

# Talea Group

Sector: Consumer

## Strategic evolution towards profitability and growth

Last year, Talea rebranded and underwent industrial restructuring, investing in media technology, establishing a logistics center in Piemonte, and acquiring several companies to diversify its business with the aim of increasing profitability. FY23 results came in broadly in line with our recently updated projections. Talea extended its business plan to 2026, basically postponing its 2025 target (announced in mar-23) to 2026: adj. sales Eu220-240mn, EBITDA Eu13-15mn and NFP Eu21-23mn (debt). In 2024, we anticipate a rebound in both growth and profitability, supported by an operational framework conducive to achieving long-term goals. Regular monitoring of business performance is crucial to gauge the industrial plan's success. BUY, TP of Eu12.5/s. Valuation blends 2025-26 EV/Sales for DocMorris & Redcare with DCF. A certain execution risk, although decreasing, is indeed mitigated by a huge upside to TP.

- **FY23 sales penalised by a suboptimal price approach in 4Q23...** In 2023 Consumer division grew by 12.9% to Eu129.9mn compared to Eu115.0mn of 2022 and represented more than 95% of the total. Talea reached a market share of 14% from 15% of 2022. The Industrial segment, which includes comarketing revenue and sales to third parties, progressed by 9.5% to Eu6.5mn vs. Eu5.9mn in 2022. Orders rose by 9.0% to Eu2.9mn vs Eu2.7mn in 2022. In terms of products, volumes grew by 9.3% to 14.3mn items vs. 12.8mn of 2022. FY23 adj. revenues totalled Eu136.3mn, up 12.7% YoY. As already previously reported, Talea implemented a suboptimal positioning strategy in 4Q23 due to a mismatched price algorithm: adj. revenues declined by 19.1% to Eu29.7mn.
- **...which impacted profitability and CF generation too** - As expected, this strategy had squeezed profitability as well as cash flow generation because of fixed costs split to lower volumes in addition to lower volume-based trade discounts offered by suppliers. FY23 EBITDA turned negative, at Eu3.2mn, broadly in line to our -Eu3.4mn expectation. Bottom line was negative for Eu7.5mn vs. Eu0.9mn negative in 2022, in line with our Eu7.6mn net loss estimate. Following capex of Eu14.5mn (Eu4.5mn in 2022), NFP was Eu38.9mn (debt) vs. Eu21.5mn in 2022, in line with our Eu38.0mn assumption. Excluding the impact of IFRS 16 and the tax credit (including the VAT), NFP reached Eu22.9mn, from Eu11.0mn in 2022.
- **2024: growth and return to profitability** - Talea's strategic focus will encompass three primary areas: Firstly, the expansion of eCommerce platforms; secondly, the development of Talea Media to strengthen Industrial revenue and market positioning; and thirdly, the formulation of new product strategies for the group's private labels (Gooimp, Best Body, and VitaminCenter). In 2024, boasting a catalog of over 100,000 references, the introduction of fresh product categories, and a surge in sectors such as homeopathy and beauty, Talea stands poised to fortify its market presence and fuel significant growth.
- **The Industrial division is a key profitability enhancer** – The Industrial division serves as a pivotal contributor to enhancing group profitability. Through strategic initiatives such as inventory monetisation and data monetisation, Talea Media, the online media arm, diversifies revenue streams. By selling advertising space and audience data, Talea Media not only generates incremental revenue but also strengthens relationships with major advertisers and industry players, thereby fostering long-term profitability. Similarly, Valnan, the communication and marketing agency, leverages its specialised units and strategic partnerships to offer tailored solutions to the digital market, bolstering revenue streams. Additionally, Trade Marketing activities provide customised brand activities on proprietary eCommerce platforms, serving as a revenue booster while enhancing relations. These efforts collectively position this division as a key driver of profitability, considering its Gross Margin is almost double that of the Consumer Area (ca. 60% vs. 30%).
- **New business plan broadly aligned with our estimates** - 2024 started with a good business performance: sales were up by 17.4% YoY in January and bode well for a buoyant start of the year. We believe the aforesaid issue has been addressed properly and entirely. Talea extended its business plan to 2026, postponing its 2025 target (announced in mar-23) to 2026: adj. sales Eu220-240mn, EBITDA Eu13-15mn and NFP Eu21-23mn (debt). Talea's new numbers are broadly aligned with our assumptions regarding growth and profitability trajectory.
- **BUY, TP unchanged at Eu12.5/share** - We confirm our BUY rating and TP of Eu12.5/s. Our rolled-over valuation incorporates the weighted average (30-70%) of 2025-26 EV/Sales multiples for DocMorris & Redcare, in addition to a DCF. A certain execution risk, although decreasing, is certainly mitigated by a huge upside to TP.

