



Investor Presentation

TrenDevice, the Italian player in the circular economy

TRENDEVICE S.p.A – NOVEMBER 2021 – NEXT GEMS CONFERENCE

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The Company



TrenDevice



TrenDevice is a leading **circular economy** Company in the high-end high-tech product refurbishment sector, with **full control of the value chain**.

The company operates as an **instant buyer** for used high-tech products for **individuals and businesses** and resell them with 1 year warranty.

A virtuous circular business that creates value for:



**Owners of used
devices**
Instant buy



**Buyers of refurbished
products**
Peace of Mind + Savings

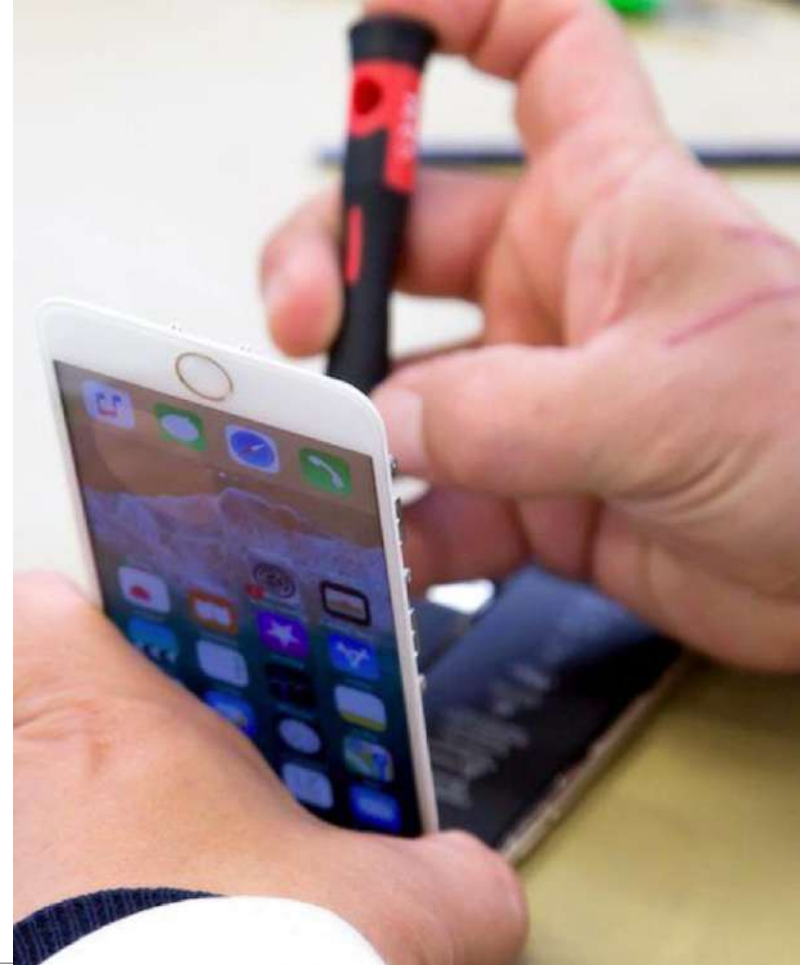


Environment
Less CO₂ emissions

First company to have brought refurbishment to Italy



- **2013:** Introduction of refurbished products on the Italian market
- Company **focused on the Italian market** and its dynamics
- **In-house academy** to train specialized technicians
- Important **experience curve on refurbishment** and marketing
- **First company** in the sector to **be listed in Europe**



TrenDevice at a glance

Key Highlights as at December 31, 2020



+1,000 used product valuation requests per day



+1,500 fewer tons of CO₂ in 2020 thanks to TrenDevice refurbishments



Repeat purchase rate: 34%



Customer satisfaction rate: 92% (unchanged since 2017 despite the increase in volumes)

Source: Company management data



TrenDevice

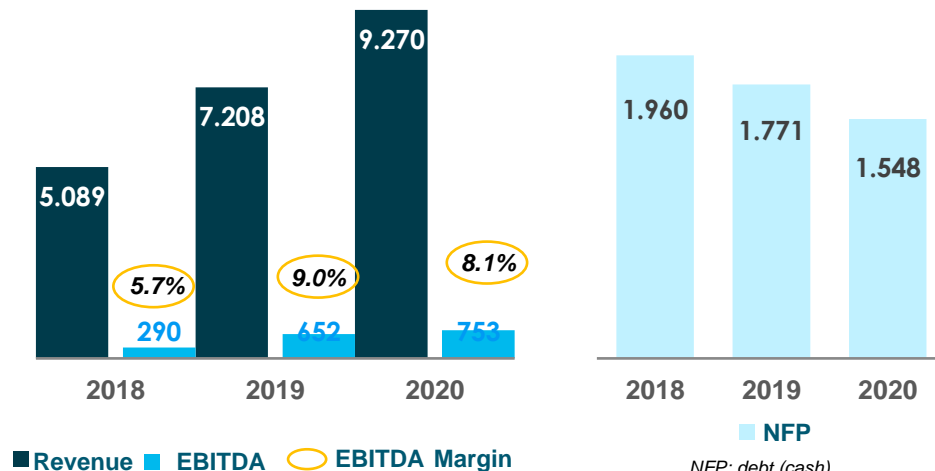
Key Financials (thousands of €)

