

Houlihan  
Lokey

# Circular Tech Market Insights

Q3 2025

# About Our Firm

Houlihan Lokey, Inc. (NYSE:HLI) is a leading global investment bank with expertise in mergers and acquisitions, capital solutions, financial restructuring, and financial and valuation advisory.

Our firm is the trusted advisor to more top decision-makers than any other independent global investment bank.

## CORPORATE FINANCE

2024 M&A Advisory Rankings  
All Global Transactions

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>415</b>
2	Rothschild & Co	406
3	Goldman Sachs & Co	371
4	JP Morgan	342
5	Morgan Stanley	309

Source: LSEG (formerly Refinitiv).  
Excludes accounting firms and brokers.

No. 1  
Global M&A Advisor

Leading  
Capital Solutions Group

## FINANCIAL RESTRUCTURING

2024 Global Distressed Debt &  
Bankruptcy Restructuring Rankings

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>88</b>
2	PJT Partners Inc	59
3	Rothschild & Co	48
4	Lazard	44
5	Perella Weinberg Partners LP	40

Source: LSEG (formerly Refinitiv).

No. 1  
Global Restructuring Advisor

1,800+  
Transactions Completed Valued at  
More Than \$3.8 Trillion Collectively

## FINANCIAL AND VALUATION ADVISORY

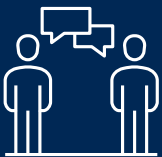
2000–2024 Global M&A  
Fairness Advisory Rankings

	Advisor	Deals
1	<b>Houlihan Lokey</b>	<b>1,243</b>
2	Duff & Phelps, A Kroll Business	1,045
3	JP Morgan	1,020
4	UBS	792
5	Morgan Stanley	698

Source: LSEG (formerly Refinitiv).  
Announced or completed transactions.

No. 1  
Global M&A Fairness Opinion  
Advisor Over the Past 25 Years

2,000+  
Annual Valuation Engagements



Learn more about how  
our advisors can serve  
your needs:

Corporate Finance →

Financial Restructuring →

Financial and  
Valuation Advisory →

Our Industry Coverage →



Our clients benefit from our local presence and global reach.

33

Locations  
Worldwide

**AMERICAS**

Atlanta	Los Angeles
Baltimore	Miami
Boston	Minneapolis
Charlotte	New York
Chicago	San Francisco
Dallas	São Paulo
Houston	Washington, D.C.

~2,000

Total Financial  
Professionals

345

Managing  
Directors<sup>(1)</sup>

**EUROPE  
AND  
MIDDLE  
EAST**

Amsterdam	Milan
Dubai	Munich
Frankfurt	Paris
London	Stockholm
Madrid	Zurich
Manchester	

2,000+

Clients Served  
Annually

\$12.59B

Market  
Cap<sup>(2)</sup>

**ASIA-  
PACIFIC**

Beijing	Shanghai
Gurugram	Singapore
Hong Kong SAR	Sydney
Mumbai	Tokyo

\$2.6B

Annual  
Revenue<sup>(3)</sup>

**Fully Integrated Financial  
Sponsor Coverage**

28

Senior officers dedicated to the sponsor community in the Americas and Europe.

1,900+

Sponsors covered, providing market insights and knowledge of buyer behavior.

850+

Companies sold to financial sponsors over the past five years.



(1) As of September 30, 2025.  
(2) As of October 31, 2025.  
(3) LTM ended September 30, 2025.

# About Our Circular Tech Team

The circular tech team, situated within Houlihan Lokey's Corporate Finance business, is a dedicated and highly skilled group of professionals committed to delivering exceptional services in the realms of M&A and capital raising. The focus extends specifically to companies operating within the circular economy, showcasing distinctive expertise in navigating the intricacies of this sustainable business model.

This specialized team brings unparalleled experience to the table, particularly in collaborating with recommerce platforms, product-as-a-service ventures, value recovery enterprises, and other circular enablers. Its extensive track record demonstrates a consistent ability to generate outstanding returns for investors while simultaneously fostering positive impacts for both people and the planet.

By aligning its efforts with businesses entrenched in the circular economy, the circular tech team positions itself at the forefront of financial innovation, recognizing the importance of sustainable practices in today's dynamic market.

