



Investment sheet

Company name	Greentom Holding BV
Contact person	Maarten Wellens
Chamber of Commerce number	57725179
Pledged goal	€ 375.000
Ultimate goal	€ 750.000
Financing form	Loan
Duration loan	4 years
Interest	7%
Website	www.greentom.com
E-mail	crowd@greentom.com
Phone number	084-8716788

Pitch

Greentom is on a mission: designing and producing smart, functional and sustainable strollers that colour the world and the future of our children green.

The strollers are made of high quality recycled plastic (PP), bio-plastic and recycled soft drink bottles (PET). This choice of materials ensures that Greentom strollers are not only sustainable but also affordable, lightweight, strong and safe. After use, the components can be reused or recycled.

The Greentom stroller consists of three sustainable raw materials, 28 unique components and can be assembled within 5 minutes anywhere in the world. Greentom currently assembles in the Netherlands for the European market and in China for the Asian market.

The simple frame is the starting point for the development of new strollers and provides a proven base frame in order to minimize capital investment and decrease time to market. By changing only 5 components we are able to produce a completely new stroller. Three new stroller concepts are ready to be produced.

Today Greentom is selling its products in more than 20 countries worldwide and in the next 6 to 12 months Greentom is looking to expand to the China, the United States and launch two new products. This will require significant investments in Sales, Marketing, Development and Working Capital.

Support Greentom to build a greener future for all children!

Team

Greentom has a dedicated and enthusiastic team of 24 professionals and we are expanding our team in China to prepare for further growth. Because of our simple product assembly and scalable business model, increase of overhead cost will be limited and profitability will increase quickly.

The senior Greentom team has more than a century of international commercial, operational and financial experience.

Name	Role	Responsibility
Bart Borst	Creative Director	▪ Product development
Maarten Wellens	Managing Director	▪ General, Finance, Operations
Roger Scheffer	Sales Director	▪ Sales
Floor Wellens	Marketing Director	▪ Marketing

Investment goals and financing needs

Since its foundation in 2013 Greentom has worked hard on its introduction of the world's first and only green stroller and is currently selling in more than 20 countries and has more than 250 points of sale. In the next 6-12 months we aim to accomplish the following steps:

- New Markets: China and the United States (60% of the investment). Last year (2015) approximately 60% of the turnover was realized in Europe. In 2020, due to growth outside of Europe, we expect the European share to decrease to less than 10%.
- New products: Launch 2 new products (40% of the investment).
The simple frame platform allows cost effective and quick development of new strollers.

During the last 3 months Greentom has been expanding its own China team and has set up its own Shenzhen company. With the change in China's one baby policy, interest in foreign products and the high growth of the Chinese middle class, we expect China to be one of the most interesting markets in the coming years.

Also the United States is a very big market. As all strollers are currently made and imported from China, we believe that Greentom can make a huge difference with its "made in the USA".

If we collect 375.000 Euro, we can fund the expansion in China and the introduction of one new Greentom strollers. If we collect 750.000 Euro, we can expand to the United States as well as China **and** introduce 2 new Greentom strollers, increase our product assortment and increase the Greentom market presence worldwide.

Previous investment rounds and loans

Since its start in 2013 a very large part of Greentom's investments (product development, tool investments, Sales and Marketing) have been made on its own. Today, over Euro 3M has been invested in equity of which the two founders have brought in a substantial part.

De market

The global stroller market is Euro 1.5 billion (2015) and is growing with 5% per year. More than 95% of all strollers are made in China today and is dominated by roughly 10 global players. The market is very conventional, not a lot of innovation and is characterised by traditional distribution channels (producer > distributor > shop > consumer).

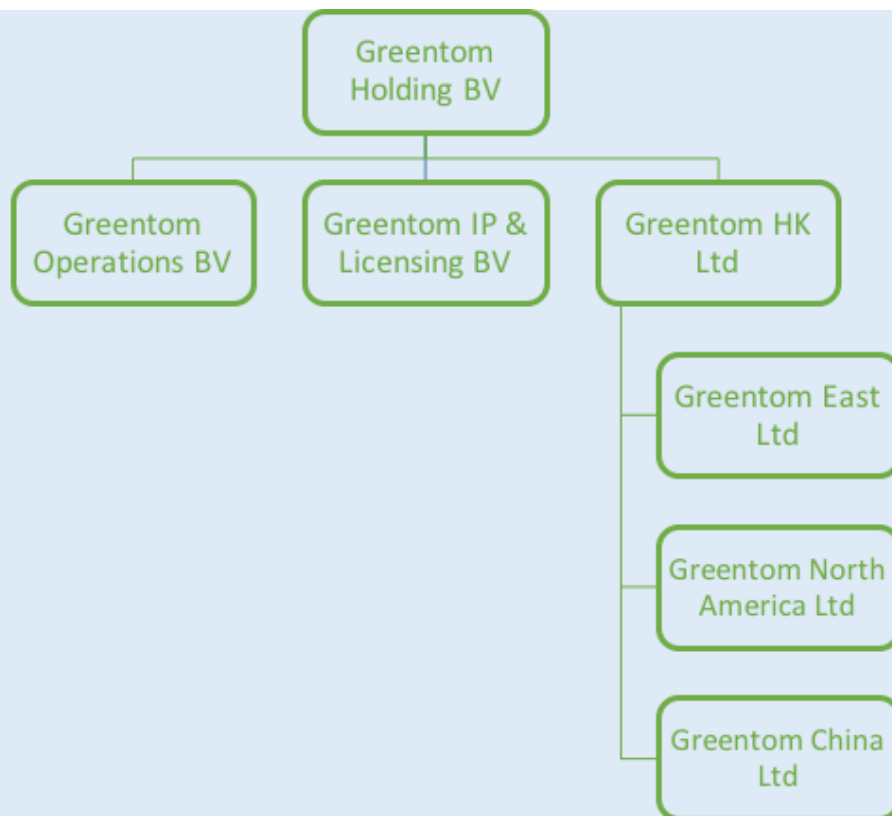
The main differentiators from the competition are:

- Different, high quality and sustainable product
- Product platform for new products
- Local production and assembly
- Flexible and short supply chain
- Focus on direct to consumer online sales

Because the Greentom business model is easily scalable, the profitability will increase rapidly if turnover grows.