Annual YoY change

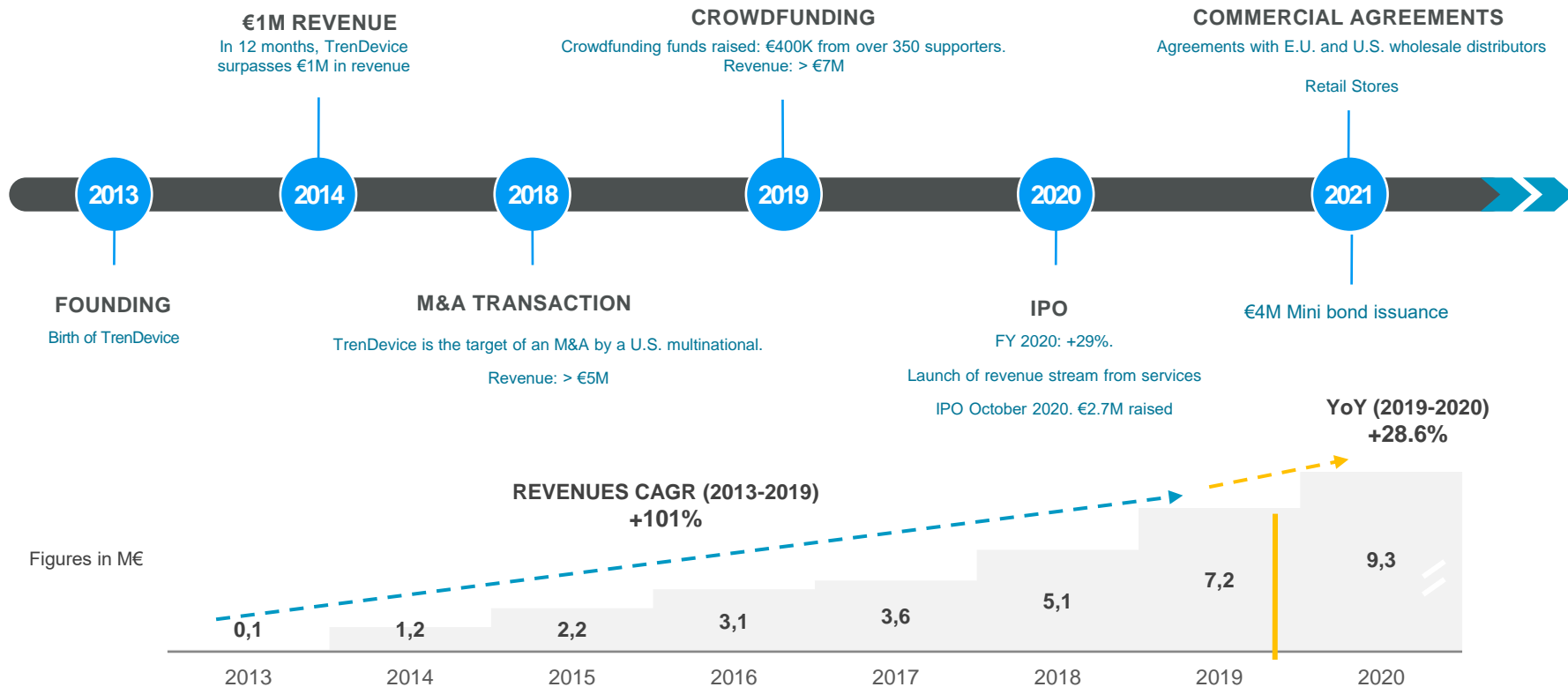
YoY 18-19: Revenue +41.7% | EBITDA +124.6%
YoY 19-20: Revenue +28.6% | EBITDA +15.5%