## Featured Transactions

<p>NOR NORM has raised €50m in growth financing from a syndicate led by Verdane</p> <p>Exclusive Financial Advisor</p>	<p>TXO Systems Ltd., a portfolio company of TowerBrook Delta, has acquired a majority stake in AirWay Technologies, Inc.</p> <p>Buyside Advisor</p>	<p>Ambienta SGR S.p.A has acquired The Rent Company B.V.</p> <p>Buyside &amp; Financing Advisor</p>	<p>TKD Solutions has received a majority investment from Deutsche Private Equity</p> <p>Sellside Advisor</p>	<p>TXO Systems, Ltd., a portfolio company of TowerBrook, has acquired TEQPORT Services GmbH</p> <p>Buyside Advisor</p>	<p>Kimber Computer, a portfolio company of Trill Impact, has acquired Renewtech</p> <p>Buyside Advisor</p>	<p>Okamac has been acquired by Meridiam SAS</p> <p>Sellside Advisor</p>	<p>Foxway Group AB, a portfolio company of Norvestor and majority owned by management and founders, has entered into a partnership with Nordic Capital Delta GP SARL</p> <p>Sellside Advisor</p>	<p>TXO Systems, Ltd. has been acquired by TowerBrook Delta</p> <p>Sellside Advisor</p>
<p>Trill Impact has acquired Kimber Computer</p> <p>Buyside Advisor</p>	<p>Global Resale, Ltd., a portfolio company of Bright Star Capital Partners, has been acquired by Foxway</p> <p>Sellside Advisor</p>	<p>Flex IT has acquired MKCL</p> <p>Buyside Advisor</p>	<p>Foxway Group has acquired Dansk Computer Center (DCC)</p> <p>Buyside Advisor</p>	<p>Foxway has acquired Greentech</p> <p>Buyside Advisor*</p>	<p>Xllinc has acquired Replace</p> <p>Buyside Advisor*</p>	<p>Xllinc has acquired Lin Education</p> <p>Buyside Advisor*</p>	<p>Xllinc has been acquired by Norvestor</p> <p>Sellside Advisor*</p>	<p>Infoteek has been acquired by Altor</p> <p>Sellside Advisor*</p>

*Tombstones included herein represent transactions closed from 2016 forward.*

*\*Selected transactions were executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company.*

## Leadership



**Sigurd Solheim**  
Managing Director  
[Sigurd.Solheim@HL.com](mailto:Sigurd.Solheim@HL.com)  
+41 79 309 40 74



**Tripp Davis**  
Managing Director  
[Tripp.Davis@HL.com](mailto:Tripp.Davis@HL.com)  
+1 704.303.8117



**John Klim**  
Director  
[John.Klim@HL.com](mailto:John.Klim@HL.com)  
+1 703.832.9261



**Dr. Jules Wurlod**  
Director  
[Jules.Wurlod@HL.com](mailto:Jules.Wurlod@HL.com)  
+41 79 448 02 36

## Contact Us

Please reach out to us to schedule a call to discuss this quarter's market update or to explore how we can serve your business needs.

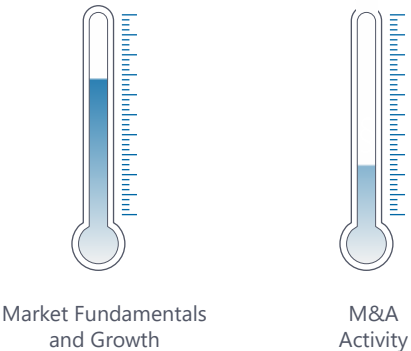
Request a Meeting

Request Annual Circular Tech Insight Report

# Executive Summary

In Q3 2025, the circular tech industry continued to show renewed momentum, with improved quarterly performance and good prospects for circular players, driven by solid refresh cycles, healthy commodity prices, and a steady secondary market, pushed forward by the mandatory migration to Windows 11. Rising AI workloads continue to be an important theme, fueling hardware turnover through data center expansion and technical needs to accelerate hardware refreshes, such as improving the energy efficiency of processors and servers.

## Circular Tech Market Heat Indicator<sup>(1)</sup>



Sources: Mergermarket, S&P Capital IQ, Reuters, Bloomberg, Secondary Market News.  
(1) Houlihan Lokey's assessment of the current circular tech market sentiment, i.e., how hot or cold the market is, is based on internal and external qualitative and quantitative parameters.  
(2) The Houlihan Lokey Circular Tech Index comprises a diversified set of companies in the circular tech sector. For a complete list, see page 26.

