



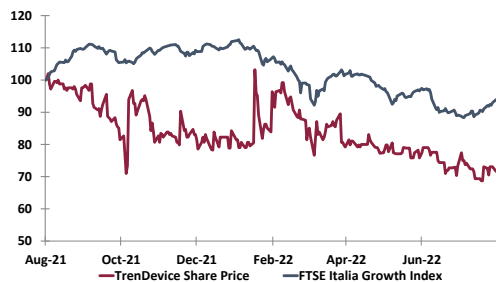
FLASH NOTE

OUTPERFORM

Current Share Price (€): 0.89

Target Price (€): 1.66

TrenDevice - 1Y Performance



Source: S&P Capital IQ - Note: 02/08/2021=100

Company data

ISIN number	IT0005422792
Bloomberg code	TD IM
Reuters code	TD.IM
Industry	Online consumer electronics retail
Stock market	Euronext Growth Milan
Share Price (€)	0.89
Date of Price	01/08/2022
Shares Outstanding (m)	12.3
Market Cap (€m)	10.9
Market Float (%)	27.6%
Daily Volume	61,500
Avg Daily Volume YTD	28,299
Target Price (€)	1.66
Upside (%)	87%
Recommendation	OUTPERFORM

Share price performance

	1M	3M	1Y
TrenDevice - Absolute (%)	-2%	-9%	-28%
FTSE Italia Growth (%)	5%	-4%	-6%
1Y Range H/L (€)	1.28	0.85	
YTD Change (€) / %	-0.16	-15%	

Source: S&P Capital IQ

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Top-line steady progression sees strategy on track

Sales almost doubled in H1 2022

TrenDevice disclosed Q2 2022 sales and CO2 savings. Q2 sales were €4.5m, +52% on Q2 2021. Overall H1 2022 sales were €9.6m, almost doubled compared to €5.0m in the same period of the prior year, driven by European online marketplaces and own stores in Italy, accompanied by a higher website conversion thanks to a better user experience and payments in instalments.

As of July 2022, Rome and Bologna stores were added to the retail stores network, bringing the number of own stores to 4.

In the first six months, 1,226 tons of CO2 were saved thanks to TrenDevice refurbished products, +46% on H1 2021.

Corporate strategy going on as planned

Looking ahead, according to management, the pillars of the corporate strategy in the next months are: ongoing investments in digital channels, the Device-as-a-Service rental, the expansion of the retail store network with next openings in Turin and Rome (franchised store).

Target Price €1.66 per share and OUTPERFORM rating confirmed

H1 2022 sales support our full year 2022 revenue estimate, which, to a certain extent, could be considered conservative, given that historically sales are concentrated in Q4 with Black Friday and Christmas. We confirm our last estimates, that we will re-evaluate following H1 2022 accounts, and €1.66 target price for TrenDevice. We confirm the OUTPERFORM rating on the stock.

KEY FINANCIALS AND ESTIMATES

€m	2018	2019	2020	2021	2022E	2023E	2024E
Revenues	5.1	7.4	9.8	16.6	22.7	27.9	33.1
EBITDA	0.3	0.7	0.8	0.5	1.1	1.7	2.7
<i>Margin</i>	6%	9%	8%	3%	5%	6%	8%
Net Income (Loss)	0.0	0.0	(0.2)	(1.0)	(0.6)	(0.3)	0.2
Net (Debt) Cash	(2.0)	(1.8)	(1.5)	(4.1)	(4.7)	(4.7)	(3.7)
Equity	0.3	0.7	3.2	2.3	1.6	1.3	1.5
KEY RATIOS							
TWC/Sales	7%	2%	6%	10%	7%	6%	4%
Capex/Revenues	10%	14%	25%	11%	7%	5%	5%
Net Debt/EBITDA	6.9x	2.7x	2.0x	8.4x	4.5x	2.7x	1.4x

Source: Company data 2018-21A, EnVent Research 2022-24E

TrenDevice is an Italian online re-commerce platform of refurbished premium smartphones, tablets, laptops and wearables, which offers fully performing products with mint/near mint appearance at a price up to 30% lower than a brand-new item.

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Rating system and rationale (12-month time horizon):

OUTPERFORM: stocks are expected to have a total return above 10%;

NEUTRAL: stocks are expected to have a performance between -10% and +10% consistent with market or industry trend and appear less attractive than Outperform rated stocks;

UNDERPERFORM: stocks are among the least attractive in a peer group, with the target price 10% below the current market price;

UNDER REVIEW: target price under review, waiting for updated financial data, or other key information such as material transactions involving share capital or financing;

SUSPENDED: no rating/target price assigned, due to material uncertainties or other issues that seriously impair our previous investment ratings, price targets and earnings estimates;

NOT RATED: no rating or target price assigned.

Some flexibility on the limits of the total return rating ranges is permitted, especially during high market volatility cycles.

The stock price indicated in the report is the last closing price on the day of Production.

Date and time of Production: 01/08/2022 h. 6.40pm

Date and time of Distribution: 01/08/2022 h. 6.42pm

DETAILS ON STOCK RECOMMENDATION AND TARGET PRICE

Date	Recommendation	Target Price (€)	Share Price (€)
05/11/2020	OUTPERFORM	1.29	0.74
06/05/2021	OUTPERFORM	1.84	1.25
07/10/2021	OUTPERFORM	1.71	0.91
13/04/2022	OUTPERFORM	1.66	0.99
01/08/2022	OUTPERFORM	1.66	0.89

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of which EnVentCM clients % *		100%	0%	0%	100%	0%	0%

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