



GROUP SFIT

THOMSON
Computing

TECHNOLOGY FOR
THE MASSES

MANAGEMENT
PRESENTATION
APRIL 2022

#creation #innovation #passion

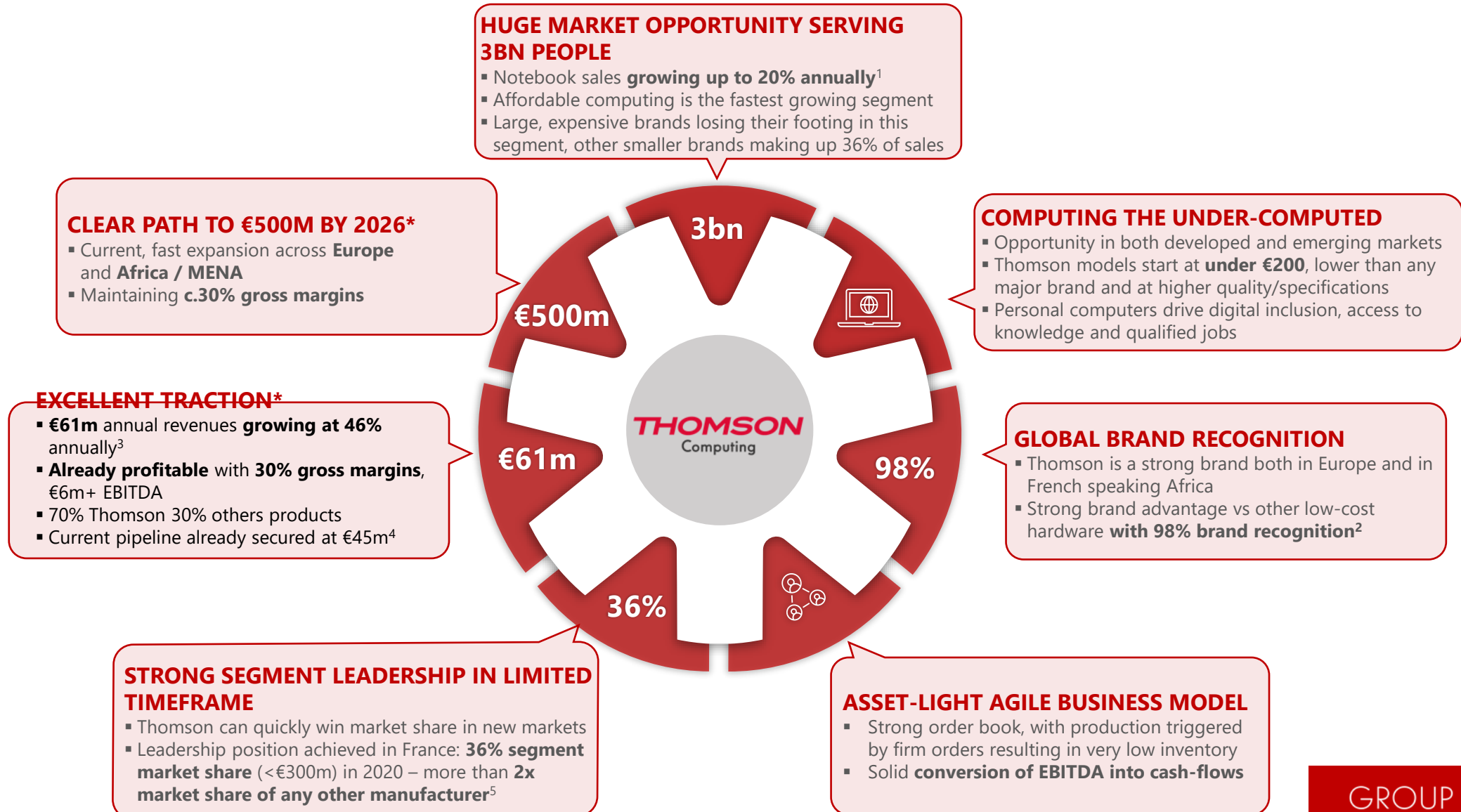
SPEAKER TODAY



Stephan Français
Managing Director and Founder

- Former Purchasing Director of Surcouf, PPR/FNAC group
- Creator of successful brands Dexim (iPhone accessories) and Soundvision (TV & Audio furniture)
- Graduated with a master's degree in business creation, a DEA and a doctorate in political science

A LEADER IN THE ENTRY-LEVEL LAPTOP MARKET



PERSONAL COMPUTING PRESENTS A HUGE MARKET OPPORTUNITY

A GIGANTIC WORLD MARKET

Worldwide sales of tablets and laptops

168 €Bn¹

...GROWING AT 6% PER YEAR

Laptop / PC Market Size³

Annual Growth³

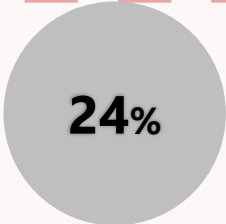
Entry & Entry+ Segments⁴
Developed Markets

THOMSON



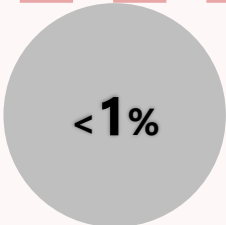
Entry & Entry+ Segments⁴
Emerging Markets

THOMSON



“Premium” Segment⁴
Global

Saturated with:

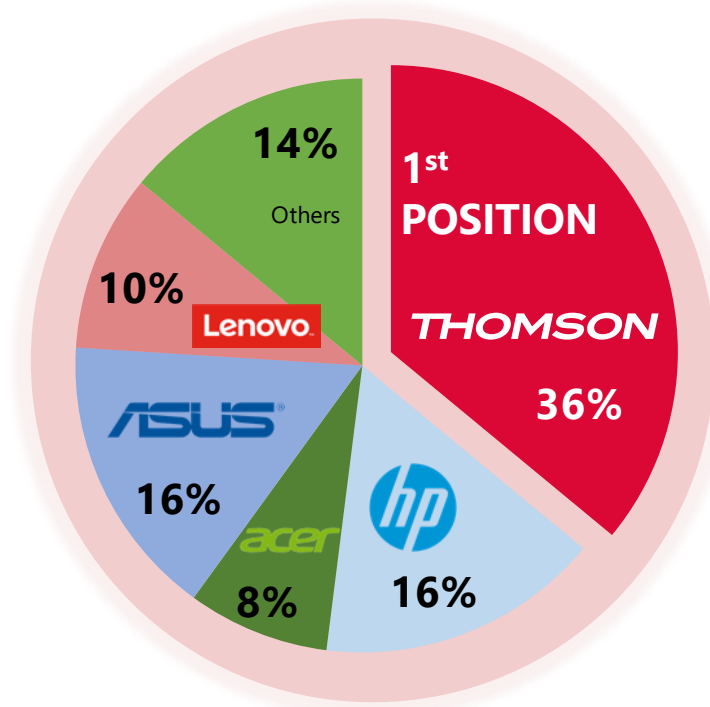


¹ Statista Billion€, ² Q2 2021 over Q2 2020 - Worldwide Quarterly PCD Tracker, December 2021
³ DAIM estimates, ⁴ Entry segment €150-300, Entry+ segment €300-500, Premium segment €500+

