Our results for the first half of the year show that we are well on track to achieve the already increased forecast for the full year 2024. Our strict cost management and focus on profitable niches are paying off. The acquisitions allow us to actively invest in new targets and thus scale our software into new sectors. The communicated medium-term goal of operating our platform solutions in 30 industries and profitably realizing a GMV of EUR 1.1 billion is absolutely realistic for 2025.”

Financial figures (continuing operations)

in EURk	H1 2024	H1 2023 pro-forma	Δ pro-forma
Gross merchandise value (GMV)	442,483	367,336	20.5%
Net sales	231,493	187,510	23.5%
Other revenues	16,438	12,822	28.2%
Gross Margin	82,492	67,153	22.8%
Marketing Costs	-14,534	-12,093	20.2%
Distribution Costs	-17,843	-14,096	26.6%
HR Costs	-12,528	-10,524	19.0%
Other Costs	-7,541	-6,530	15.5%
EBITDA	30,045	23,910	25.7%
EBITDA adjusted	17,572	13,249	32.6%
Net profit, continuing operations	21,659	16,374	32.3%
Net profit, total	18,815	13,531	39.1%
Earnings per share (EUR), total	1.09	0.82	32.9%
Earnings per share (EUR), continuing operations	0.90	0.59	52.5%

Non-financial figures (continuing operations)

	H1 2024	H1 2023 pro-forma	Δ pro-forma
Number of Orders	3,749,858	3,250,763	15.4%
Average Order Value (in EUR)	118	113	4.4%
Active Customers (LTM)	4,803,362	3,804,597	26.3%
Number of Employees	794	761	4.3%
Number of Partners (LTM)	12,547	10,857	15.6%

Medium-term planning of TPG

The Board of Directors of TPG communicated medium-term planning in 2023 and explained it at the Capital Markets Day 2023. TPG's medium-term planning is essentially based on the following four pillars:

(1) GMV: TPG has a clear focus on profitable growth, primarily in niche areas of e-commerce. Growth is based on organic increase in customers in the B2B and B2C sectors on the one hand, and on selective acquisitions of attractive, profitable companies in the online sector on the other. Three to eight companies are acquired each year and then systematically integrated. Thanks to the platform model, growth is achieved with lower capital commitments and therefore lower capital costs than traditional online companies can achieve. The medium-term goal is to achieve a **gross merchandise volume (GMV) of EUR 1 billion**. The Board of Directors of TPG is optimistic that the defined target of EUR 1 billion GMV will be achieved in 2025.

(2) Profitability: From TPG's perspective, sales without profitability are not acceptable. Business activities are therefore always geared towards achieving positive operating results and also reporting positive net results as a Group. At TPG, positive earnings figures go hand in hand with positive cash flows, which are actively invested. The medium-term goal is to achieve an **operating margin (adjusted EBITDA margin) of 7-10%**. In the 2023 financial year, this key figure was 5.1%. The TPG Board of Directors is optimistic that the defined target of at least 7% will be achieved in 2025.

(3) Sectors: TPG aims to deploy the software and platform solution it has developed in numerous sectors, thereby diversifying its risk and opportunity profile across a wide range of industries. As at 30 June 2024, TPG was active in 22 sectors, including machinery retail, dental technology, luxury fashion, vehicle parts, and furniture retail. Even though the sectors are different, there is one constant: TPG's software and platform solution, which is implemented and realized for each new vertical. This reduces costs, enables growth, and increases the value of an investment. The medium-term goal is to operate TPG's **software and platform solution in 30 sectors**. TPG's Board of Directors is optimistic that the defined target of 30 sectors will be reached in 2025. Three to eight acquisitions per year are still expected for the financial years 2024 and 2025.

