

# Talea Group

Sector: Consumer

## 1H solid top line growth, EBITDA affected by rising costs

*Talea Group has posted another growing set of results in terms of top line and improving KPIs across the board with number of orders and products sold up by a solid double-digit YoY growth. On the other hand, the contraction of profitability, entirely due to significant purchasing price rises, should partially ease since May-23 when the company has gradually introduced selective price list increase. Talea Group, with its growing multiplatform strategy, is becoming an appealing consolidator hub. The ongoing acquisition campaign is aimed at 1) enlarging Talea's market shares and 2) better exploiting the current renewed best-breed logistic facilities. We revised estimates to factor in the acquisition of Doc Peter and the enduring purchasing price pressure, not entirely counterbalanced by the announced selective price list lift. New EBITDA projections are 32-14-15% lower compared to our previous assumptions in 2023-25, respectively. We reiterate our BUY rating with a new PT at Eu16.6 from Eu19.5.*

- **Top line progression largely exceeded market growth** - Talea reported 1H23 adj. turnover of Eu75.6mn, up 37.7% vs. Eu54.9mn in 1H22, outperforming the reference market evolution. Following to the reorganisation of the business announced last-Feb, the group is reporting adj. revenues (including sales from co-marketing) for its two segments: Consumer (adj. revenues reached Eu72.2mn, +38% YoY) and Industrial (Eu3.8mn, +27% YoY). Orders exceeded 1.6mn in 1H23, growing by 29% YoY, products sold soared to 7.7mn, up a 31% YoY.
- **Selective price list increases should bear fruits as of 2H23** – In 1H23 Profitability was impacted by significant inflation dynamics (COGS, transportation, energy, and personnel) which were not yet entirely passed on customers. As a result, EBITDA came in at Eu1.1mn, down 40.7% YoY, margin of 1.5% vs. 3.5% in 1H22. EBIT basically broke-even at Eu0.2mn negative vs. Eu0.9mn positive in the same period of 2022. Bottom line was negative for Eu0.9mn, vs. Eu0.4mn positive in 1H22.
- **NFP increased to Eu33.4mn** from Eu21.5mn in Dec-22 mainly as a result of 1) Eu5.6mn WC absorption chiefly linked to a sharp diminishment of payables not followed by a proportional decrease of inventories and 2) Eu3.2mn capex mainly related to the new logistic hub in Piedmont, which allowed Talea to more than quadruple group's logistic capacity.
- **M&A campaign goes on and further moves will allow a faster fixed costs absorption** - Talea has announced the acquisition of the brand Doc Peter and the related domain www.docpeter.it for a total consideration of some Eu3.3mn to be paid in 60 monthly instalments of Eu30k, Eu1.5m at the end of the period and a variable component linked to Talea share price trend. The deal has been entirely self-financed with internal resources. This e-commerce platform totalled more than 21m users in 2022, 170k customers, generating sales of Eu14.4mn. The price paid corresponds to a fairly cheap 0.2x sales and compares to Talea current market valuation of 0.6x FY24E. The additional volumes stemming from this acquisition will be managed by the two logistic hubs of Pisa and Turin, allowing a faster fixed costs absorption.
- **Mixed revision of estimates** - Following a weak 1H EBITDA, we downgraded our FY23E EBITDA by 32% and factored in the consolidation of Doc Peter in the second half of the year. International expansion, sustained growth in the Industrial division (that via Valnan and Talea Media offers digital/marketing services to corporates), and gradual expansion of the offer towards high-value-added products bode well for future EBITDA rise.
- **BUY rating confirmed, TP at Eu16.6/share from Eu19.5.** We confirm our BUY rating, and we trim our TP to Eu16.6 from Eu19.5 also as a result of the estimates revision. Our valuation, is now calculated as the average of 2024-25 EV/Sales plain multiples of DocMorris & Redcare (vs our previous approach based on 2024 only and including a 25% premium), and DCF.