ALREADY THE LEADER IN <€300 "ENTRY" SEGMENT IN FRANCE

Thomson computing continues to be the leader in France in the entry segment with **36% of the market** (vs. 7% in 2016)

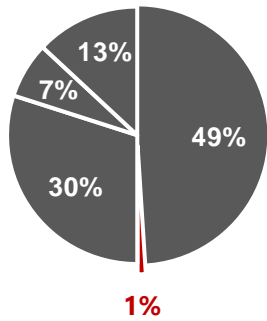
<€300 MARKET
SHARE 2021 IN
FRANCE



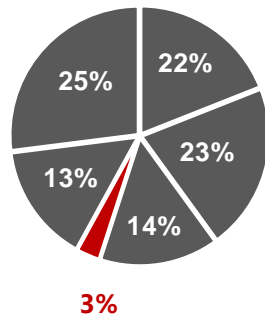
AND GROWING TO A LEADERSHIP POSITION IN €300-€500 "ENTRY+" SEGMENT

Thomson is replicating its success in the entry segment in the entry+ segment

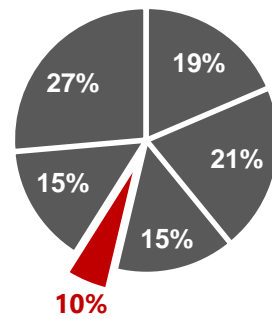
€300 - €500 MARKET SHARE IN FRANCE



2018

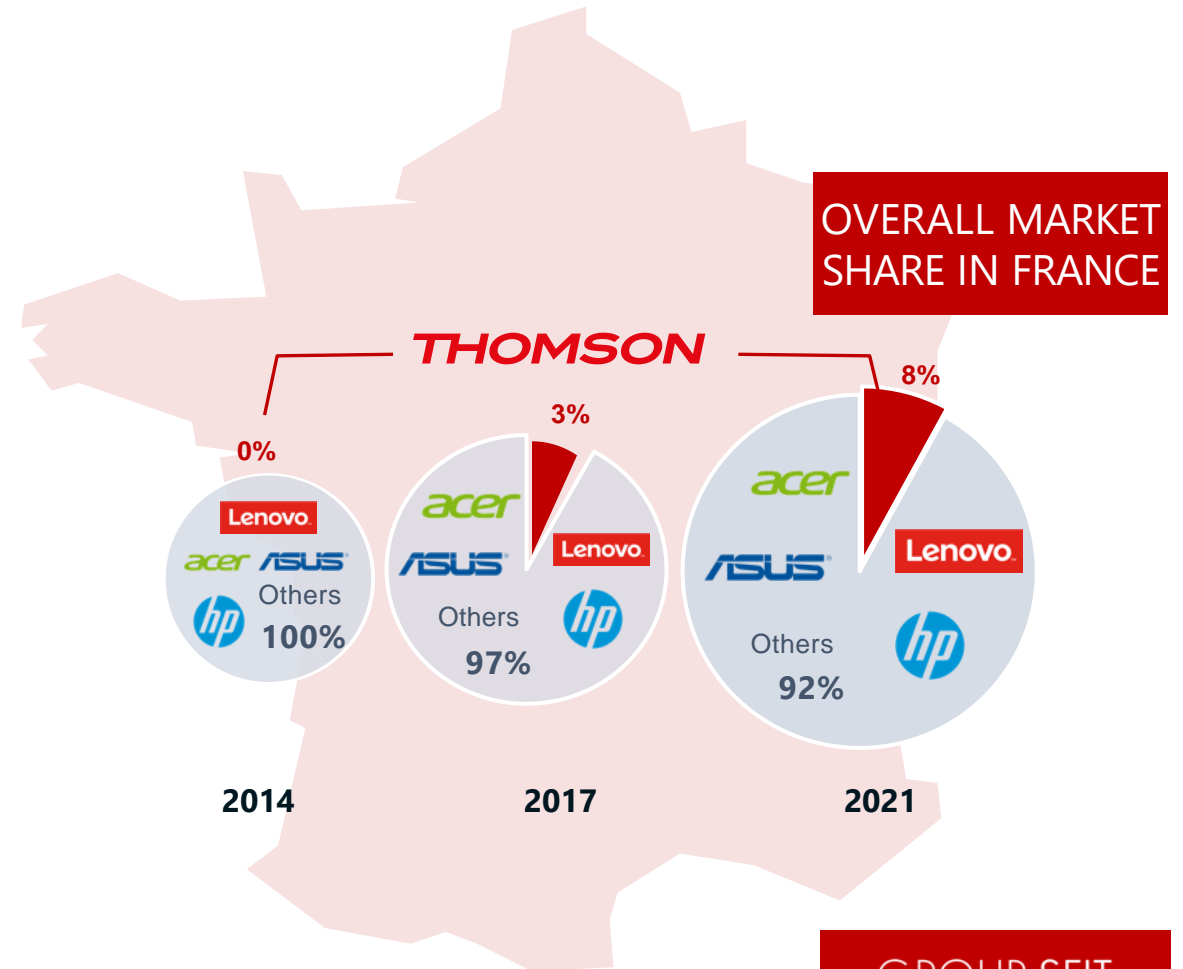


2020



2021

THOMSON

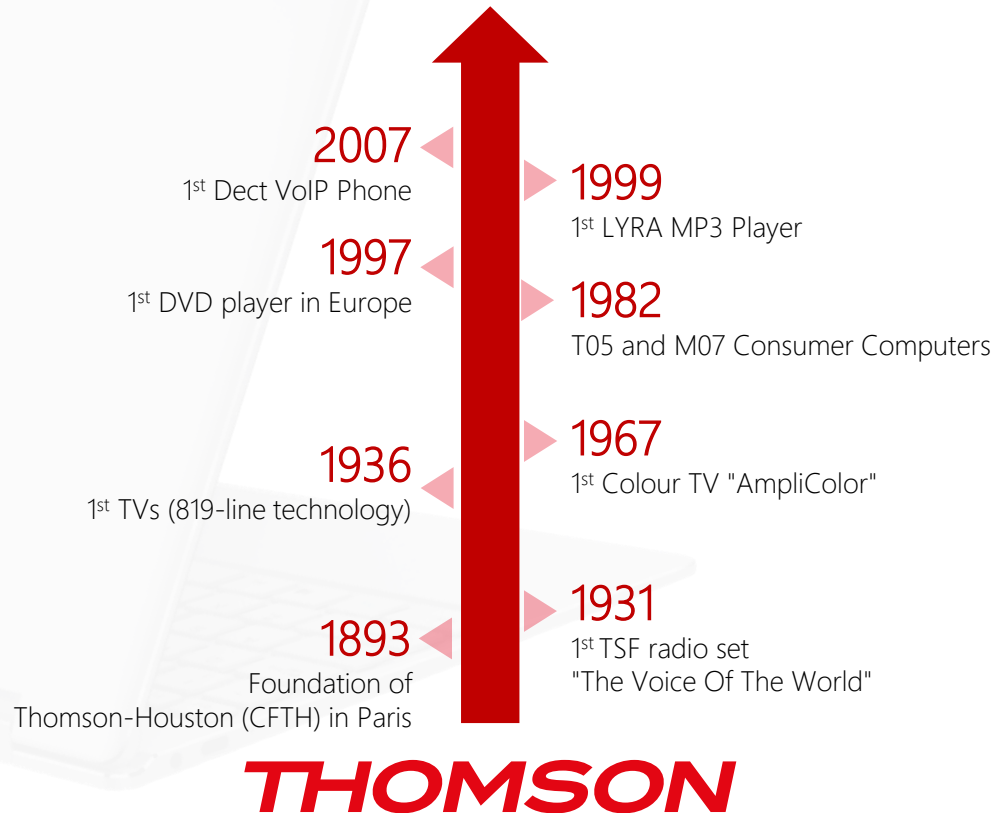


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THOMSON BRAND PROVIDES MARKET DIFFERENTIATION

15 year global brand exclusivity for computers and tablets

125 YEARS OF INNOVATION



STRONG BRAND RECOGNITION

Awareness Rate¹ **98%**

An International Brand

Wide Range In Consumer Electronics

Top 3 European Brand in TV
(license operated by TCL, n°2 worldwide)

Long Standing Presence In Computing

THOMSON
friendly technology



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AGILE BUSINESS MODEL ALLOWS SUPERIOR PRODUCTS AT LOWER PRICES, WHILST MAINTAINING MARGINS

Cheaper than major competitor brands for equivalent quality and specification

			
	THOMSON	ASUS	hp
	NEO 14"	NOTEBOOK 14"	NOTEBOOK 14"
Taille	14,1" HD	14,1" HD	14,1" HD
CPU	INTEL CELERON 😊	AMD E2 😞	AMD A4
RAM	4 GB	4 GB	4 GB
STOCKAGE	128 GO	64 GO	64 GO
OS	WINDOWS 10	WINDOWS 10	WINDOWS 10
PRICE	219€ 😊😊😊	€299 😞	€299 😞

- ✓ Fabless model; company designs a range of products