## Sector Trends

- The tech hardware industry is in a powerful multi-year refresh cycle fueled by AI adoption and the mandatory migration to Windows 11. The PC market is now entering a strong replacement phase, with Intel expecting around 290 million units to ship in 2025, with solid demand continuing into 2026. This guarantees a steady wave of end-of-life PCs feeding into refurbishment and recycling channels.
- Companies within the circular tech ecosystem are increasingly pushing partnership models rather than providing all services in-house. Case in point is the newly established partnership between Cordon Electronics and TD Synnex, announced in July. Partnerships help stay relevant for customers as a true one-stop shop with a wide range of services, with little investment compared to providing services in-house.
- Apple has released its new iPhone 17, with important new features, such as improved RAM and optical zoom capabilities. But more importantly, mobile phone residual values are increasingly stronger, especially in the medium to long term, fueled by more robust design and the increasing acceptance of consumers for refurbished, pre-loved devices. According to CCS Insight, refurbished phone demand grew 6% in 2024, versus 1% for new devices.
- Urban mining—i.e., the recovery of critical raw materials in downstream e-waste—remains a key lever to reduce supply chain dependency in the IT industry, and a strategic priority for governments across the globe. IT asset disposition (ITAD) players thus have a key role to play in creating a local sourcing supply for these rare materials, which includes, among others, rare earth elements, lithium, or cobalt.

## M&A Highlights

- On September 15, Tailwind Capital acquired DMD Systems Recovery, an end-to-end ITAD solutions provider based in Tempe, Arizona. DMD services aging data center and networking infrastructure, as well as end-user compute assets. DMD will be an important platform for Tailwind, because it plans to aggressively expand its sales coverage and services portfolio, as well as invest in new geographic locations and grow through M&A.
- On August 27, PEAC Solutions, a U.S. asset finance platform owned by HPS Investment Partners (part of BlackRock), announced the acquisition of Topi, a Germany-based FinTech company. Topi's strong digital platform for retailers and manufacturers will help HPS further push into a fully digital service offering for financing IT equipment.
- On September 12, Warburg Pincus led an important transaction in the TPM space. With a significant minority investment by Temasek, Warburg Pincus made a majority investment in Park Place, a global provider of data center services. After the transaction closes, Park Place and Service Express, an existing Warburg Pincus portfolio company, will merge to create a global data center services company with more than 3,000 employees and over 25,000 customers across North America, Europe, Asia, and South America.
- On September 5, Bechtle AG, a large German-based IT distributor providing software services, IT architecture, implementation, and network and data management, acquired ITAM Solutions, a Netherlands-based IT asset management solutions provider. The acquisition further expands Bechtle's capabilities in the DaaS space, highlighting the push from IT distributors into "as-a-service."

## General Public Market Sentiment

- Sector performance declined over LTM, with the Houlihan Lokey Circular Tech Index<sup>(2)</sup> down 9.2% and underperforming the S&P 500 by 26.4%. Despite the challenging backdrop of macroeconomic uncertainty, uneven IT spending, and margin pressures, Q3 showed signs of operational momentum, providing a foundation for potential improvement in stock performance going forward.
- The quarter showed notable dispersion in public market performance across the circular tech universe. TD Synnex led with a +21.0% Q3 2025 return, followed by Kontron (+9.9%), ASBIS (+7.9%), and Computacenter (+7.7%). In contrast, Dustin (-28.3%), Insight Enterprises (-19.7%), and CDW Corp. (-11.8%) lagged. Over the past year, Dustin (-77.8%), Insight Enterprises (-50.4%), and CDW Corp. (-33.1%) saw the steepest declines amid ongoing demand normalization and margin pressures.
- Companies reported mixed Q3 trends. TD Synnex and Iron Mountain delivered strong performance, driven by revenue growth and positive momentum across data centers and asset lifecycle management. Computacenter and Bechtle showed recovery signs with solid growth, while Insight Enterprises faced margin pressures due to declining revenues. Ingram Micro showed mixed performance, exceeding revenue growth expectations but falling short on earnings, amid continued headwinds from macro uncertainty, margin pressures, and the impact of a cyber incident.
- Over the LTM, the ITAM/ITAD peer group declined 23.8%, while IT distribution gained 3.0%, both underperforming the S&P 500's 17.2% growth. Over the past three years, ITAM/ITAD returned 21.5%, with IT distribution strongly outperforming at 77.8%.





# Why Are We So Excited About Circular Tech?

A Circular Economy Eliminates Waste Through Circular Products, With Circular Tech Being a Cornerstone

## Circular Tech

One of the key pillars to enable a circular economy and reduce e-waste.

## Rapid Adoption

Rising practice and increasing adoption over the past four to five years.

## Large and Growing Market

Sizable market supported by strong underlying ITAM/ITAD/recommerce trends.



## Untapped Opportunities

Numerous (consolidation) opportunities at hand, yet to be properly assessed.

## Regulatory Tailwind

More stringent regulations were and are being introduced to drive circular tech.

## Increasing Awareness

Corporates have realized the importance of a sustainable IT lifecycle and are implementing strategies.