Organization

Greentom is founded in 2013 by Bart Bost and Maarten Wellens. Greentom has three operating companies. All companies under the Greentom Holding BV are in complete ownership (100%). The Asian, Americas and Chinese sales run through our Hong Kong Ltd., while our European activities are in the Greentom Operations BV. All IP & Trademarks are accommodated in our IP & Licensing BV. The two founders own 82% of the group. The other shares are owned by two private investors.



The crowdfunding loan will be invested in Greentom Holding BV. All group companies will co-sign and be responsible for the repayments and interest of the crowdfunding loan.

Financial

Although Greentom is founded in 2013, the first turnover has been recorded in 2015. The outlook for 2016 is very promising and we expect to fourfold our turnover compared to 2015. One of the key drivers is China, where we to-date already have made good progress and positions us well for the remainder of the year.

After the expected losses in the first years we expect to be profitable in the fourth quarter of 2016. Our flexible business model enables us to still be profitable in the last quarter of this year even if our aggressive sales for 2016 will not be met.

	2015	2016	2017	2018	2019	2020
Turnover	897K	3.635K	9.259K	17.650K	30.250K	46.068K
Cost price	-661K	-1.823K	-3.884K	-6.713K	-10.759K	-15.520K
Gross margin	236K	1.811K	5.375K	10.936K	19.492K	30.548K
Personel cost	-1.104K	-1.465K	-2.285K	-2.755K	-3.410K	-3.720K
Other cost	-394K	-1.165K	-2.056K	-2.775K	-3.306K	-3.715K
Operating result	-1.262K	-818K	1.034K	5.406K	12.776K	23.113K
Net profit (after interest and tax)	-1.022K	-655K	741K	4.029K	9.565K	17.326K

Greentom is confident that its ambitious growth plan is achievable:

- Our solid basis in the existing 20 countries allows for further growth in the next years. The introduction of the new products will accelerate this growth.

- Year-to-date 2016 our China sales are already close to 50% of total worldwide sales. We expect this trend to continue.
- The US introduction is ready and we have lined up sufficient stores for the launch on the west and east coast.
- In the event that sales will be behind our estimates, we are confident that Q4 2016 profitability will be in tact, due to our flexible cost structure.

The table below shows that our ability to repay the crowdfunding debt plus interest is solid even if sales lags behind by 40%.

	2017	2018	2019	2020
DSCR basis scenario	4X	29X	65X	124X
DSCR (-40%)	2X	5X	15X	30X

As additional security, the crowdfunders will be given a lien on Greentom's inventory and receivables. Also the two founders will give a personal guarantee for half of the collected loan amount.

Analysis Oneplanetcrowd

Findings

- High end consumer product made of recycled materials which are easy to obtain. Assembly of the product can be done fast, easy and against low costs which makes the product affordable for a wide range of customers;
- Strong management team that has a clear market vision;
- Greentom has contracts with valuable sales partners who have solid knowledge of crucial markets;
- Greentom is fully operational and 'start up' errors concerning production and operation have been tackled;
- In 2015, revenues have grown from €3.367 towards €900.000, generated in 20 countries;
- Greentom has been able to attract more than 3 million in equity investments, which mainly comes from the entrepreneurs and affiliated parties. This clearly shows a committed management team.

Risks and mitigants

- At this moment, Greentom is still in its start-up phase and not yet cash flow positive. As of next year it is expected that Greentom will be profitable and likely to generate positive cash flows;
- The business case forecasts ambitious growth figures and expects Greentom to enter multiple markets in various geographic areas at the same time. This can present a risk. However, Greentom works together with experienced sales partners in these markets. These partners are likely to be able to make a good estimate of potential revenues in the markets they represent;
- Despite the fact that there is an excellent underpinning of future revenue streams, the risk arises that the anticipated forecasts will not be generated. In this case, operational costs can be reduced by approximately (30-35%) and investments can be limited;
- In a negative scenario, in which anticipated revenues cannot be generated as projected, a downsize of max 50% of projected sales will still be sufficient to cover loan repayments.

How does Oneplanetcrowd assess projects and entrepreneurs? Read more [here](#).

Financing form and conditions

Loan

The loan has a tenor of 48 months, or 4 years. Repayment will be done annually, in four equal terms. The entrepreneur offers an interest rate of 7% annually. Accrued interest will be paid together with the annual redemption. The maximum loan amount will be EUR 750.000.

Subordination

The crowd will be subordinated to any future bank loans. At this moment, no financing has been provided by any bank.

Securities / collateral and guaranties

The crowd funders will be given a first-ranking pledge on Greentom's inventory and receivables. Also the two founders will give a personal guarantee for half of the crowdfunded loan amount.

Conditions

- Intellectual property rights and ownership must remain part of Greentom IP&Licencing BV and therefore cannot be moved. IP&licencing BV must remain in ownership (100%) of the Greentom organisation.
- Entrepreneur has declared to bring in an additional €250k in shareholder equity. This will be done before the crowdfunding can be received.

Disclaimer and financial risks

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