(4) Debt: Profitable growth requires that the Company's operating profit is invested in a targeted manner and that debt always remains at a good, planned level. TPG has two investment areas: (a) software for platform solutions, (b) acquisition of online companies. Both investment areas are directly related: Acquired companies receive TPG's software solutions, enabling them to save costs and grow profitably as a platform. TPG has planned the **leverage ratio** (defined as adjusted EBITDA in relation to net financial debt excluding lease liabilities) at a **medium-term level of 1.5 to 2.3**. In the 2023 financial year, this ratio was 2.65. The TPG Board of Directors is optimistic that the defined target of 1.5 to 2.3 will be achieved in 2025.

2024 forecast confirmed

In view of the successful first half of 2024, the positive development of the acquired companies in all four Group segments and a very positive start to the second half of 2024, the Board of Directors of The Platform Group AG expects the growth trajectory to continue and the earnings position to increase further. The forecast for the 2024 financial year is confirmed.

The gross merchandise volume (GMV) is expected to increase to between EUR 840 million and EUR 870 million, while net sales are expected to rise to between EUR 480 million and EUR 500 million. Due to the positive earnings development and the effect of the implemented cost and efficiency program, the Board of Directors expects a further increase in adjusted EBITDA to between EUR 26 million and EUR 30 million for the 2024 financial year.

The half-year report 2024 (German version) is available on The Platform Group's website at corporate.the-platform-group.com. The English version will follow a few days later.

Webcast/teleconference

CEO Dr. Dominik Benner, Laura Vogelsang, Member of the Board of Directors of The Platform Group AG, and CFO Reinhard A. Hetkamp, will explain the results for the first half year of 2024 in a webcast presentation today, 23 August 2024, at 11.00 CEST. The presentation will be held in English.

Please register in good time for participation at:

[The Platform Group – Earnings Call H1 2024.](#)

Notes on pro-forma calculations and other revenues

In the 2023 financial year, The Platform Group GmbH & Co. KG was combined with the former fashionette AG. In accordance with IFRS 3, this transaction is to be classified as a reverse acquisition, particularly in view of the size and value ratios determined. For this reason, pro forma figures are provided in which the business activities of all Group companies since 1 January 2023, comparable to the first half of 2024, are presented on a consolidated basis for the full year. The presentation of the company's consolidated pro forma financial information is for illustrative purposes only.

As part of the IFRS standards and with regard to the above-mentioned IFRS 3 regulation, the purchase price allocation (PPA) requirements are applied and reported in the pro forma figures for the half-year periods 2023 (pro forma) and 2024. The calculated income from the purchase price allocation amounted to EUR 11.9 million (2024) and EUR 9.8 million (2023, pro forma) and was reported under other income. TPG has excluded this income from purchase price allocations as part of the adjusted operating results (EBITDA adjusted), as income from purchase price allocations is not attributable to the operating business and would otherwise not be comparable. Accordingly, TPG's adjusted EBITDA is lower than the reported EBITDA.

Please refer to the 2023 Annual Report for further explanations, reconciliations and disclosures.

The Platform Group AG:

The **Platform Group AG** is a software company that is active in 22 sectors with its own platform solutions. Its customers include both B2B and B2C customers in sectors such as furniture retail, machinery retail, dental technology, car platforms, and luxury fashion. The Group has 16 locations across Europe and is headquartered in Düsseldorf. Over 25 investments and company acquisitions have been made since 2020. In 2023, pro-forma sales of EUR 441 million and an operating result (adjusted EBITDA) of EUR 22.6 million were realized.

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23.08.2024 CET/CEST Dissemination of a Corporate News, transmitted by EQS News - a service of EQS Group AG.

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Archive at www.eqs-news.com

Language: English

Company: The Platform Group AG

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ISIN: DE000A2QEFA1

WKN: A2QEFA

Listed: Regulated Unofficial Market in Berlin, Dusseldorf, Frankfurt (Scale), Hamburg, Hanover, Munich, Stuttgart, Tradegate Exchange

EQS News 1973511

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1973511 23.08.2024 CET/CEST