**BUY**

Unchanged

**TP 12.5**

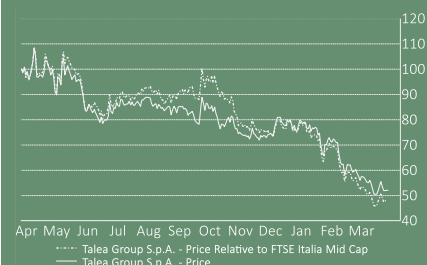
Unchanged

Target price upside: 113%

Change in EPS est.	FY24E	FY25E
	mn	-8%

Ticker (BBG, Reut)	TALEA MI	TALEA MI
Share price Ord. (Eu)		5.9
N. of Ord. shares (mn)		6.8
Total N. of shares (mn)		6.8
Market cap (Eu mn)		40
Total Market Cap (Eu mn)		40
Free Float Ord. (%)		21%
Free Float Ord. (Eu mn)		8
Daily AVG liquidity Ord. (Eu k)		45

	1M	3M	12M
Absolute Perf.	-12.8%	-31%	-47%
Rel. to FTSEMIDCap	-14.7%	-38%	-56%
52 weeks range		5.7	12.2



	FY23A	FY24E	FY25E
Sales	136	170	211
EBITDA adj.	(3.2)	4.0	9.6
Net profit adj.	(7.3)	(0.6)	3.7
EPS adj.	(1.06)	(0.08)	0.54
BVPS	4.50	4.42	4.96
EV/Sales	0.8x	0.4x	0.3x
EV/EBITDA adj.	-34.9x	18.6x	7.6x
Dividend yield	0.0%	0.0%	0.0%
FCF yield	-20.3%	16.4%	4.3%
Net debt/(Net cash)	38.9	32.3	30.6
Net debt/EBITDA	nm	8.1x	3.2x

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## Key Data (IFRS)

P&L account (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Adj. Sales	120.9	136.4	169.7	210.6	244.0
Gross margin	38.4	35.9	55.7	69.4	81.1
EBITDA reported	2.2	(3.9)	4.0	9.6	13.4
D&A	(2.2)	(3.8)	(3.5)	(3.6)	(3.6)
EBIT reported	(0.0)	(7.7)	0.4	6.0	9.8
Net financial charges	(0.8)	(1.7)	(1.0)	(0.8)	(0.6)
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	(0.8)	(9.4)	(0.6)	5.2	9.2
Taxes	(0.1)	1.9	0.0	(1.6)	(2.8)
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	(0.9)	(7.5)	(0.6)	3.7	6.4
<b>EBITDA adjusted</b>	<b>2.5</b>	<b>(3.2)</b>	<b>4.0</b>	<b>9.6</b>	<b>13.4</b>
<b>EBIT adjusted</b>	<b>0.4</b>	<b>(7.0)</b>	<b>0.4</b>	<b>6.0</b>	<b>9.8</b>
<b>Net profit adjusted</b>	<b>(0.8)</b>	<b>(7.3)</b>	<b>(0.6)</b>	<b>3.7</b>	<b>6.4</b>

Margins (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Gross margin	31.7%	26.4%	32.8%	32.9%	33.2%
EBITDA margin (adj)	2.1%	-2.3%	2.4%	4.5%	5.5%
EBIT margin (adj)	0.3%	-5.1%	0.3%	2.8%	4.0%
Pre-tax margin	-0.7%	-6.9%	-0.3%	2.5%	3.8%
Net profit margin (adj)	-0.7%	-5.3%	-0.3%	1.7%	2.6%