**BUY**

Unchanged

**TP 16.6**

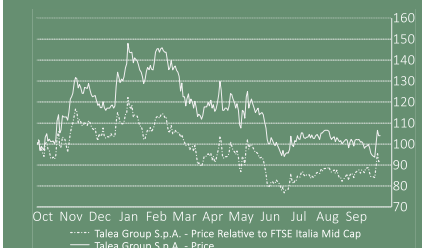
From 19.5

Target price upside: 70%

Change in EPS est. FY23E FY24E  
nm -44.4%

Ticker (BBG, Reut)	TALEA MI	TALEA MI
Share price Ord. (Eu)		9.8
N. of Ord. shares (mn)		6.8
Total N. of shares (mn)		6.8
Market cap (Eu mn)		67
Total Market Cap (EU mn)		67
Free Float Ord. (%)		28%
Free Float Ord. (Eu mn)		19
Daily AVG liquidity Ord. (Eu k)		53

	1M	3M	12M
Absolute Perf.	3.2%	4%	4%
Rel. to FTSEMidCap	7.5%	11%	-10%
52 weeks range		8.8	13.9



	FY22A	FY23E	FY24E
Sales	121	152	184
EBITDA adj.	2.5	2.6	6.4
Net profit adj.	(0.8)	(1.7)	1.4
EPS adj.	(0.12)	(0.24)	0.20
BVPS	5.80	5.55	5.75
EV/Sales	1.1x	0.7x	0.5x
EV/EBITDA adj.	52.0x	38.5x	14.5x
Dividend yield	0.0%	0.0%	0.0%
FCF yield	-3.8%	-18.1%	13.4%
Net debt/(Net cash)	21.3	33.4	24.5
Net debt/EBITDA	8.5x	12.7x	3.8x

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## Key Data (IFRS)

P&L account (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Adj. Sales	85.9	120.9	151.7	184.2	215.0
Gross margin	27.8	38.4	47.5	59.3	69.9
EBITDA reported	2.0	2.2	2.6	6.4	10.1
D&A	(1.7)	(2.2)	(3.1)	(3.4)	(3.5)
EBIT reported	0.3	(0.0)	(0.5)	3.0	6.6
Net financial charges	(0.3)	(0.8)	(1.2)	(1.0)	(0.8)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	(0.0)	(0.8)	(1.7)	2.0	5.8
Taxes	(0.1)	(0.1)	0.0	(0.6)	(1.7)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	(0.1)	(0.9)	(1.7)	1.4	4.1
<b>EBITDA adjusted</b>	<b>2.7</b>	<b>2.5</b>	<b>2.6</b>	<b>6.4</b>	<b>10.1</b>
<b>EBIT adjusted</b>	<b>1.0</b>	<b>0.4</b>	<b>(0.5)</b>	<b>3.0</b>	<b>6.6</b>
<b>Net profit adjusted</b>	<b>0.1</b>	<b>(0.8)</b>	<b>(1.7)</b>	<b>1.4</b>	<b>4.1</b>

Margins (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Gross margin	32.3%	31.7%	31.3%	32.2%	32.5%
EBITDA margin (adj)	3.1%	2.1%	1.7%	3.5%	4.7%
EBIT margin (adj)	1.2%	0.3%	-0.3%	1.6%	3.0%
Pre-tax margin	0.0%	-0.7%	-1.1%	1.1%	2.7%
Net profit margin (adj)	0.1%	-0.7%	-1.1%	0.7%	1.9%

Growth rates (%)	FY21A	FY22A	FY23E	FY24E	FY25E
Sales	30.0%	40.8%	25.5%	21.4%	16.7%
EBITDA	33.3%	7.0%	20.6%	141.8%	58.0%
EBITDA adjusted	75.9%	-7.4%	5.6%	141.8%	58.0%
EBIT	-80.0%	nm	nm	nm	120.6%
EBIT adjusted	-34.4%	-64.1%	nm	nm	120.6%
Pre-tax	nm	nm	nm	nm	nm
Net profit	nm	nm	nm	nm	nm
Net profit adjusted	nm	nm	nm	nm	nm

Per share data	FY21A	FY22A	FY23E	FY24E	FY25E
Shares	6.846	6.846	6.846	6.846	6.846
N. of shares AVG	6.290	6.846	6.846	6.846	6.846
N. of shares diluted AVG	6.290	6.846	6.846	6.846	6.846
<b>EPS</b>	<b>(0.014)</b>	<b>(0.133)</b>	<b>(0.245)</b>	<b>0.201</b>	<b>0.594</b>
<b>EPS adjusted</b>	<b>0.019</b>	<b>(0.115)</b>	<b>(0.245)</b>	<b>0.201</b>	<b>0.594</b>
<b>DPS - Ord.</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>	<b>0.000</b>
DPS - Sav.	0.000	0.000	0.000	0.000	0.000
BVPS	6.398	5.797	5.552	5.754	6.348