Annual change in NFP

YoY 18-19: -9.6%
YoY 19-20: -12.6%

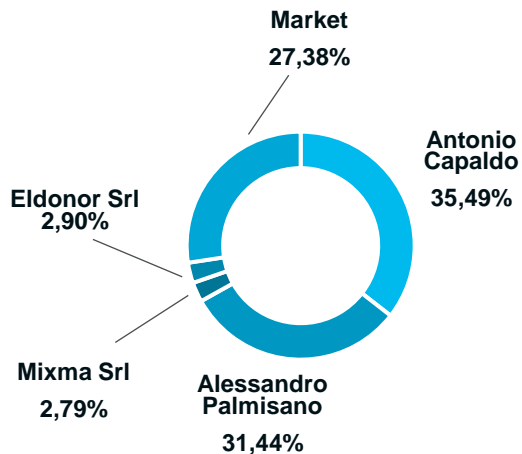


Company timeline



Shareholding & Governance

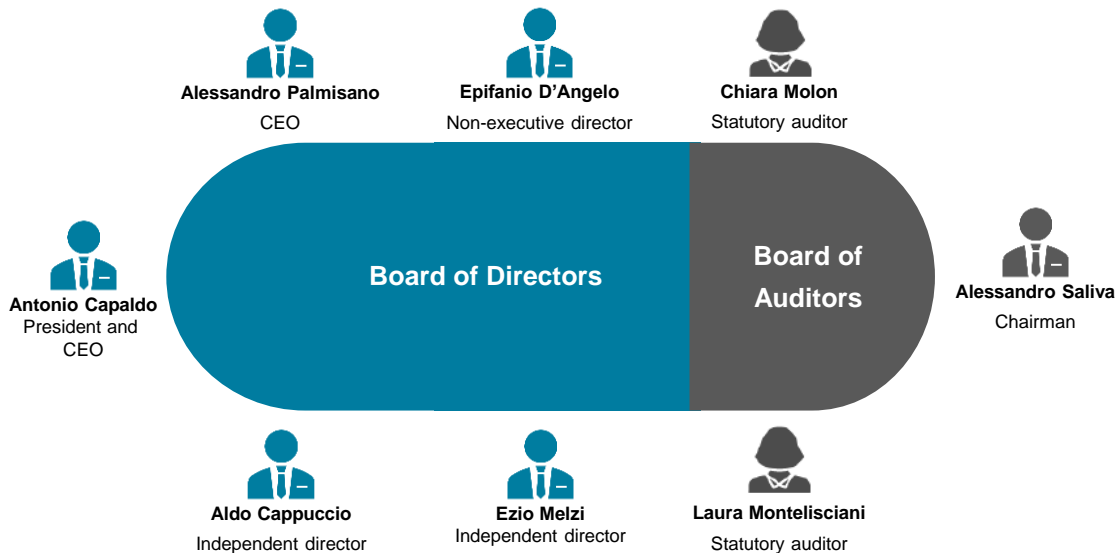
Shareholding



Audit firm



Governance



Shareholder agreements: There are currently no shareholder agreements.

Products and services



High-end/mid-range **Apple** smartphones, tablets, computers and lot devices



High-end/mid-range **Samsung** smartphones and tablets, **video game consoles** and branded accessories

SERVICES

TrenDevice+ membership

2-years protection plan




Insurance

C2C marketplace

Device Rental

TrenDevice Academy

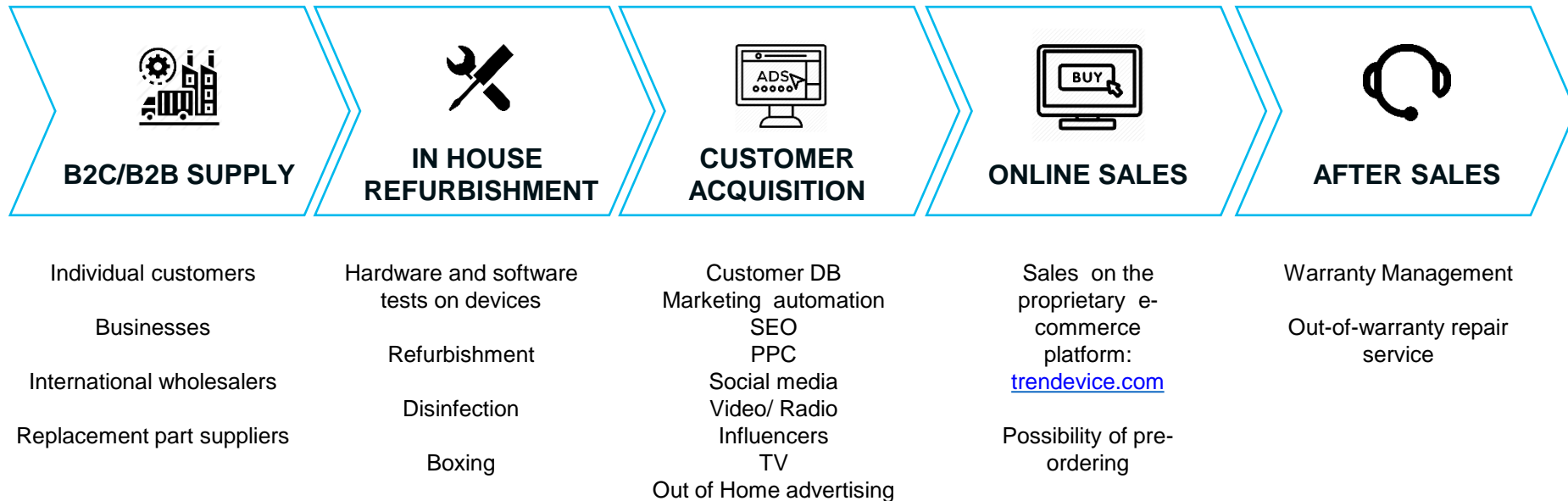
Differences between the market offers

	 USED PRODUCT	 REFURBISHED PRODUCT	 NEW PRODUCT
Savings:	38% compared to new	Up to 30% compared to new	None
Warranty:	NO	1 year (Extendable to 2 years for a fee)	2 years
Quality:	No control	High – over 30 tests carried out	Maximum
Disinfection:	NO	YES	YES
Return:	NO	YES	YES
After-sales support:	NO	YES	YES

Prepared by the company based on average prices taken from the websites eBay.it and Subito.it in March 2020