Growth rates (%)	FY22A	FY23A	FY24E	FY25E	FY26E
Sales	83.0%	12.8%	24.4%	24.1%	15.9%
EBITDA	42.6%	-278.6%	-202.2%	139.2%	40.1%
EBITDA adjusted	62.8%	-228.0%	-224.8%	139.2%	40.1%
EBIT	nm	nm	nm	nm	63.4%
EBIT adjusted	nm	nm	nm	nm	63.4%
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	FY22A	FY23A	FY24E	FY25E	FY26E
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>(0.144)</b>	<b>(1.091)</b>	<b>(0.081)</b>	<b>0.536</b>	<b>0.937</b>
<b>EPS adjusted</b>	<b>(0.125)</b>	<b>(1.060)</b>	<b>(0.081)</b>	<b>0.536</b>	<b>0.937</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	6.310	4.500	4.420	4.956	5.893

Enterprise value (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
Share price Ord. (Eu)	15.7	10.4	6.0	6.0	6.0
Market cap	107.3	71.1	41.1	41.1	41.1
Net debt/(Net cash)	21.5	38.9	32.3	30.6	25.9
Adjustments	1.7	1.7	1.7	1.7	1.7
Enterprise value	130.5	111.8	75.1	73.4	68.7

Cash flow (Eu mn)	FY22A	FY23A	FY24E	FY25E	FY26E
EBITDA reported	2.2	(3.9)	4.0	9.6	13.4
Net financial charges	(0.7)	(1.7)	(1.0)	(0.8)	(0.6)
Cash taxes	(0.1)	1.9	0.0	(1.6)	(2.8)
Ch. in Working Capital	(0.9)	(1.6)	8.7	0.1	0.5
Other operating items	(0.5)	5.8	-	-	-
<b>Operating cash flow</b>	<b>0.1</b>	<b>0.5</b>	<b>11.7</b>	<b>7.4</b>	<b>10.5</b>
Capex	(4.1)	(15.0)	(5.1)	(5.6)	(5.8)
<b>FCF</b>	<b>(4.0)</b>	<b>(14.5)</b>	<b>6.6</b>	<b>1.7</b>	<b>4.7</b>
Disposals/Acquisitions	0.0	0.0	0.0	0.0	0.0
Changes in Equity	0.0	0.0	0.0	0.0	0.0
Others	(3.4)	(3.5)	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
<b>Ch. in NFP</b>	<b>(7.4)</b>	<b>(18.0)</b>	<b>6.6</b>	<b>1.7</b>	<b>4.7</b>

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Capex/Sales</b>	<b>3.4%</b>	<b>11.0%</b>	<b>3.0%</b>	<b>2.7%</b>	<b>2.4%</b>
Capex/D&A	1.8x	3.9x	1.4x	1.6x	1.6x
FCF/EBITDA	-184.7%	nm	nm	18.0%	35.1%
FCF/Net profit	445.5%	nm	nm	nm	73.3%
<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)	FY22A	FY23A	FY24E	FY25E	FY26E
Working capital	(0.4)	1.2	(7.4)	(7.6)	(8.0)
Fixed assets	70.5	84.6	86.1	88.2	90.4
Provisions & others	(9.0)	(16.1)	(16.1)	(16.1)	(16.1)
<b>Net capital employed</b>	<b>61.1</b>	<b>69.7</b>	<b>62.6</b>	<b>64.5</b>	<b>66.2</b>
<b>Net debt/(Net cash)</b>	<b>21.5</b>	<b>38.9</b>	<b>32.3</b>	<b>30.6</b>	<b>25.9</b>
Equity	39.7	30.8	30.3	33.9	40.3
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY22A	FY23A	FY24E	FY25E	FY26E
<b>Working capital/Sales</b>	<b>-0.3%</b>	<b>0.9%</b>	<b>-4.4%</b>	<b>-3.6%</b>	<b>-3.3%</b>
<b>Net debt/Equity</b>	<b>54.1%</b>	<b>126.3%</b>	<b>106.8%</b>	<b>90.2%</b>	<b>64.2%</b>
<b>Net debt/EBITDA</b>	<b>8.6x</b>	<b>nm</b>	<b>8.1x</b>	<b>3.2x</b>	<b>1.9x</b>