Enterprise value (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Share price Ord. (Eu)	30.7	15.7	9.8	9.8	9.8
Market cap	210.5	107.3	66.8	66.8	66.8
Net debt/(Net cash)	14.1	21.3	33.4	24.5	21.9
Adjustments	1.4	1.4	1.4	1.4	1.4
Enterprise value	226.0	130.0	101.6	92.7	90.1

Cash flow (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
EBITDA reported	2.0	2.2	2.6	6.4	10.1
Net financial charges	(0.2)	(0.7)	(1.2)	(1.0)	(0.8)
Cash taxes	(0.1)	(0.1)	0.0	(0.6)	(1.7)
Ch. in Working Capital	(1.8)	(0.9)	(2.9)	11.2	1.2
Other operating items	0.1	(0.5)	-	-	-
<b>Operating cash flow</b>	<b>0.1</b>	<b>0.1</b>	<b>(1.5)</b>	<b>16.0</b>	<b>8.8</b>
Capex	(1.1)	(4.1)	(10.6)	(7.1)	(6.2)
<b>FCF</b>	<b>(1.1)</b>	<b>(4.0)</b>	<b>(12.1)</b>	<b>8.9</b>	<b>2.6</b>
Disposals/Acquisitions	(39.6)	0.0	0.0	0.0	0.0
Changes in Equity	32.0	0.0	0.0	0.0	0.0
Others	(8.9)	(3.2)	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
<b>Ch. in NFP</b>	<b>(17.5)</b>	<b>(7.3)</b>	<b>(12.1)</b>	<b>8.9</b>	<b>2.6</b>

Ratios (%)	FY21A	FY22A	FY23E	FY24E	FY25E
<b>Capex/Sales</b>	<b>1.3%</b>	<b>3.4%</b>	<b>7.0%</b>	<b>3.8%</b>	<b>2.9%</b>
Capex/D&A	0.7x	1.8x	3.4x	2.1x	1.7x
FCF/EBITDA	-51.9%	nm	nm	140.0%	25.8%
FCF/Net profit	1184.6%	nm	nm	647.6%	64.0%
<b>Dividend pay-out</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

Balance sheet (Eu mn)	FY21A	FY22A	FY23E	FY24E	FY25E
Working capital	(6.1)	(0.4)	2.6	(8.7)	(9.8)
Fixed assets	65.8	70.5	77.9	81.6	84.2
Provisions & others	(5.3)	(9.2)	(9.1)	(9.1)	(9.1)
<b>Net capital employed</b>	<b>54.3</b>	<b>61.0</b>	<b>71.4</b>	<b>63.9</b>	<b>65.3</b>
<b>Net debt/(Net cash)</b>	<b>14.1</b>	<b>21.3</b>	<b>33.4</b>	<b>24.5</b>	<b>21.9</b>
Equity	40.2	39.7	38.0	39.4	43.5
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY21A	FY22A	FY23E	FY24E	FY25E
<b>Working capital/Sales</b>	<b>-7.1%</b>	<b>-0.3%</b>	<b>1.7%</b>	<b>-4.7%</b>	<b>-4.6%</b>
<b>Net debt/Equity</b>	<b>35.0%</b>	<b>53.7%</b>	<b>87.9%</b>	<b>62.1%</b>	<b>50.3%</b>
<b>Net debt/EBITDA</b>	<b>5.2x</b>	<b>8.5x</b>	<b>12.7x</b>	<b>3.8x</b>	<b>2.2x</b>