- ✓ Close partnerships with **Tier I chip manufacturers** and **large ODMs**; utilising their scale maintains competitive production cost
- ✓ Lean and agile organisation allowing **strong margins** and **flexibility of product** catalogue
- ✓ Direct sales to large retailers; production on firm orders **minimises inventory**

Qualcomm/arm UNIQUE PARTNERSHIP WITH 5G LEADER PLAYER

Microsoft ONLY EUROPEAN COMPUTING BRAND TO HAVE TOP-TIER O3 LICENSE

30%

On average for a computer with identical performance, Thomson Computing is 30% cheaper than competitors



Capacity to produce bestsellers

Three offers to cover the market

1 **NEO Notebook**
10-17"



Microsoft Office
included (NEO10)

2 **NEOX Notebook**
13/14"
aluminium



Bestseller in Europe
(NEOX14)

3 **NEOY Ultrabook**
12/14"
ultra-fine aluminium



▼
**OUR
GOAL**

Develop new and
trendy products

up to
35%
cheaper

of equivalent quality

WITH A BROAD CATALOGUE OF PRODUCTS¹

Android Tablets

Starting from €99



8 inch Android 11
2 Gb RAM, 4000 mAH
MTK8167
800*1200 IPS
€99



10 inch Android 11
2 Gb RAM, 4000 mAH
a100
800*1200 IPS
€129



13.3 inch Android 11
2 Gb RAM, 4500 mAH
Allwinner A133
1366*768 TN
€199



8 inch Android 10
3 Gb RAM, 4300 mAH
Qualcomm 4250
800*1200 IPS
€199

CORE PRODUCT RANGES

Windows Laptops

Starting from €199



13.3 inch
Intel® Celeron™ N4020
4 Gb RAM DDR4
64 Gb eMMC
€199



15.6 inch
Intel® Celeron N4020™
4 Gb RAM DDR4
128 Gb eMMC
€299



15.6 inch
Intel® Core i3
4 Gb RAM DDR4
128 GB SSD M.2
€399



13.3 inch
Intel® Core i5
16 Gb RAM DDR4
512 GB SSD M.2
€599

Accessories and Desktops



AMD Rizen 3 3200G
8Gb RAM
240 SSD
€499



Intel Core i5 10400
16Gb RAM
240Gb HDD
€899

% of sales
(2021)