Valuation	FY22A	FY23A	FY24E	FY25E	FY26E
EV/CE	1.9x	1.3x	1.0x	0.9x	0.8x
P/BV	2.7x	2.3x	1.4x	1.2x	1.0x
<b>EV/Sales</b>	<b>1.1x</b>	<b>0.8x</b>	<b>0.4x</b>	<b>0.3x</b>	<b>0.3x</b>
EV/EBITDA	nm	-28.6x	18.8x	7.7x	5.1x
<b>EV/EBITDA adjusted</b>	<b>52.2x</b>	<b>-34.9x</b>	<b>18.8x</b>	<b>7.7x</b>	<b>5.1x</b>
EV/EBIT	nm	nm	nm	12.2x	7.0x
<b>EV/EBIT adjusted</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>	<b>12.2x</b>	<b>7.0x</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	0.9%	-9.0%	0.5%	7.5%	12.0%
<b>ROE</b>	<b>-2.0%</b>	<b>-23.6%</b>	<b>-1.8%</b>	<b>10.8%</b>	<b>15.9%</b>
EV/FCF	nm	-7.7x	11.4x	42.7x	14.6x
<b>FCF yield</b>	<b>-3.8%</b>	<b>-20.3%</b>	<b>16.0%</b>	<b>4.2%</b>	<b>11.4%</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

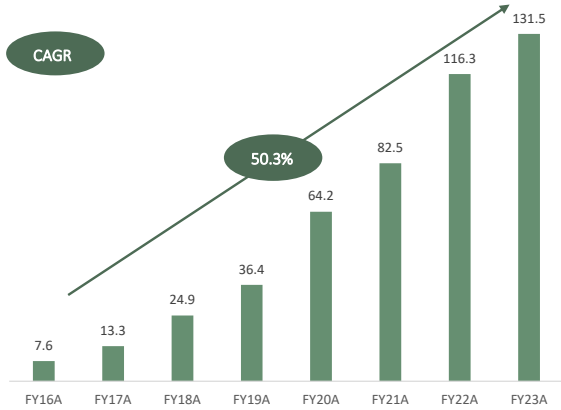


Source: Factset

# Key Charts

## Revenues (FY15A-23A)

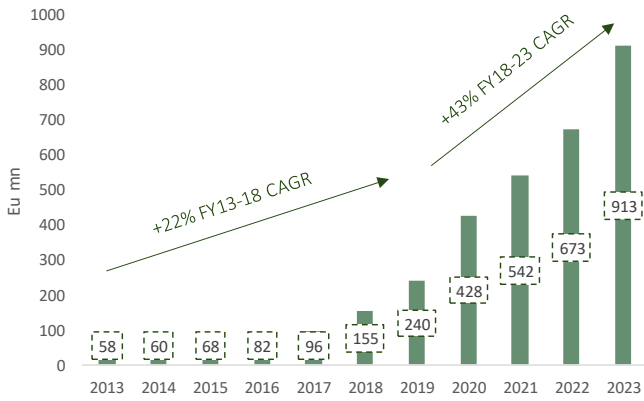
Revenues posted a 50.3% CAGR over the period



Source: Company data

## Online BPC & OTC – Market trend (FY13A-FY23A)

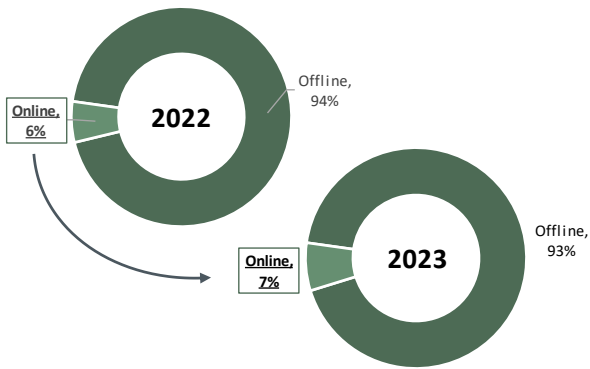
The online BPC & OTC market accelerated in the last 4 years