Valuation	FY21A	FY22A	FY23E	FY24E	FY25E
EV/CE	3.8x	1.9x	1.3x	1.3x	1.2x
P/BV	5.2x	2.7x	1.8x	1.7x	1.5x
<b>EV/Sales</b>	<b>2.6x</b>	<b>1.1x</b>	<b>0.7x</b>	<b>0.5x</b>	<b>0.4x</b>
EV/EBITDA	nm	59.4x	38.5x	14.5x	8.9x
<b>EV/EBITDA adjusted</b>	<b>83.7x</b>	<b>52.0x</b>	<b>38.5x</b>	<b>14.5x</b>	<b>8.9x</b>
EV/EBIT	nm	nm	nm	31.2x	13.7x
<b>EV/EBIT adjusted</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>31.2x</b>	<b>13.7x</b>
P/E	nm	nm	nm	nm	nm
<b>P/E adjusted</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>
ROCE pre-tax	2.9%	0.6%	-0.6%	3.9%	8.9%
<b>ROE</b>	<b>0.3%</b>	<b>-2.0%</b>	<b>-4.4%</b>	<b>3.5%</b>	<b>9.4%</b>
EV/FCF	nm	-32.2x	-8.4x	10.4x	34.7x
<b>FCF yield</b>	<b>-0.5%</b>	<b>-3.8%</b>	<b>-18.1%</b>	<b>13.4%</b>	<b>3.9%</b>
<b>Dividend yield</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>	<b>0.0%</b>

### Share price performance

The stock price at its historical lows



Source: Factset

### Valuation

EV/Sales multiple remains significantly below historical average

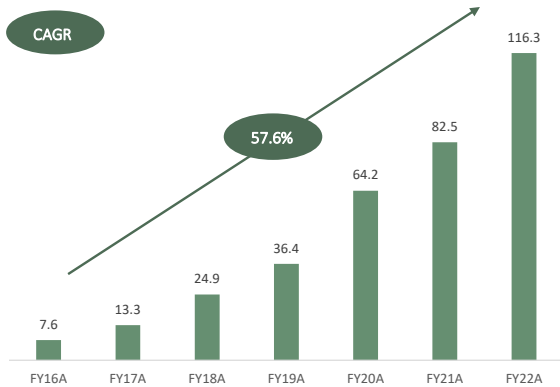


Source: Factset

## Key Charts

### Revenues (FY15A-22A)

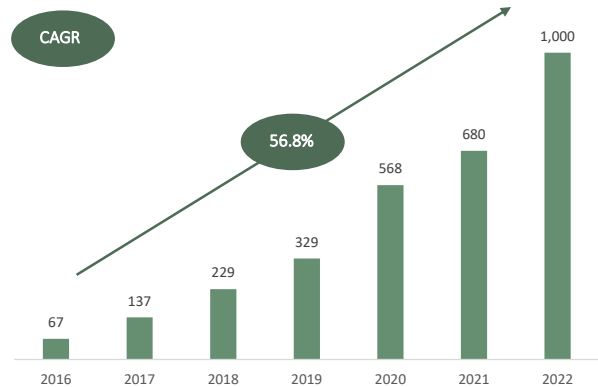
Revenues posted a 57.6% CAGR over the period



Source: Company data

### Active Users (FY16A-22A, '000)

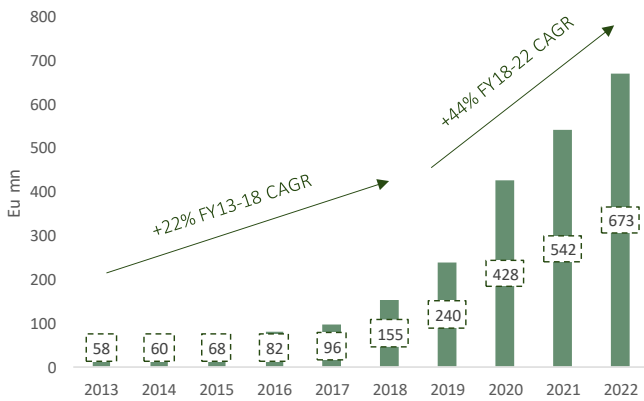
Sharp growth in active users



Source: Company data and Alantra

### Online BPC & OTC – Market trend (FY13A-FY22A)

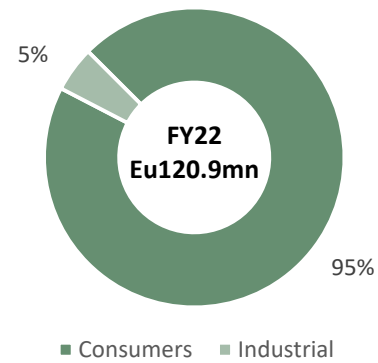
The online BPC & OTC market accelerated in the last 4 years