Total control of the value chain

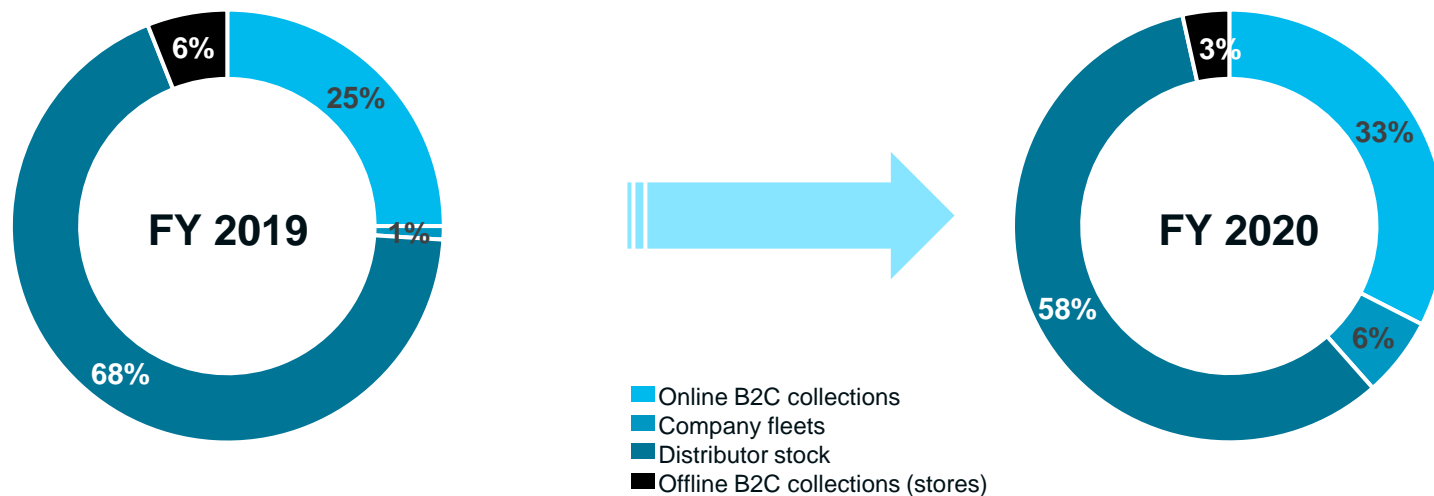
TrenDevice is one of the few companies in the industry to have full control of the value chain



R&D and continuous training in all company departments

Supply channels

The ongoing commitment to the supply chain is aimed at diversifying and expanding the supply channels to support ever-growing volumes of demand.



Source: Company management data

Proprietary recommerce platform

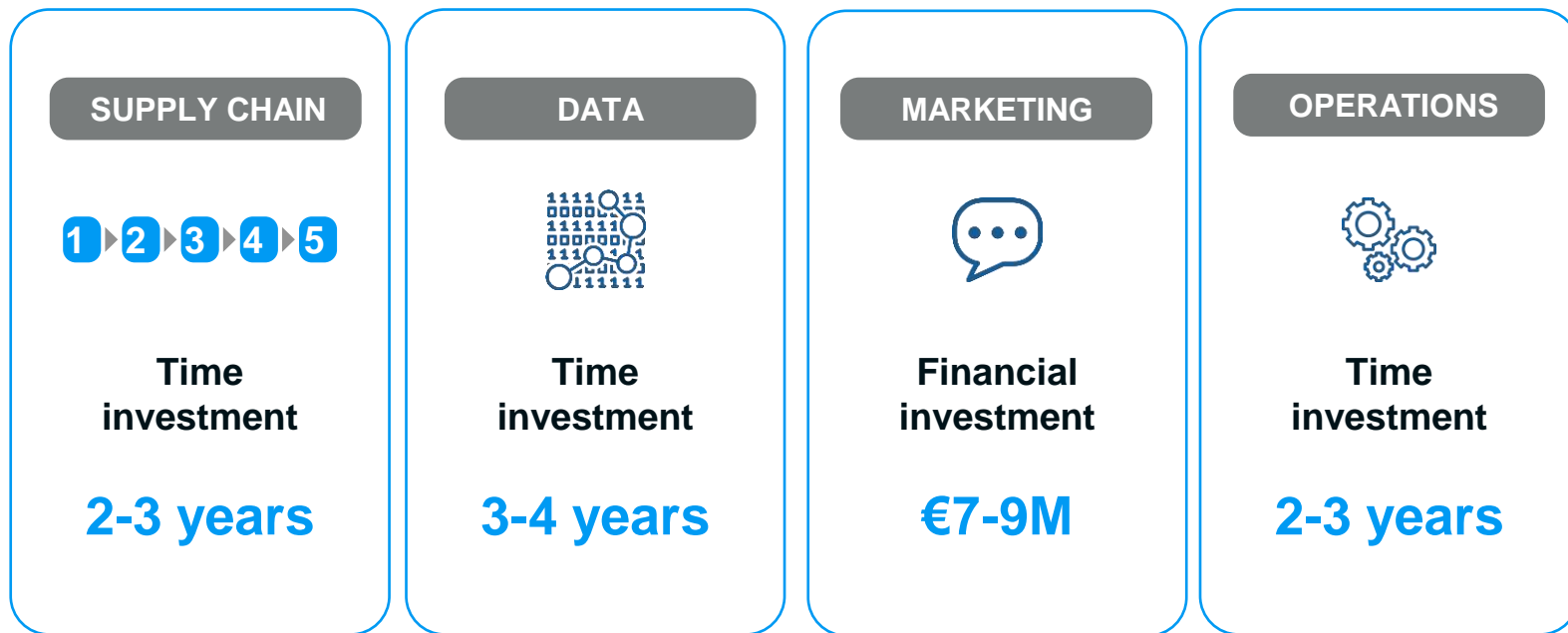


INTEGRATED MANAGEMENT OF:

- **Proprietary platform developed starting in 2013** specifically designed for managing the entire value chain internally

- Front-end interface to value used products in real time
- Device buyback transaction management
- Product testing and refurbishment phase management
- Stock management
- Grade assignment (A+, A, B, C)
- Ticket management for pre-/after-sales support
- Online publishing
- Online sales and after-sales management
- Managerial statistics
- Management control system

High barriers to entry



Target Market & Competitors



TrenDevice

The market we operate in

\$17B

Used smartphone and
tablet market estimate,
2018 (Deloitte)

4x

vs. new product market

Used smartphone and
tablet market growth rate
(Deloitte)

\$67B

Global refurbished
smartphone market, 2023
(estimate, IDC)







CAGR 9.8%

Used and refurbished
smartphone market, 2018-
2026 (Persistence Market
Research)

Despite budget availability, more and more consumers are deciding to buy refurbished products: smart and green purchase.