Source: Company data, IQVIA and Alantra

## Online BPC & OTC – Market penetration (2022/23)

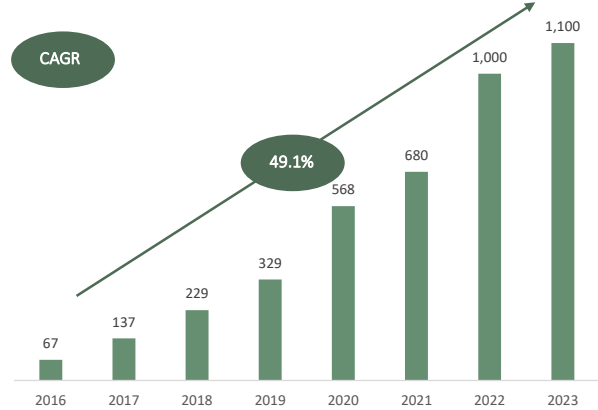
Online penetration of BPC & OTC sales in Italy grows but still remains very limited



Source: IQVIA and Alantra

## Active Users (FY16A-23A, '000)

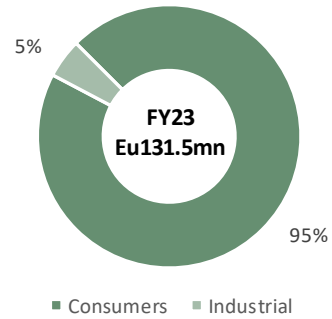
Sharp growth in active users



Source: Company data and Alantra

## FY23 Adj. revenues breakdown

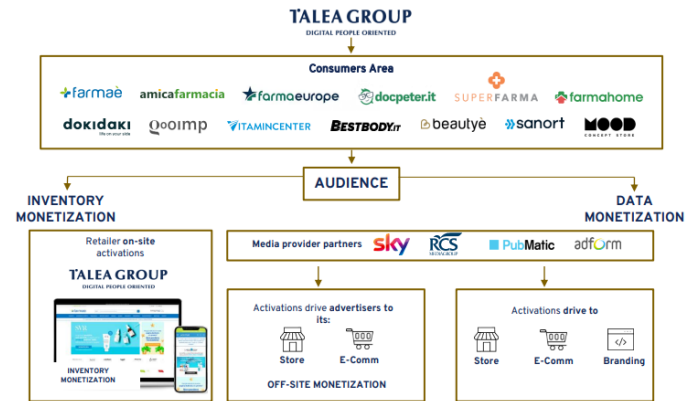
Consumer (online + retail) is by far the mainstream of sales as of 2023



Source: Company data and Alantra

## Talea Group's business model

How the retail media platform works



Source: Company data

# Profile

## Background

Talea Group is the leading Italian online retailer of beauty & personal care and OTC products (BPC&OTC) with the goal of reaching a 25% market share by 2026. 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. Currently the group operates in four different markets: health and wellness, beauty, orthopaedics and furniture design. With an offer of over 100k SKUs reached in 2023, Talea boasts a stabilised conversion rate across platform of over 4% and enough critical mass allowing to leverage on scale. With the recent acquisition of Gooimp, BestBody and Vitamin Center, Talea entered the private label arena, with the aim of boosting group profitability.

Consumer (95% 2023 Adj. Revenues): the B2C ePharma business based on its e-commerce brands (Farmaè, AmicaFarmacia, Farmaeurope, Sanort and Beautyè) and the offline business (pharmacies and physical stores).

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

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 245 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 2023 the online pharmacy market was worth Eu913mn (ca. 7% penetration rate vs full Italian pharmacy market), and Talea Group was the leading player (we estimate a ca. 17% 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).

To enhance the commercial margins of the Consumers area and introduce new, premium products to consumers, Talea acquired three Private Labels in 2023: Gooimp, Best Body, and VitaminCenter. Gooimp offers a diverse array of products in the supplement, dermocosmetics, and personal care categories, emphasising sustainability principles. Both Best Body and VitaminCenter have established themselves as leading brands in the Italian market, particularly within the sports supplement segment.