Source: Company data, IQVIA and Alantra

### FY22 Adj. revenues breakdown

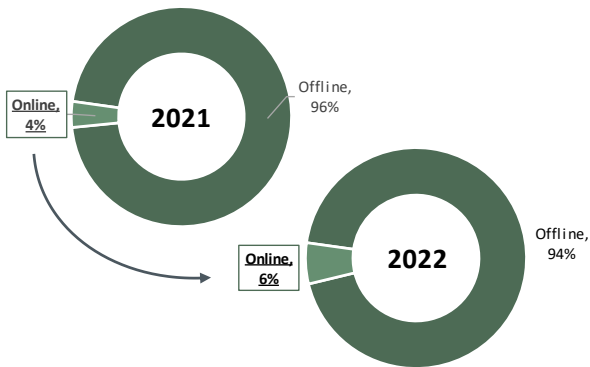
Consumer (online + retail) is by far the main stream of sales as of 2022



Source: Company data and Alantra

### Online BPC & OTC – Market penetration (2021/22)

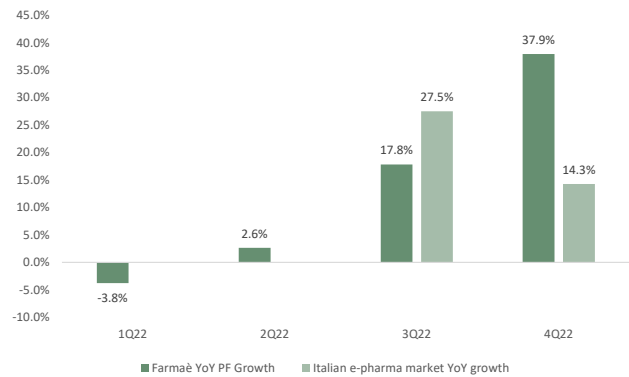
Online penetration of BPC & OTC sales in Italy grows but still remains very limited



Source: IQVIA and Alantra

### Talea Group's pro-forma vs market

Group's top line growth showed sequential quarterly improvements in 2022



Source: Company data and IQVIA

# Profile

## Background

Talea Group is the leading Italian online retailer of beauty & personal care and OTC products (BPC&OTC). The historical core of the group was in OTC, i.e. products usually sold in pharmacies without prescription such as OTC medications, food supplements, cosmetics and medical devices. The group manages three websites *farmae.it*, *amicafarmacia.com* (acquired in 2021) and *farmaeurope.eu* (acquired in 2022). At the end of 2019 the company also enlarged its value proposition by launching *beautye.it*, an online store dedicated to luxury cosmetics and professional hair products usually sold in perfumeries and hair salons. With the acquisition of Sanort in 2020, the group entered the heavy orthopedics market.

Consumer (95% 2022 Adj. Revenues): the traditional B2C ePharma business based on its e-commerce brands (Farmàe, AmicaFarmacia, Farmaeurope, Sanort and Beautyè) coupled with the offline business (pharmacies and physical stores).

Industrial (5% 2022 Adj. Revenues): a division that offers (through Valnan and Talea Media) digital/marketing services to corporates, leveraging on the know-how developed with the various platforms of the group.

Talea Logistics (focused on supply chain activities) should provide enhanced internal support to the core B2C business, with the prospect to offer logistics services to third parties.

The company was founded and is owned by Riccardo Iacometti: 30+ years' experience in the Health and Beauty sector reaching the role of Country General Manager for Italy of Alliance Healthcare (Walgreen Boots Alliance group). The Group has ca 220 employees and is listed on EGM since July 2019.

## Positioning

As of today, while Italian regulation does not allow the online sale of prescription drugs, only pharmacies and parapharmacies are allowed to sell OTC and other non-prescription drugs online. The online sale of food supplements and cosmetics is not subject to any restriction. According to IQVIA, in 2022 the online pharmacy market was worth Eu673mn (ca. 6% penetration rate vs full Italian pharmacy market), and Talea Group was the leading player (we estimate a ca. 18% share). Online penetration in Italy is still very low compared to both other product categories and other countries (e.g. online penetration in Germany is >20%) due to the late introduction of favorable regulation. Main Talea Group's competitors are other Italian online retailers, offline Italian pharmacies operating an e-commerce website, international online pharmacies (e.g. Shop Apotheke), Amazon (direct and marketplace).