1%

97%

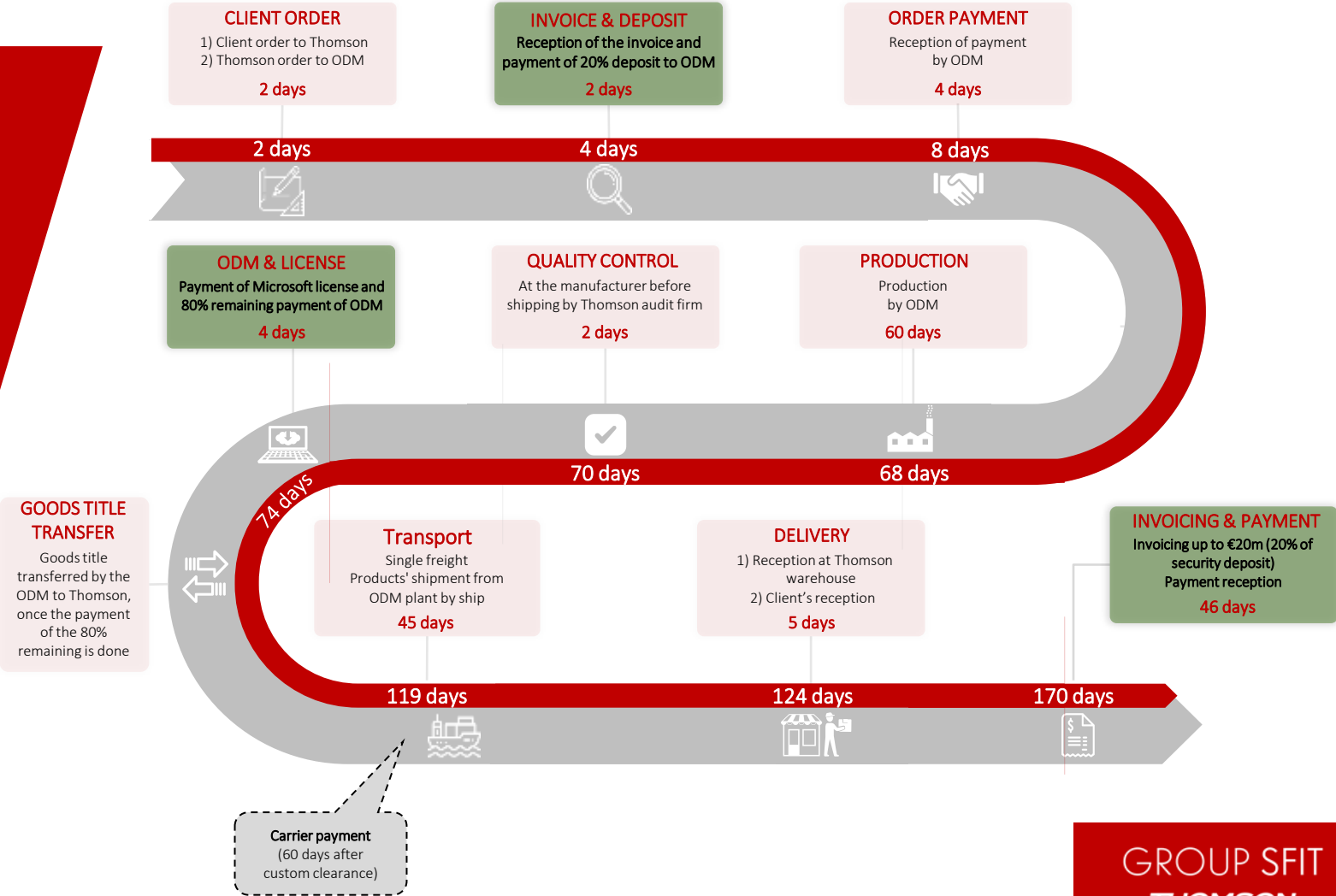
2%

PRODUCTS ARE ONLY BUILT ON FIRM ORDERS

Direct sales to large retailers;
production on firm orders **minimises inventory**

Maximises **capital efficiency**

Allows for **agile product offerings**



A 40 PEOPLE COMPANY LED BY AN EXPERIENCED TEAM



Stephan Français

Managing Director and Founder

- Graduated with a master's degree in business creation, a DEA and a doctorate in political science
- Former Purchasing Director of Surcouf, PPR/FNAC group
- Creator of successful brands Dexim (iPhone accessories) and Soundvision (TV & Audio furniture)



Marc Deschamps

Chairman of the Board of Directors

- Founder of Drake Star Partners
- Founder of Chello NV (IPO \$1 billion)
- HyperloopTT Advisory Board Member
- Former COO of Broadband, BT Group



Jean-Baptiste Agoulon

Finance Director and Investor Relations

- Graduated with master's degree in audit and management control
- Former Business Analyst at HP Hardware for 6 years



Jessica Peyrusaubes

Director of Accounting

- More than 10 years of experience in accounting-management



Victoria Charreyron

Purchasing Director

- More than 15 years of experience in International Trade
- Expert in Sourcing, Negotiation and Purchasing in the field of IT
- Advanced knowledge and mastery in the field of transport



Nicolas de Saint Remy

Export Sales Director

- Former Technical Director at Yamaha Elektronik
- Former Sales Director at Verbatim



Kim Koldby

Sales Director Europe

- Former Sales Director at Medion Informatique (annual turnover Europe 900M€)
- Former Sales Director at TrekStor IT (annual turnover 150M€)



Mengqiu Zhu

Design Director

- 20 years of experience in design and product design
- Limitless creativity



Sylvain Hervieux

R&D and Products Director

- Former entrepreneur
- More than 15 years of experience in the electronics sector

THOMSON CAN MAKE A REAL IMPACT BY SUSTAINABLY COMPUTING THE UNDER-COMPUTED

3bn PEOPLE

Emerging markets have huge under-computed populations: Africa, Middle East, South East Asia

BENEFITS SOCIETY

Personal computers drive

- digital inclusion
- access to knowledge and qualified jobs

<€200

- Thomson models start at under €200, **lower than any major brand**
- Thomson devices have a **significant quality advantage** over other products at this price point
- Most other entry level PCs have been sub-quality and are not full Windows based devices



Impact initiatives include:

- Focus on the "right to repair", reducing customers' electronic waste and increasing the lifespan of products
- Optimising packaging and transport to minimise carbon emissions
- A partnership will be signed with associations to provide computer technician training for people in need of work