## Growth

Talea Group was established in 2015, when revenues amounted to Eu3.4mn. In 2023 Adj. revenues reached Eu131.5mn, resulting in an outstanding 16-23 CAGR of 50%. 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 26.4% in FY23).

## Strategy

After the announcement of its rebranding from Farmaè in Talea and its strategic evolution, Talea's strategic focus will encompass three primary areas: Firstly, the expansion of eCommerce platforms; secondly, the development of Talea Media to strengthen Industrial revenue and market positioning; and thirdly, the formulation of new product strategies for the group's private labels (Gooimp, Best Body, and VitaminCenter). In 2024, boasting a catalog of over 100,000 references, the introduction of fresh product categories, and a surge in sectors such as homeopathy and beauty, Talea stands poised to fortify its market presence and fuel significant growth. We believe that Talea is poised to outstand 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

RIAC Holding - 58.63%  
Riccardo Iacometti - 2.92%  
MDF - 17.15%  
Free float - 21.18%

### Management

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

### Next events

KPI 1Q24: 23/04/24  
Shareholding meeting: 29/04/24  
KPI 2Q24: 23/07/24  
1H24 results: 26/09/24  
KPI 3Q24: 24/10/24

## FY23 results

*FY23 results came in weak as expected*

*Consumer Division grows, group faces profitability challenges in FY23*

Eu mn	2H22A	2H23A	YoY %	2H23E	A vs E	FY22A	FY23A	YoY %	FY23E	A vs E
<b>Revenues</b>	63.5	58.6	-7.7%	72.3	-19.0%	116.3	131.5	13.0%	145.2	-9.5%
<i>on net sales %</i>	100.0%	100.0%		100.0%		100.0%	100.0%		100.0%	
<b>Adj. Revenues</b>	66.0	60.7	-8.0%	60.7	0.0%	120.9	136.3	12.7%	136.3	0.0%
<i>on net sales %</i>	103.9%	103.6%		83.9%		103.9%	103.7%		93.8%	
<b>Gross Margin</b>	21.3	14.7	-30.8%	19.4	-24.2%	38.4	35.9	-6.3%	40.6	-11.6%
<i>on sales %</i>	33.5%	25.2%		26.9%		33.0%	27.3%		28.0%	
<b>Adj. EBITDA</b>	0.7	(4.3)	nm	(4.5)	-3.5%	2.5	(3.2)	nm	(3.4)	-4.7%
<i>Ebitda Margin %</i>	1.2%	-7.3%		-6.2%		2.1%	-2.4%		-2.3%	
<b>EBIT</b>	(0.9)	(7.5)	nm	(6.3)	20.6%	(0.0)	(7.7)	nm	(6.4)	20.1%
<i>Ebit Margin %</i>	-1.4%	-12.9%		-8.6%		0.0%	-5.9%		-4.4%	
<b>Net Profit</b>	(1.3)	(6.6)	nm	(6.7)	-1.5%	(0.9)	(7.5)	nm	(7.6)	-1.3%
<i>Net Profit Margin %</i>	-2.1%	-11.3%		-9.3%		-0.8%	-5.7%		-5.2%	
<b>NFP at YE (debt)/cash</b>	(21.5)	(38.9)		(38.0)		(21.5)	(38.9)		(38.0)	

Source: Company data and Alantra estimates

## Estimates

**Estimates revision**

*We left basically unchanged our projections, and introduced 2026*

(Eu mn)	NEW Estimates			% Change			OLD Estimates		
	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
Net Sales	163.7	201.1	231.6	0%	0%	n.a.	163.7	201.1	n.a.
EBITDA	4.0	9.6	13.4	0%	0%	n.a.	4.0	9.6	n.a.
EBIT	0.4	6.0	9.8	-47%	-7%	n.a.	0.8	6.4	n.a.
Pretax Profit	(0.6)	5.2	9.2	mn	-8%	n.a.	(0.2)	5.7	n.a.
Net profit	(0.6)	3.7	6.4	mn	-8%	n.a.	(0.2)	4.0	n.a.
EPS	(0.08)	0.54	0.94	mn	-8%	n.a.	(0.02)	0.58	n.a.
Net financial position	(32.3)	(30.6)	(25.9)	nm	nm	n.a.	(32.1)	(29.6)	n.a.