With the launch of Beautyè, the group is addressing new attractive markets, worth ca Eu3bn if we put together perfumeries, hair salons and ecommerce, that would be highly complementary to Talea Group's existing product range. The online sale of perfumes and cosmetics in 2021 was worth around Eu870mn (ca 8% penetration) and it is expected to have grown by 20% during 2022. Main players in the beauty market are represented by large retail chains like Sephora, Douglas, Profumerie Pinalli, Marionnaud, which have developed their own e-commerce website. An example of a pure pan-European online player is represented by Notino.

## Growth

Talea Group was established in 2015, when revenues amounted to Eu3.4mn. In 2022 Adj. revenues reached Eu120.9mn, resulting in an outstanding 19-22 CAGR of 48%. Growth was organic (driven by the sharp expansion of online sales and the openings of brick & mortar stores) and through M&A (Amica Farmacia has been an important deal, then followed by Farmaeurope). Since its launch Talea Group has always achieved operating break-even, thanks especially to a disciplined approach in pricing policy and marketing investments. Adj. EBITDA grew from Eu0.1mn in FY15 to Eu2.5mn in FY21 supported by volume increase. Operating leverage allowed Talea Group to almost completely offset the impact of the decreasing gross margin (from 42.2% in FY15 to 33.0% in FY22).

## Strategy

After the announcement of its rebranding from Farmàe in Talea and its strategic evolution, Talea Group is increasingly focus on: 1) the consolidation of the core B2C business (based on its e-commerce brands); 2) the expansion of the B2B digital services (through the brands Valnan and the newly established Talea Media); 3) the enhancement of the logistic operations (focused on enhanced internal support to the core B2C business, but also with the possibility to offer logistics services to third parties); 4) the potential international expansion, also through M&A. We believe that Talea is poised to stand in a variegated competitive environment as a reliable and accretive digital partner for both brands and consumers.

### Strengths

Leadership in the online sale of BPC & OTC products in Italy  
Data property and partnerships with Beauty and Pharma companies  
Tech capabilities, wide product offer and attractive prices

### Weaknesses

Small size compared to international peers  
Still limited brand visibility  
Need to reinforce internal resources in key areas

### Opportunities

Expansion in adjacent product categories  
M&A to acquire market share, technology, or to enter into foreign markets  
Potential increase of TAM if Italy allows online sale of prescription medicine

### Threats

Tightening competition leading to price pressure  
Adverse regulation  
Execution risk in the roll-out of the omnichannel strategy

### Key shareholders

Riccardo Iacometti - 55.55%  
MDF - 16.25%  
Free float - 28.04%

### Management

Riccardo Iacometti - Chairman and CEO  
Alberto Maglione - Vice Chairman  
Marco Baroni - CFO

### Next events

# Results

## Release of 1H23

Revenues outperformed the reference market, EBITDA affected by inflation dynamics on costs

Eu mn	1H22A	1H23A	YoY %	2H22A	2H23E	YoY %	FY22A	FY23E	YoY %
<b>Revenues</b>	52.8	72.9	38.0%	63.5	73.3	15.4%	116.3	146.2	25.7%
<i>on net sales %</i>	100.0%	100.0%		100.0%	100.0%		100.0%	100.0%	
<b>Adj. Revenues</b>	54.9	75.6	37.6%	66.0	76.1	15.3%	120.9	151.7	25.5%
<i>on net sales %</i>	104.0%	103.7%		103.9%	103.8%		103.9%	103.8%	
<b>Gross Margin</b>	17.1	21.2	24.2%	21.3	26.3	24%	38.4	47.5	23.9%
<i>on sales %</i>	32.3%	29.1%		33.5%	35.9%		33.0%	32.5%	
<b>Adj. EBITDA</b>	1.8	1.1	-37.3%	0.7	1.5	106%	2.5	2.6	5.6%
<i>Ebitda Margin %</i>	3.3%	1.5%		1.2%	2.1%		2.1%	1.8%	
<b>EBIT</b>	0.8	(0.2)	nm	(0.9)	(0.3)	nm	(0.0)	(0.5)	nm
<i>Ebit Margin %</i>	1.6%	-0.2%		-1.4%	-0.4%		0.0%	-0.3%	
<b>Net Profit</b>	0.4	(0.9)	nm	(1.3)	(0.8)	nm	(0.9)	(1.7)	nm
<i>Net Profit Margin %</i>	0.8%	-1.2%		-2.1%	-1.1%		-0.8%	-1.1%	
<b>NFP at YE (debt)/cash</b>	(19.7)	(33.9)		(21.3)	(33.4)		(21.3)	(33.4)	

Source: Company data and Alantra estimates

# Estimates

## Estimates revision

FY23E top-line finetuned taking into consideration the significant inflation dynamics occurred in 1H23 and not entirely passed on customers. FY23 EBITDA slashed by 32%.