Potential value of the Italian refurbished product market according to TrenDevice: > €1B per year

Competitive positioning

Company	Value chain control	Peace of mind	Savings	Territorial presence in Italy
 TrenDevice [®]	• • •	• • •	• •	• • •
 Swappie	• • •	• • •	• •	
 reBuy	• • •	• • •	• •	
Back Market	• •	• • •	• •	
 refurbed	• •	• • •	• •	
 ebay		•	• • •	
 subito			• • •	

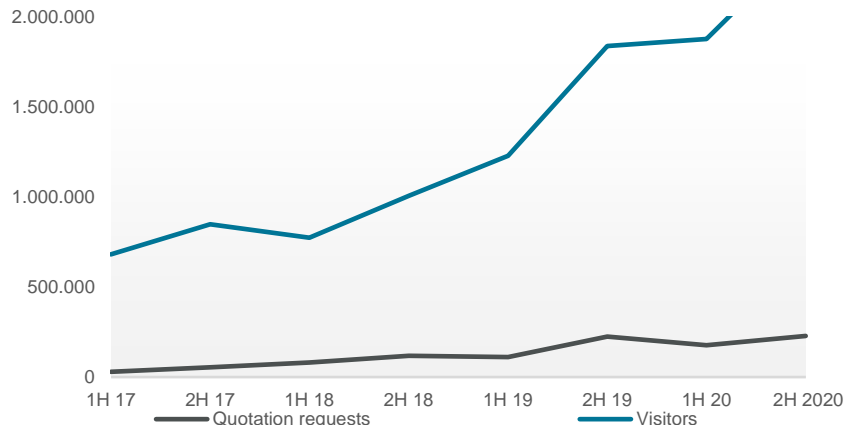
Financials & KPIs



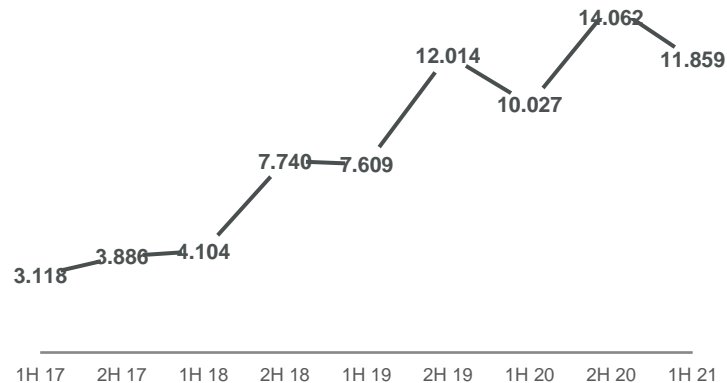
TrenDevice®

Loyal, growing customer base

Users and quotations figures



N° of refurbished products sold



+345.000
Unique
visitors/month



+ 80.000
Customers
since 2013



+1.000
Used product
evaluations/day



34%
Repeated
purchase rate

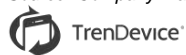


**92% Customer
Satisfaction rate**
Unchanged despite
increases in volumes



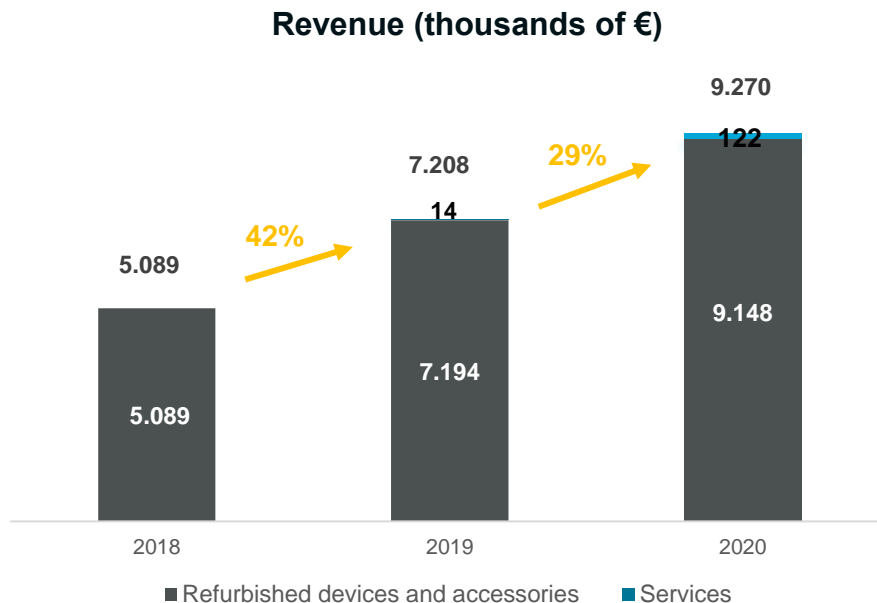
Continuous contact w/users
through promotions, contents
and Marketing automation
funnels