Source: Alantra estimates

## Peers

### Trading multiples

Talea Group is currently trading well below Redcare and DocMorris on EV/Sales multiples, as well as compared to peers average

Company	Country	Mkt Cap (Eu mn)	EV/Sales			EV/EBITDA			EV/EBIT			PE		
			FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E	FY24E	FY25E	FY26E
TALEA	ITALY	40	0.4 x	0.3 x	0.3 x	18.6 x	7.6 x	5.1 x	nm	12.1 x	6.9 x	nm	nm	nm
Premium (discount) to Peers' Median			-29%	-33%	-46%	51%	-38%	-42%	#VALUE!	-62%	-58%	nm	nm	nm
<b>PEERS Average</b>			<b>0.6 x</b>	<b>0.5 x</b>	<b>0.5 x</b>	<b>12.3 x</b>	<b>12.2 x</b>	<b>8.7 x</b>	<b>22.3 x</b>	<b>31.9 x</b>	<b>16.5 x</b>	<b>26.8 x</b>	<b>27.0 x</b>	<b>31.6 x</b>
Zalando SE	GERMANY	6,879	0.6 x	0.5 x	0.4 x	7.9 x	6.4 x	5.1 x	17.6 x	12.4 x	8.9 x	31.4 x	23.8 x	18.8 x
HelloFresh SE	GERMANY	1,145	0.2 x	0.2 x	0.1 x	4.2 x	3.2 x	2.6 x	12.2 x	6.9 x	5.0 x	25.5 x	13.1 x	7.6 x
ASOS plc	UNITED KINGDOM	477	0.2 x	0.2 x	0.2 x	8.0 x	4.0 x	2.8 x	na	63.7 x	11.5 x	na	na	na
boohoo group Plc	UNITED KINGDOM	547	0.4 x	0.3 x	na	8.0 x	6.2 x	na	na	87.2 x	na	na	na	na
<b>DocMorris Ltd</b>	<b>SWITZERLAND</b>	<b>1,190</b>	<b>1.2 x</b>	<b>0.9 x</b>	<b>0.8 x</b>	na	41.7 x	19.1 x	na	na	46.3 x	na	na	81.6 x
<b>Redcare Pharmacy N.V.</b>	<b>GERMANY</b>	<b>2,819</b>	<b>1.2 x</b>	<b>1.0 x</b>	<b>0.8 x</b>	39.8 x	23.0 x	15.0 x	nm	nm	nm	nm	69.9 x	34.4 x
zooplus SE	GERMANY	1,415	na	na	na	na	na	na	na	na	na	na	na	na
Boozt AB	SWEDEN	722	0.9 x	0.8 x	0.7 x	10.5 x	8.8 x	7.7 x	15.8 x	13.0 x	10.9 x	23.6 x	19.0 x	15.7 x
Farmacosmo S.P.A.	ITALY	32	0.3 x	0.2 x	na	7.8 x	4.2 x	na	43.7 x	8.4 x	na	na	9.1 x	na

Source: Alantra estimates and Factset

### Financials

Talea's EBITDA margin is in line with that of its closest peers (Redcare and DocMorris)