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
Net Sales	146.2	177.0	205.5	3%	2%	-3%	142.5	174.2	212.7
EBITDA	2.6	6.4	10.1	-32%	-14%	-15%	3.9	7.5	11.9
EBIT	(0.5)	3.0	6.6	nm	-31%	-23%	0.9	4.3	8.6
Pretax Profit	(1.7)	2.0	5.8	nm	-44%	-27%	(0.1)	3.5	7.9
Net profit	(1.7)	1.4	4.1	nm	-44%	-27%	(0.1)	2.5	5.5
EPS	(0.24)	0.20	0.59	nm	-44%	-27%	(0.01)	0.36	0.81
Net financial position	(33.4)	(24.5)	(21.9)	mn	mn	na	(17.6)	(17.4)	(12.9)

Source: Alantra estimates

## Peers

### Trading multiples

Talea Group is currently trading below Redcare and DocMorris on EV/Sales multiples, in line with peers average

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E	FY23E	FY24E	FY25E
TALEA	ITALY	62	0.6 x	0.5 x	0.4 x	32.8 x	12.7 x	7.6 x	-534.8 x	25.6 x	11.3 x	nm	nm	nm
Premium (discount) to Peers' Median			7%	-6%	-11%	112%	40%	26%	-359%	79%	33%	nm	nm	nm
<b>PEERS Average</b>			<b>0.6 x</b>	<b>0.5 x</b>	<b>0.4 x</b>	<b>15.4 x</b>	<b>9.1 x</b>	<b>6.1 x</b>	<b>206.7 x</b>	<b>14.3 x</b>	<b>8.5 x</b>	<b>31.3 x</b>	<b>147.4 x</b>	<b>19.0 x</b>
Zalando SE	GERMANY	5,573	0.5 x	0.4 x	0.4 x	7.9 x	6.0 x	4.7 x	19.9 x	11.7 x	7.8 x	36.5 x	21.6 x	15.7 x
HelloFresh SE	GERMANY	4,885	0.7 x	0.6 x	0.5 x	10.3 x	7.3 x	5.3 x	19.6 x	11.7 x	7.7 x	33.5 x	18.5 x	13.2 x
ASOS plc	UNITED KINGDOM	529	0.2 x	0.2 x	0.2 x	6.9 x	3.1 x	2.6 x	na	11.0 x	8.0 x	na	229.9 x	18.9 x
boohoo group Plc	UNITED KINGDOM	462	0.3 x	0.3 x	0.2 x	7.3 x	5.8 x	4.4 x	931.9 x	32.0 x	14.7 x	na	43.9 x	17.4 x
<b>DocMorris Ltd</b>	<b>SWITZERLAND</b>	<b>719</b>	<b>0.8 x</b>	<b>0.7 x</b>	<b>0.6 x</b>	na	nm	nm	na	na	na	na	na	na
<b>Redcare Pharmacy N.V.</b>	<b>GERMANY</b>	<b>2,041</b>	<b>1.3 x</b>	<b>1.0 x</b>	<b>0.8 x</b>	57.6 x	30.1 x	16.9 x	na	nm	nm	na	682.0 x	43.2 x
zooplus SE	GERMANY	1,897	na	na	na	na	na	na	na	na	na	na	na	na
Boozt AB	SWEDEN	523	0.7 x	0.6 x	0.6 x	9.9 x	8.1 x	6.9 x	17.2 x	13.1 x	10.7 x	23.9 x	20.4 x	17.1 x
Farmacosmo S.P.A.	ITALY	27	0.2 x	0.2 x	0.1 x	8.1 x	3.4 x	1.5 x	44.8 x	6.0 x	2.0 x	na	15.8 x	7.1 x

Source: Alantra estimates and Factset

### Financials

Talea's EBIT and EBITDA margins are broadly in line than those of its closest peers (Redcare and DocMorris)