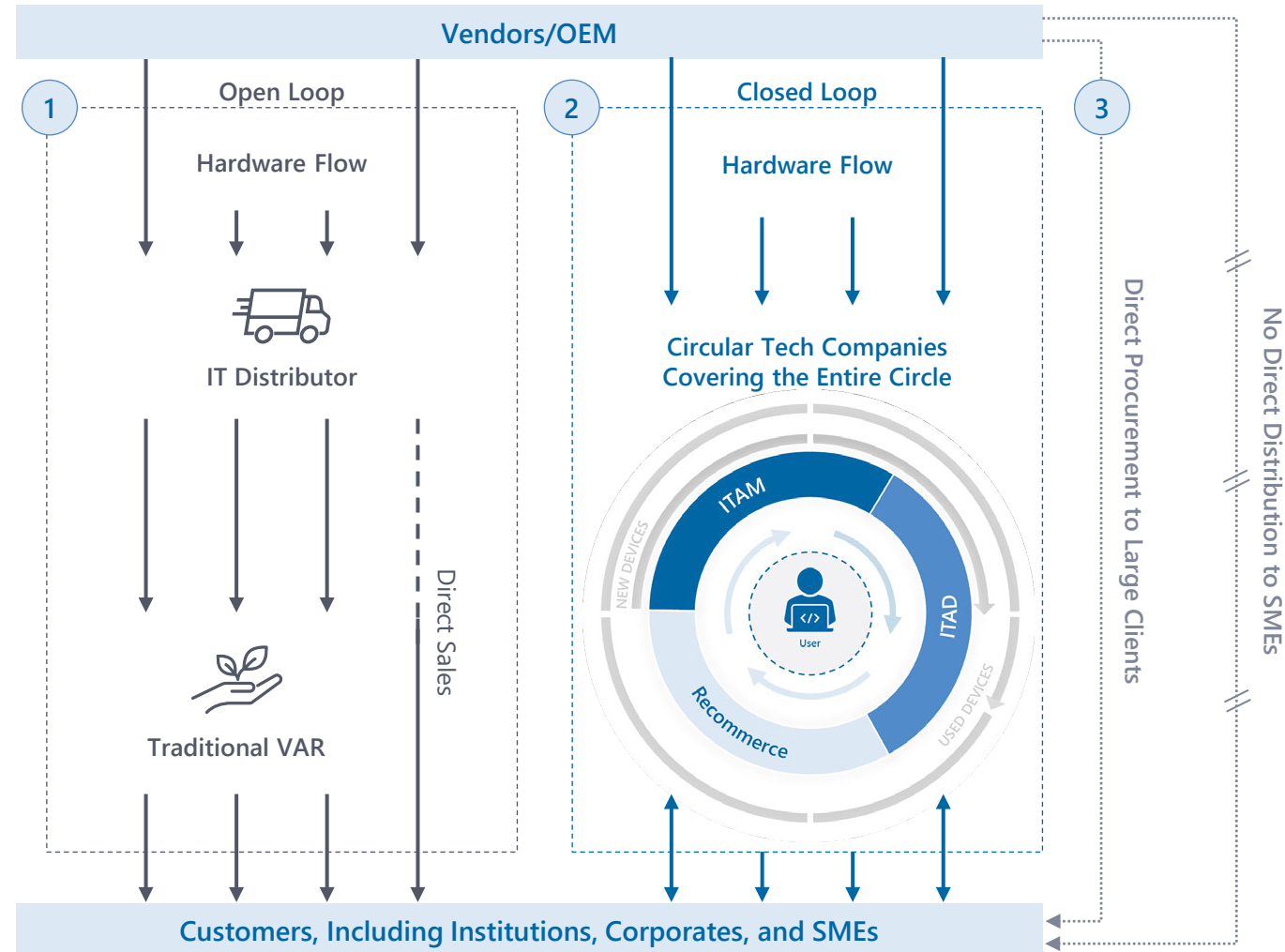


**Circular tech** encompasses a comprehensive range of services that approach IT lifecycle management holistically, integrating circular thinking. It includes all aspects of the IT journey, starting from procurement and encompassing services related to IT assets, all the way through responsible disposal to companies (ITADs) within the circular tech space that provide secure data wiping and value recovery of used devices, which are ultimately resold into the markets in their second and third lives before secure and responsible recycling.



# Circular Tech Is a Cornerstone of the Circular Economy Model

The Circular Tech Offering Covers ITAM, ITAD, and Recommerce



## 1 Distributors

- Distributors work with high volumes from vendors/OEMs and usually have large warehouses to store assets.
- They are selling either directly to end customers or through VARs and are frequently educating resellers about new products.