> 100 CLIENTS GROWING QUICKLY

Focusing on large retail and eCommerce partners across the globe

Partners typically work on 3-month order cycles

Minimum orders are typically 1,000+ units

58% of volume is from large retail sales vs. 42% eCommerce¹

ESTABLISHED PARTNERS:

France



International



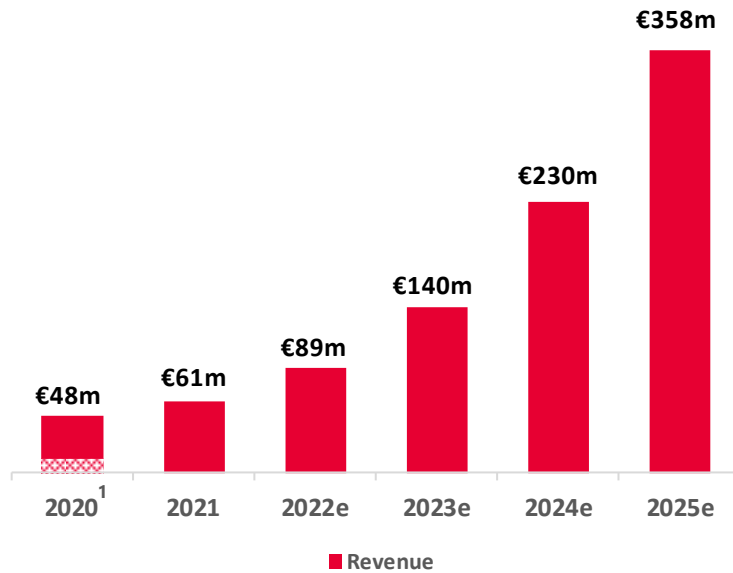
NEWLY ESTABLISHED PARTNERS:



A PROVEN TRACK RECORD WITH EXCELLENT TRACTION

Impressive top-line growth with **sustained profitability**, whilst undercapitalised

Already achieving €61m revenues and 250k+ annual laptop sales* + 30% others products

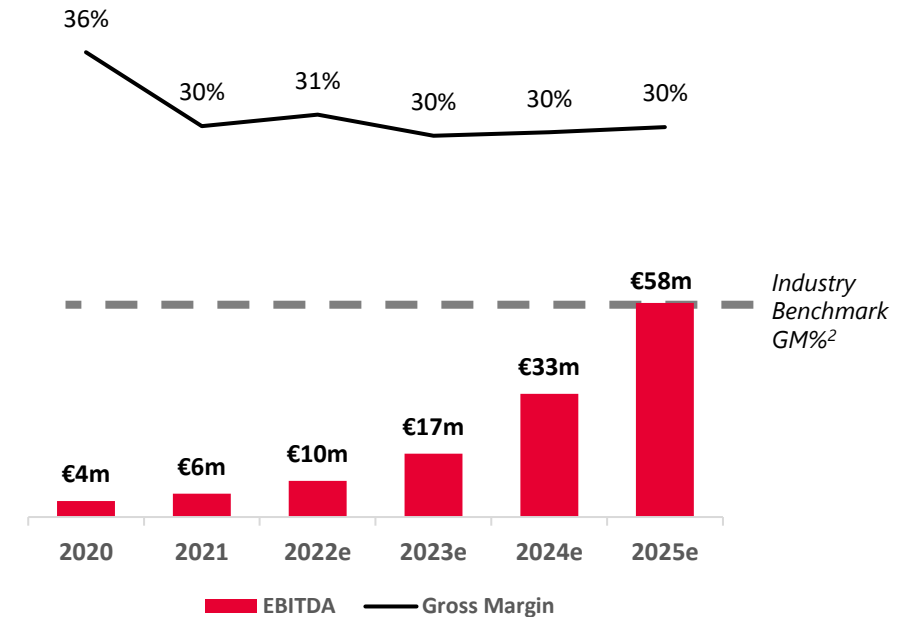


Leadership in France and expansion across Europe and into Africa / MENA driving strong revenue growth

Production on firm orders only enabling agile product offerings with minimal inventory

Strong gross margins of 30%+ vs. 22% for leading industry players²

EBITDA + Gross Margin*



* Projected financial information generated by DAI Magister,
¹ Shaded area represents €11.8m of non computing revenue for COVID related products
² Mean 2022e gross margin for HP, Dell, Lenovo, Apple, Asus, Acer. Source CapIQ

A CLEAR EXPANSION STRATEGY

A mix of direct and indirect sales according to the needs and location of customers