Company	Country	Mkt Cap (Eu mn)	FY23E - FY25E average margins					CAGR FY22A - FY25E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS
TALEA	ITALY		3.3%	1.5%	0.5%	4.6%	0.0%	21.2%	66.4%	-655.9%	59.2%
<b>PEERS Average</b>			<b>5.0%</b>	<b>1.7%</b>	<b>0.3%</b>	<b>3.2%</b>	<b>0.0%</b>	<b>9.9%</b>	<b>16.4%</b>	<b>40.2%</b>	<b>84.1%</b>
<b>PEERS Median</b>			<b>5.0%</b>	<b>1.7%</b>	<b>0.3%</b>	<b>3.0%</b>	<b>0.0%</b>	<b>6.1%</b>	<b>14.9%</b>	<b>30.8%</b>	<b>49.9%</b>
Zalando SE	GERMANY	5,974	7.1%	3.5%	1.9%	3.2%	0.0%	4.9%	23.6%	67.7%	183.2%
HelloFresh SE	GERMANY	4,666	7.6%	4.8%	2.5%	3.4%	0.0%	7.3%	20.7%	30.8%	49.9%
ASOS plc	UNITED KINGDOM	535	5.2%	1.0%	-0.2%	4.9%	0.0%	-1.6%	10.0%	21.9%	nm
boohoo group Plc	UNITED KINGDOM	455	4.8%	0.5%	-0.4%	4.3%	0.0%	-1.0%	14.9%	62.4%	nm
<b>DocMorris Ltd</b>	<b>SWITZERLAND</b>	<b>745</b>	<b>-0.7%</b>	<b>-4.2%</b>	<b>-5.6%</b>	<b>2.7%</b>	<b>0.0%</b>	<b>-1.3%</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>
<b>Redcare Pharmacy N.V.</b>	<b>GERMANY</b>	<b>2,279</b>	<b>3.4%</b>	<b>0.8%</b>	<b>-0.2%</b>	<b>2.1%</b>	<b>0.0%</b>	<b>30.6%</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>
zooplus SE	GERMANY	1,799	na	na	na	na	na	na	nm	na	na
Boozt AB	SWEDEN	507	7.9%	4.9%	3.5%	2.5%	0.0%	9.8%	13.0%	18.4%	19.2%
Farmacosmo S.P.A.	ITALY	26	4.5%	2.5%	0.9%	2.2%	0.0%	30.8%	na	nm	nm

Source: Alantra estimates and Factset

### Performance

Talea outperformed peers average in the last month

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
TALEA	ITALY	67	3.2%	4.3%	-11.7%	3.8%	-31.3%	na
<b>PEERS Average</b>			<b>-6.9%</b>	<b>-1.8%</b>	<b>-15.6%</b>	<b>28.2%</b>	<b>-46.2%</b>	<b>23.1%</b>
<b>PEERS Median</b>			<b>-9.5%</b>	<b>-7.7%</b>	<b>-28.2%</b>	<b>9.6%</b>	<b>-59.0%</b>	<b>-3.4%</b>
Zalando SE	GERMANY	5,974	-9.7%	-9.0%	-38.5%	9.6%	-73.6%	-28.1%
HelloFresh SE	GERMANY	4,666	-7.7%	11.3%	20.8%	27.1%	-42.2%	167.4%
ASOS plc	UNITED KINGDOM	535	-3.4%	13.8%	-47.5%	-26.0%	-92.7%	-92.0%
boohoo group Plc	UNITED KINGDOM	455	-6.4%	-7.8%	-44.0%	-12.6%	-91.1%	-85.7%
<b>DocMorris Ltd</b>	<b>SWITZERLAND</b>	<b>745</b>	<b>-10.8%</b>	<b>12.9%</b>	<b>30.9%</b>	<b>100.6%</b>	<b>-77.2%</b>	<b>-54.7%</b>
<b>Redcare Pharmacy N.V.</b>	<b>GERMANY</b>	<b>2,279</b>	<b>10.5%</b>	<b>6.5%</b>	<b>32.2%</b>	<b>185.1%</b>	<b>-24.7%</b>	<b>179.9%</b>
zooplus SE	GERMANY	1,799	-11.4%	-13.3%	-15.4%	-18.7%	76.1%	76.6%
Boozt AB	SWEDEN	507	-9.5%	-23.0%	-28.2%	48.0%	-44.4%	21.2%
Farmacosmo S.P.A.	ITALY	26	-13.7%	-7.7%	-50.3%	-59.2%	na	na

Source: Alantra estimates and Factset



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