Source: Company management data (Google Analytics, Feeday)



Revenue trend & margin analysis 1/2

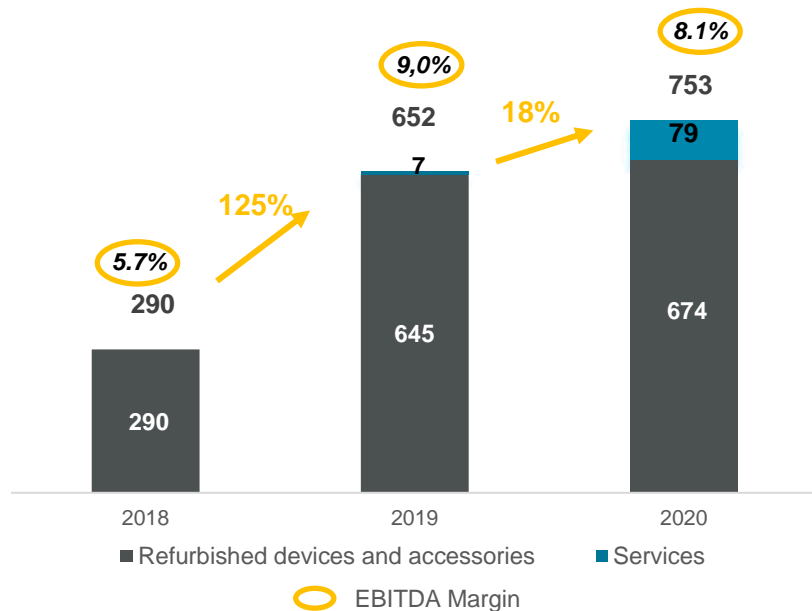
Growth in revenue led by refurbished devices, which have seen a **42%** increase (2018-2019). In 2020, the pandemic did not stop the increase in revenue **+29%**.



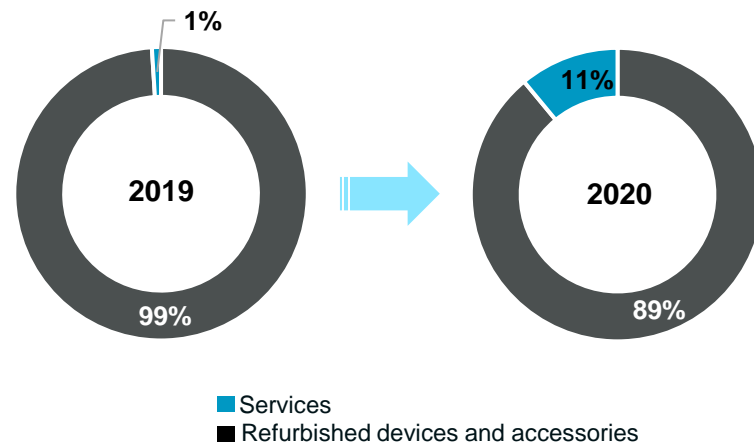
Revenue trend & margin analysis 2/2

Constant growth in EBITDA over the past three years: from around €290k in 2018 to €753k in 2020. 2020 EBITDA margin, although lower than in 2019, is in line with management's expectations. **More than 10% of EBITDA from services in 2020.**

EBITDA (Thousands of euros)