AN EXISTING AND PROVEN EUROPEAN/US STRATEGY

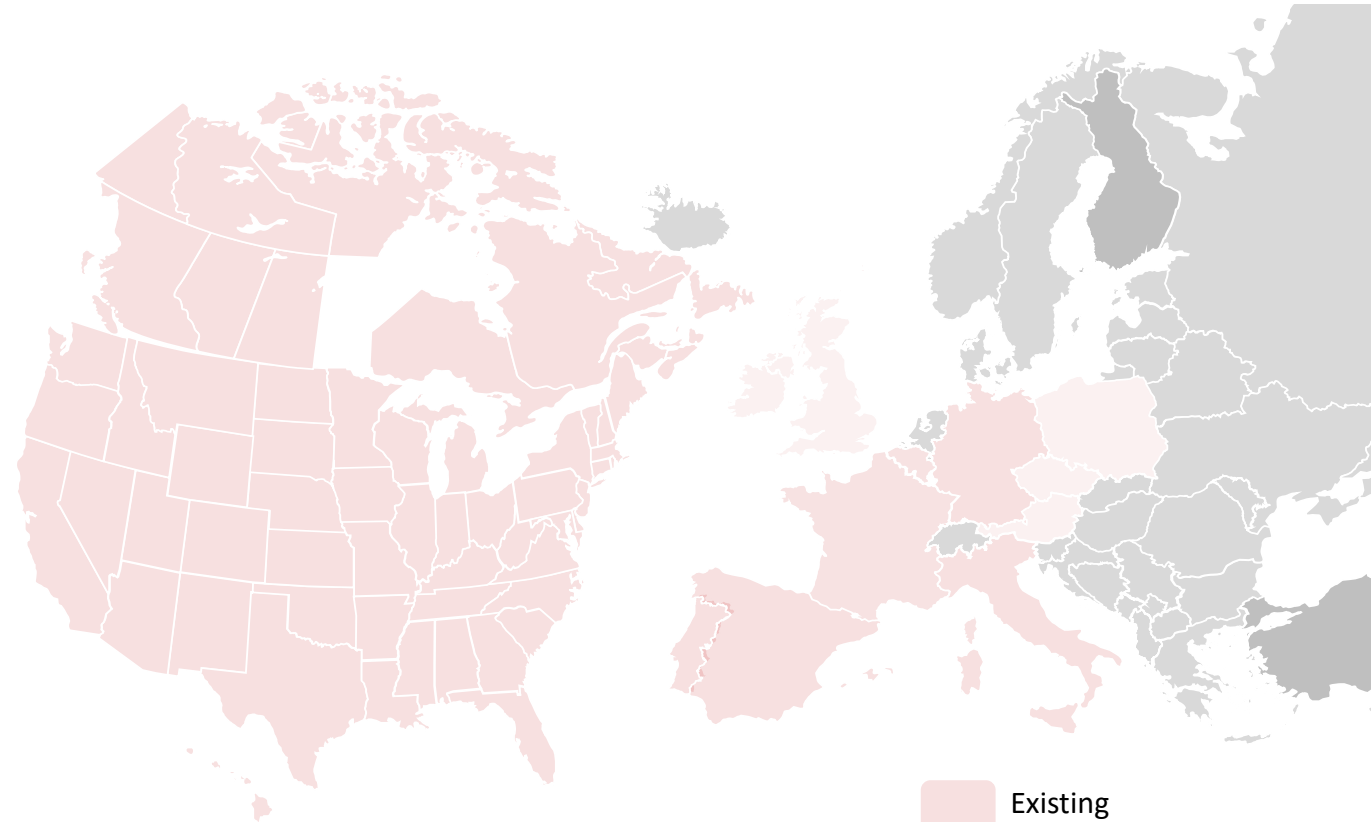
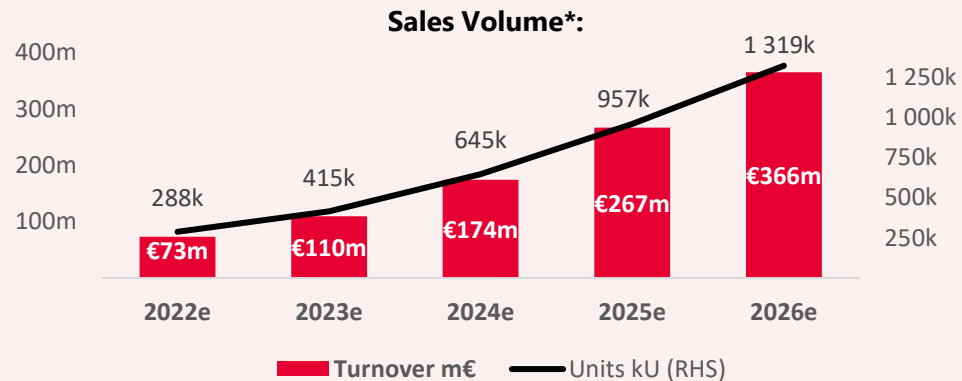
Combination of direct sales and distributors

SALES STRATEGY:

- France: Direct sales to large retailers
- Rest of Europe: Direct sales to large retailers supported by local distributors
- USA/Canada: Distributor led elsewhere with key regional sales leads within Paris HQ

AFTER SALES SERVICE & SUPPORT:

- In-house in France for all of Europe
- Service Partner for the US
- Pipeline of €68m+¹ already secured for 2022



Existing
Planned 2022/3



COUPLED WITH A CLEAR AND EFFECTIVE EMERGING MARKETS STRATEGY

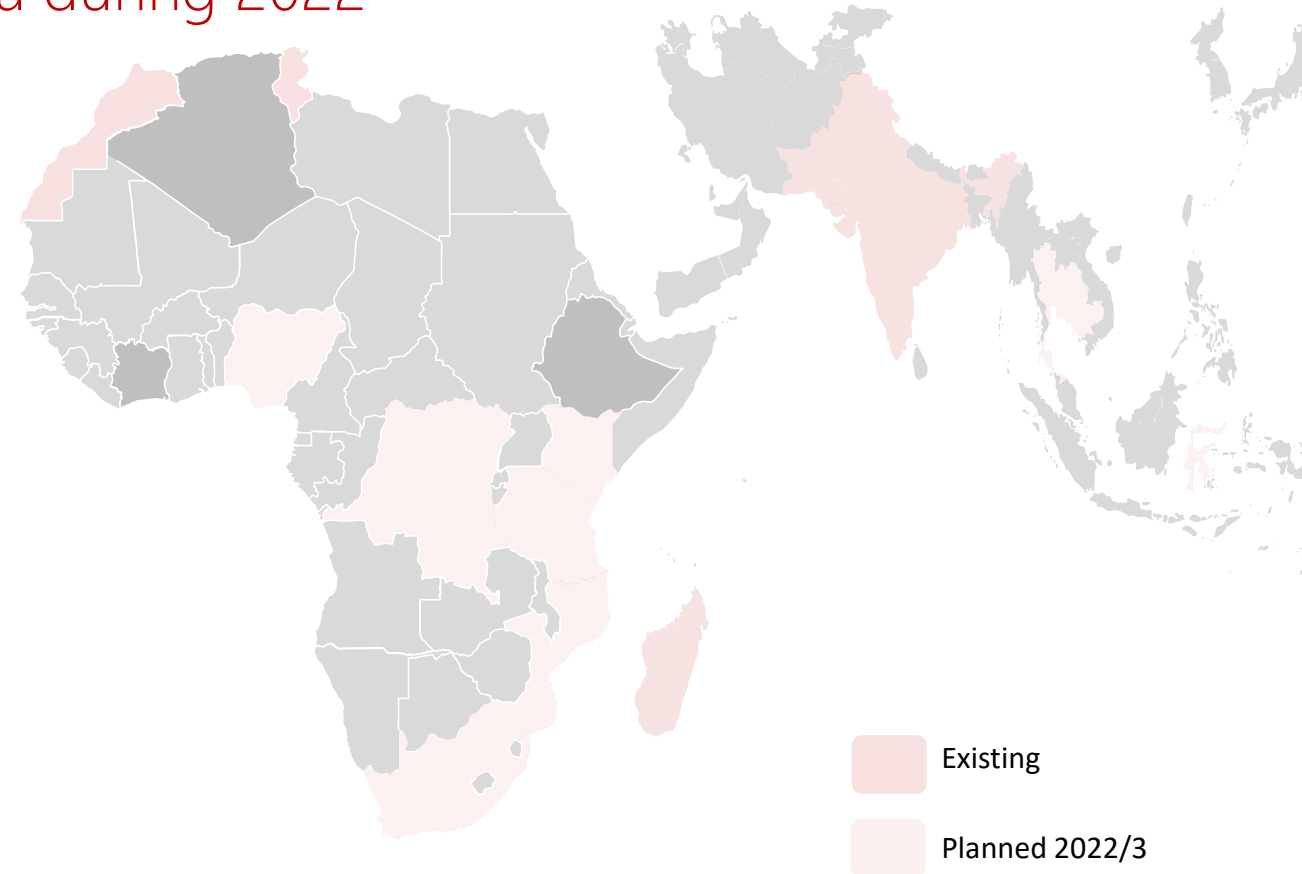
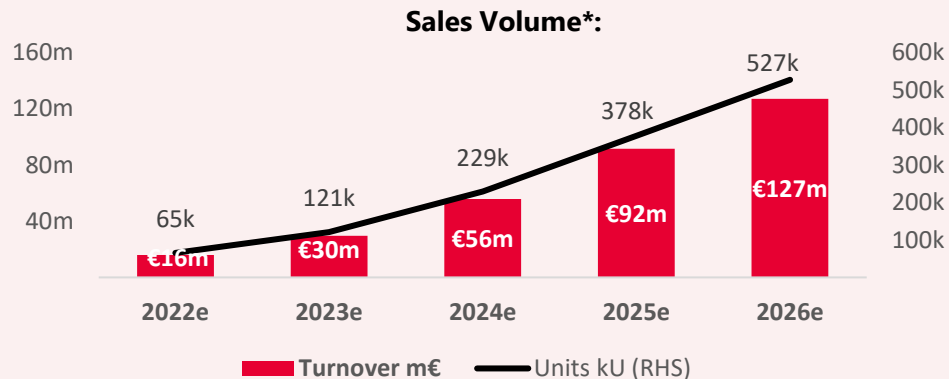
Distributor-led approach, focusing on Africa during 2022