Company	Country	Mkt Cap (Eu mn)	FY24E - FY26E average margins					CAGR FY23A - FY26E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	EPS
TALEA	ITALY		4.1%	2.4%	1.3%	2.7%	0.0%	21.4%	-250.7%	-208.3%	-261.1%
<b>PEERS Average</b>			<b>5.2%</b>	<b>1.8%</b>	<b>0.6%</b>	<b>2.8%</b>	<b>0.0%</b>	<b>10.8%</b>	<b>12.5%</b>	<b>-37.5%</b>	<b>61.4%</b>
<b>PEERS Median</b>			<b>4.7%</b>	<b>1.8%</b>	<b>0.5%</b>	<b>3.0%</b>	<b>0.0%</b>	<b>7.5%</b>	<b>14.3%</b>	<b>13.9%</b>	<b>63.2%</b>
Zalando SE	GERMANY	6,879	7.7%	4.0%	2.5%	3.0%	0.0%	4.9%	14.8%	43.0%	63.2%
HelloFresh SE	GERMANY	1,145	5.1%	2.3%	0.8%	3.1%	0.0%	4.1%	2.1%	8.4%	100.8%
ASOS plc	UNITED KINGDOM	477	4.5%	-0.2%	-1.4%	3.9%	0.0%	-0.8%	19.1%	-220.7%	nm
boohoo group Plc	UNITED KINGDOM	547	4.8%	0.1%	-0.9%	2.9%	0.0%	na	na	na	nm
<b>DocMorris Ltd</b>	<b>SWITZERLAND</b>	<b>1,190</b>	<b>1.7%</b>	<b>-1.2%</b>	<b>-2.2%</b>	<b>2.2%</b>	<b>0.0%</b>	<b>23.0%</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>
<b>Redcare Pharmacy N.V.</b>	<b>GERMANY</b>	<b>2,819</b>	<b>4.3%</b>	<b>1.9%</b>	<b>1.1%</b>	<b>1.9%</b>	<b>0.0%</b>	<b>23.8%</b>	<b>nm</b>	<b>nm</b>	<b>nm</b>
zooplus SE	GERMANY	1,415	na	na	na	na	na	na	nm	na	na
Boozt AB	SWEDEN	722	9.0%	6.2%	4.4%	3.1%	0.0%	10.0%	13.8%	19.3%	20.4%
Farmacosmo S.P.A.	ITALY	32	4.6%	1.7%	0.2%	2.2%	0.0%	na	na	nm	nm

Source: Alantra estimates and Factset

### Performance

Talea strongly underperformed peers average

Company	Country	Mkt Cap (Eu mn)	Performance					
			1M	3M	6M	1YR	3YR	5YR
TALEA	ITALY	40	-12.8%	-31.4%	-40.0%	-47.0%	-79.9%	na
<b>PEERS Average</b>			<b>7.2%</b>	<b>-1.6%</b>	<b>8.5%</b>	<b>-9.0%</b>	<b>-63.3%</b>	<b>32.7%</b>
<b>PEERS Median</b>			<b>3.2%</b>	<b>-2.3%</b>	<b>19.1%</b>	<b>-33.4%</b>	<b>-72.6%</b>	<b>-10.1%</b>
Zalando SE	GERMANY	6,879	36.9%	38.2%	15.1%	-29.1%	-70.2%	-28.2%
HelloFresh SE	GERMANY	1,145	-3.6%	-50.9%	-75.5%	-70.4%	-90.6%	-17.1%
ASOS plc	UNITED KINGDOM	477	-3.6%	-11.4%	-11.8%	-53.7%	-93.5%	-89.7%
boohoo group Plc	UNITED KINGDOM	547	9.4%	5.5%	19.1%	-33.4%	-89.3%	-81.4%
<b>DocMorris Ltd</b>	<b>SWITZERLAND</b>	<b>1,190</b>	<b>17.4%</b>	<b>12.3%</b>	<b>63.2%</b>	<b>113.6%</b>	<b>-75.0%</b>	<b>-3.2%</b>
<b>Redcare Pharmacy N.V.</b>	<b>GERMANY</b>	<b>2,819</b>	<b>14.6%</b>	<b>6.1%</b>	<b>22.9%</b>	<b>62.4%</b>	<b>-29.8%</b>	<b>293.2%</b>
zooplus SE	GERMANY	1,415	-1.4%	-8.9%	-21.4%	-33.4%	-26.1%	107.9%
Boozt AB	SWEDEN	722	3.2%	-2.3%	42.1%	2.0%	-32.4%	80.5%
Farmacosmo S.P.A.	ITALY	32	-8.6%	-2.8%	22.5%	-39.1%	na	na

Source: Alantra estimates and Factset



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