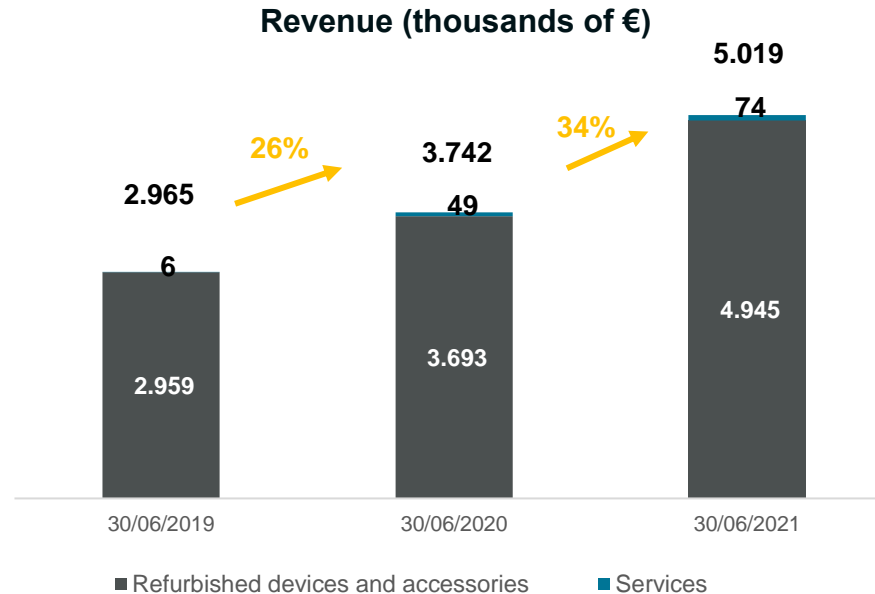


Focus EBITDA Services



H1 Revenues trend & EBITDA analysis 1/2

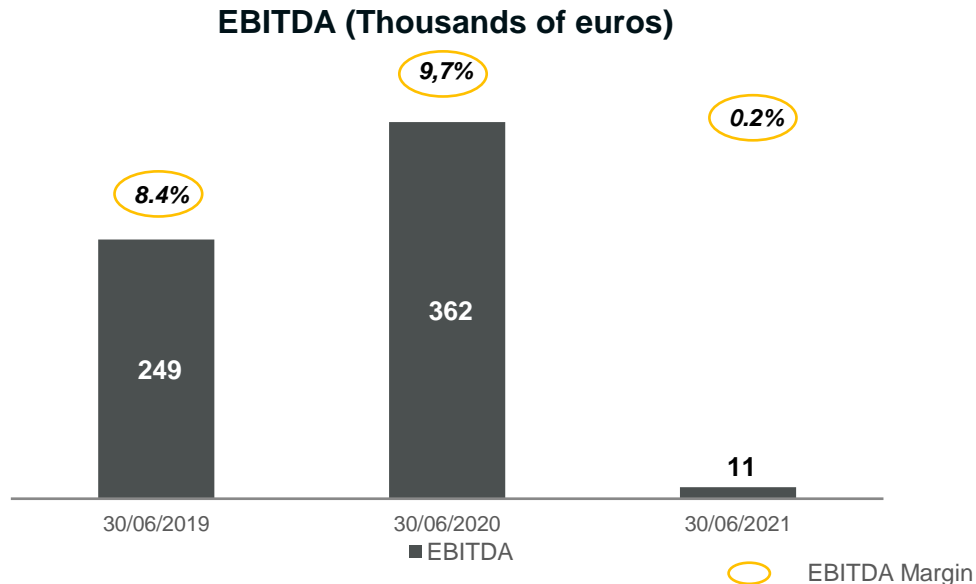
The growth in revenues is led by the reconditioned device business: In 2021, there has been a **34%** increase (30/06/2021 vs. 30/06/2020). The course is also clearly in line with management's expectations. **51 % increase of revenues of ancillary services YoY.**



H1 Revenues trend & EBITDA analysis 2/2

Despite the significant revenue growth in H1 2021 as compared to H1 2020, EBITDA has slipped mainly as a result of:

- a temporary increase in the price of devices purchased on international wholesale channels as a result of the ongoing pandemic
- an increase in costs related to our status as a publicly listed firm and to the establishment of an enhanced management structure
- competitive pressures in the online sales channel coming from our main international competitors

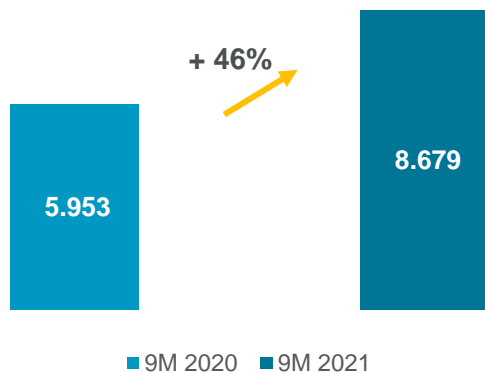


Management is investing in the development of high-margin services (rentals, video courses, annual memberships) and in brick-and-mortar retail in order to increase company profits in future periods.

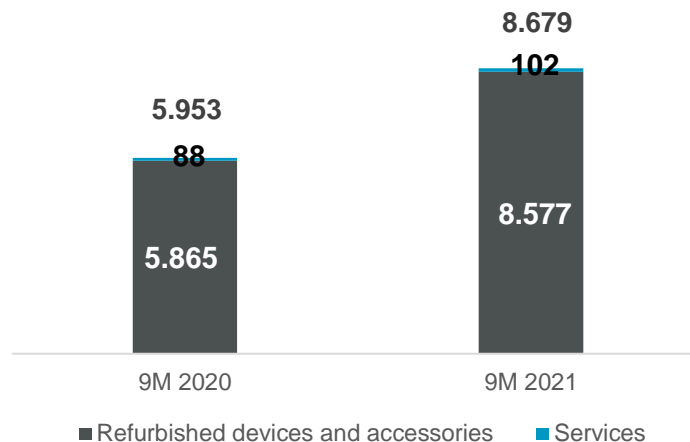
9M 2021 Revenues Highlights

The growth in revenues is led by the reconditioned device business: In 2021, there has been a **46%** increase (9M 2020 vs 9M 2021). The course is also clearly in line with the Business Plan forecasts and there is over **16%** growth in terms of the ancillary services.

Revenue (thousands of euros)



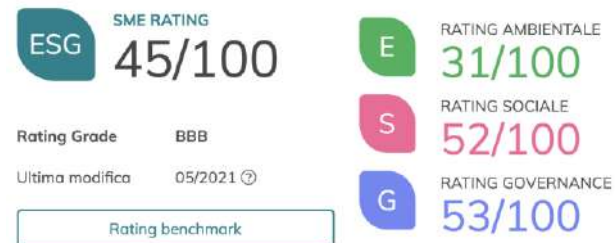
Revenue Breakdown (thousands of €)



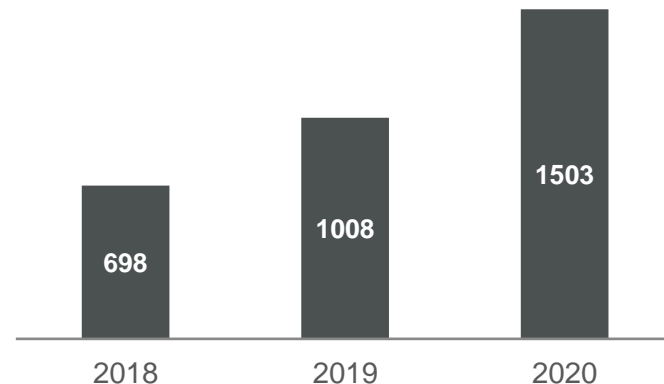
Our environmental contribution



Our mission is to **extend the life cycle of hi-tech products**, a virtuous process that combines **savings for consumers** with **protecting the environment** by avoiding the wastage of raw material resources and CO₂ to produce new ones.