SALES STRATEGY:

- Distributor led across EM
- Key distributors already signed up in South Africa and Madagascar

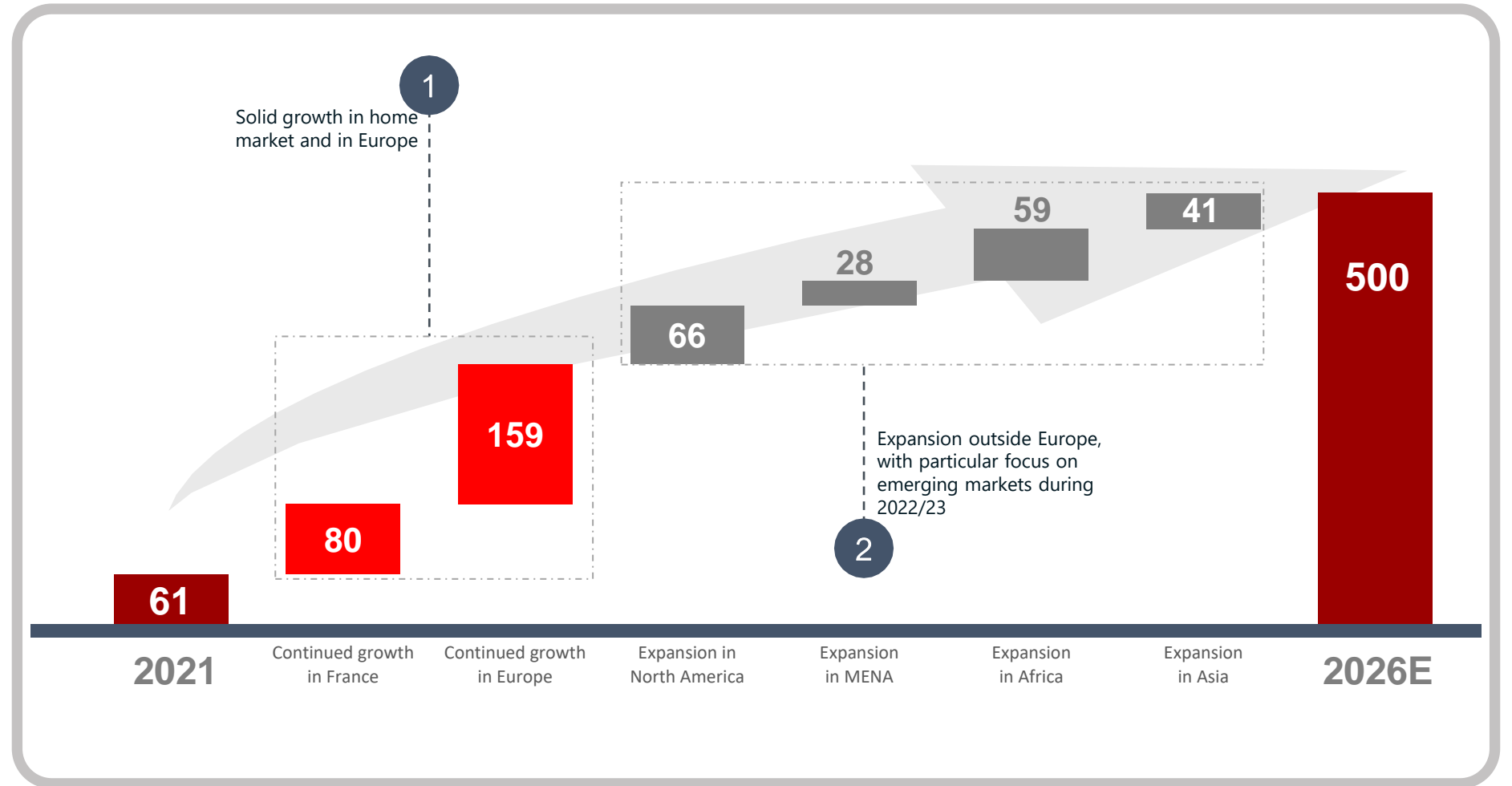
AFTER SALES SERVICE & SUPPORT:

- Service Partner (Falcon Technology Morocco) for region, with Avenir Telecom as a key distribution partner
- Pipeline of €7m+¹ already secured for 2022



WITH A CLEAR PATH TO €500M REVENUES

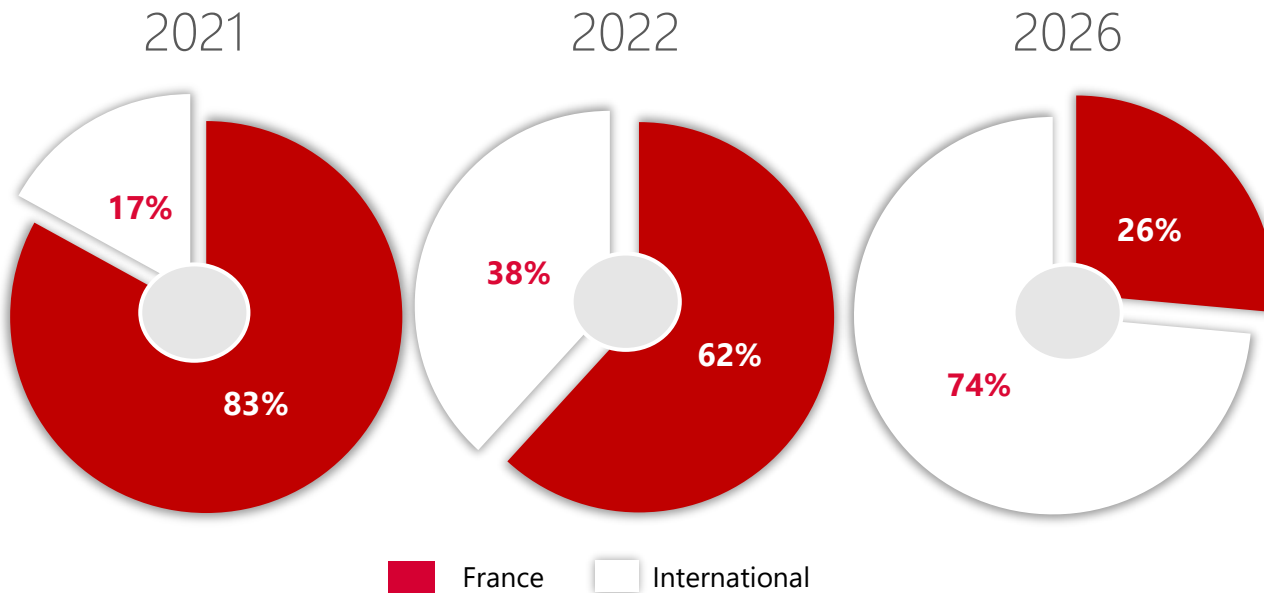
Thomson Computing to increase revenue by c.8x by 2026* thanks to a clear and proven strategy



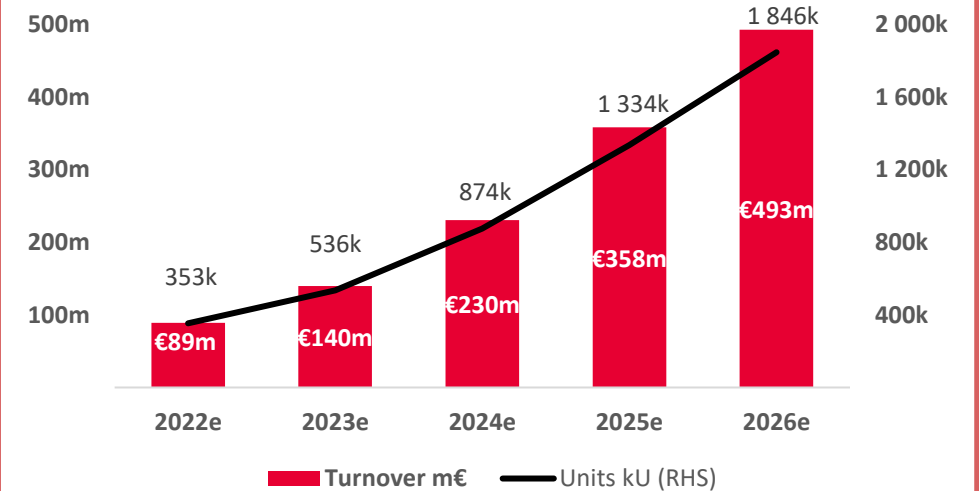
A STRONG GROWTH PROFILE

With an evolving footprint

Geographic Split*



Path to €500 million revenues in 2026*



CURRENT SHAREHOLDING

Founder owned, supported by a well known French Ambassador for sport and inclusiveness

Listed on Euronext Access+ Paris



Teddy RINER
Ambassadeur
Thomson Computing

- French judoka
- Winner of 10 world championships and 3 Olympic gold medals
- Awarded French National Order of Merit

Stephan FRANÇAIS
(Founder/CEO)

69,18%

7,27% **Teddy RINER**
(Ambassador)

Distribution of
capital as at
06/12/2021

23,55%
Free Float*

Upmarket move underway

A strong, value-generating model

THEORETICAL MODEL



Retail price incl. VAT	€199	€599
Turnover excl. VAT	€150	€450
Components + software + assembly	€118	€290
Transport	€6	€6
Total direct costs	€124	€296
Margin on direct costs	€26	€154
% of turnover	17%	34%

* Average of models with equivalent characteristics

ACHIEVEMENTS

First orders recorded for new ranges



1,000 units
at €399.00 incl. VAT
by a supermarket client



1,000 units
at €599.00 incl. VAT
by a specialised store client

A modern take on the IT industry

The Zara model applied to IT, a guarantee of competitiveness

KEY POINTS

PRODUCT CYCLE



3 years
to amortise costs and
marketing expenses



6 months
with rapid renewal
of models

PRODUCTION

Forecast
with high inventories

Based on orders
with low inventories

MARKETING EXPENSES

High
Distinctive strategy
through global campaigns

Low
By leveraging the
distributor network

RESPONSIVENESS

3 months
to comply with
distributor schedules

3 months
to comply with
distributor schedules

SALE

Subsidiaries in each country
Offices and sales force

From France
Wholesalers and distributor partners



THOMSON