CO2 saved (tons)



Listed Comparable

In April 2021, the French company Largo debuted on the Euronext Growth market. Largo operates in the French refurbished devices market, with a full comparable business model.

IPO's FIGURES

L A R G O

€22.9M

Total proceeds

€68.5M

Total demand, 3x the offering

€46.1M

Initial market cap

2020 FIGURES (€M)

L A R G O



TrenDevice™

2020 Revenues	10.1	9.3
EBITDA	-1.7	0.8

Market Cap (as of 26/11/21)	27.7	14.3
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NPF	2.8	1.5
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EV	30.5	15.8
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Multiples

EV/Revenues	3.0x	1.7x
EV/EBITDA	neg	19.8x



What's going on stock markets

- IPO price was set at **0,81 €** per share in October 2020. Investors got free warrants (call options) 1:1
- Shares peaked **1,62 €** in April 2021
- As of today share 1Y performance is around **+33%**.

	Value (€)	Performance
IPO price (27/10/2020)	0,81	
Current Stock price (as of 26/11) (A)	1,03	+ 27% from IPO
Current warrant price (as of 26/11) (B)	0,15	Investors got free warrants (call options) 1:1
Current Stock +warrant value (as of 26/11) (A+B)	1,18	+46% from IPO
Target price (based on EnVent Capital Market Equity Research of 7 th October 2021)	1,71	+66% potential upside

2021-2023 Development Plan



TrenDevice®

1 / 5 – Device Rental



- Tested on **100 customers** in 2019/2021 with positive results
- Monthly fee **starting from 9,90 €** + a deposit
- For **B2C** and **B2B** market
- **Cancel/Upgrade** subscription at any time
- **DaaS market** is exploding: from 9,8B \$ in 2019 to 190B \$ in 2026, worldwide⁽¹⁾
- Business line with **70% EBITDA** margin

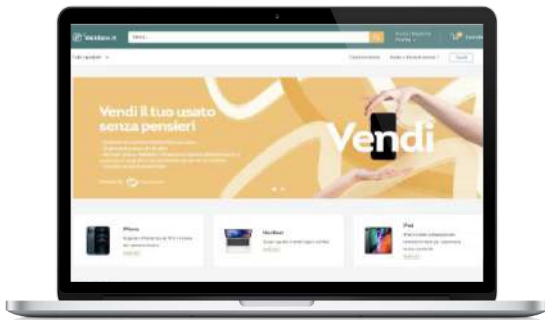
(1) Industry Research - <https://www.industryresearch.biz/TOC/1748039>

2/5 - Retail development

- Average daily takings of the first Store **beyond the expectations**, after Covid-19 lock-down
- 10 directly operating retail stores by 2023
- Strong demand from **potential franchisees** in response to the first TrenDevice Store in Milan
- Possibility of acceleration by opening franchised retail stores
- **Franchising to:**
 - Allow online/offline integration (40% of those who have made purchases via TD online would prefer to do it offline)
 - Move the business to a channel without the pressures of online competition
 - Important contribution to EBITDA with start-up and recurring fees



3 / 5 - C2C marketplace - Validato.it



- Makes it possible to intercept the underlying demand for **certified used** products
- Affordable market shares from general ad portals (subito.it)
- Market shares from auction sites (eBay)

In both cases, consumers want to maximize the value of their used item and are not willing to pay the premium for a refurbished item

- Allows the seller to **receive a higher price** vs. TrenDevice instant buy
- Allows the buyer to **purchase a device at a lower price** vs. refurbished, but also to have a product that's certified and with a 3-months warranty
- Business based on buyer's and seller's fees + additional services (featured ad, battery replacement, etc.)
- **No floating capital employed** and **zero risk of inventory write-down**
- Success stories in the fashion & luxury sector: Vestiaire Collective (\$115M revenue; \$450M total funding) and Vinted (\$100M revenue; \$260M total funding)

4 / 5 – Expanding into Belgium



- Belgium: 11.5 million inhabitants, **3 languages spoken** (Dutch, German, French). It has one of the **highest productivity** in the world. An **ideal hub** from which to launch a broader European expansion in the future
- The Company has obtained financing from the state-owned **Simest S.p.A.** at highly advantageous conditions in order to expand e-commerce abroad: **€450,000**, 25% of which as a grant and the remainder at an interest rate of 0.055%
- A **commercial partner** to help develop the market in Belgium has already been selected

5/5 - Services



Long-term objective

To reduce EBITDA dependence on the buying and selling of refurbished products

- Due to the effects of the Covid-19 pandemic on the economy, the situation in 2021 is still uncertain in terms of the margins from products deriving from the wholesale channel. To stabilize the core business margins, management will continue to **develop high-margin services and activities**
- **Service development:** rental, video courses and franchising fees
- **Data and brand monetization:** co-marketing contributions from third parties; enhancement of the customers DB thanks to robust profiling of the average user



Thank you



TrenDevice®