## 2 Circular Tech Companies

- Offer full lifecycle from procurement to disposal and remarketing/refurbishing of IT devices.
- Enable circularity and sustainability with complete end-of-life solutions.

## 3 VAR

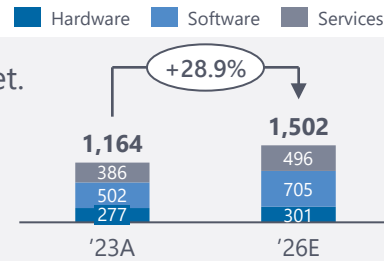
- VARs resell software, hardware, and networking products to end clients along with added services, including consulting, design, implementation, and training.
- VARs source directly from distributors and, in some rare cases, directly from IT vendors.

# The “Specialist” Circular Tech Market Is Highly Fragmented

It Is a Market With Players Focused on Single Services and an Opportunity to Build Circular Tech Platforms

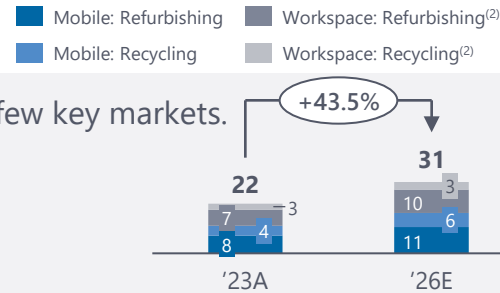
## ITAM Strongly Driven by Device-as-a-Service Trend

- Numerous assets are available in almost every market.
- Critical to pick the right asset and make the right combinations.



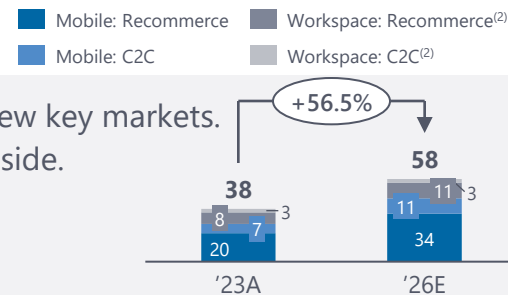
## ITAD<sup>(1)</sup> Driven by Regulations and Sustainability

- Only a few sizable assets are available in a few key markets.
- Critical to evaluate the supply side.



## Recommerce Entails Purchasing, Inspecting, and Repricing

- Only a few sizable assets are available in a few key markets.
- Critical to evaluate the supply and demand side.



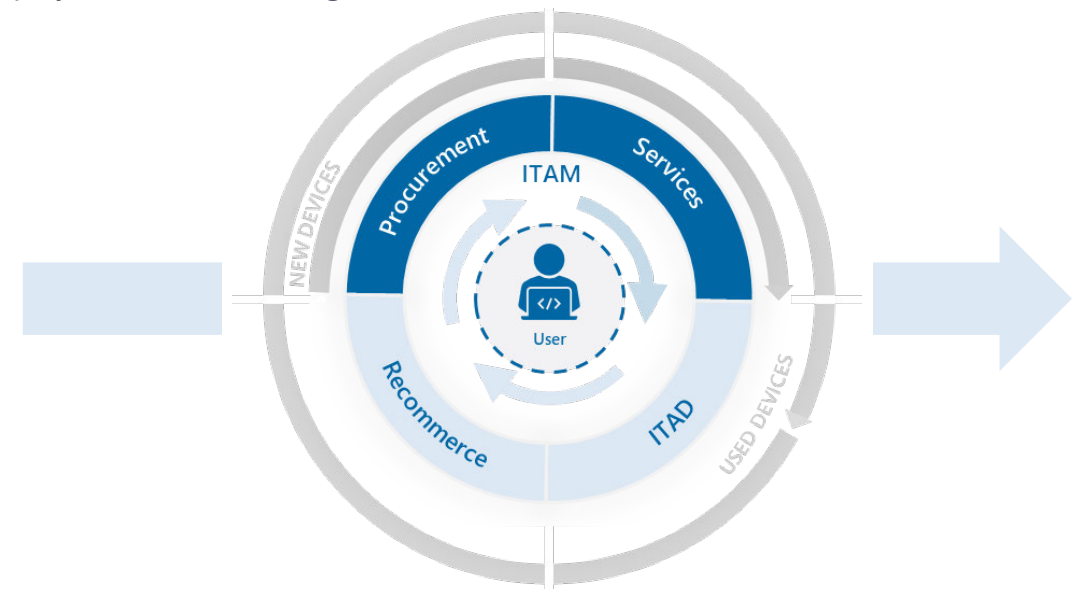
Source: Boston Consulting Group, estimates based on source material.

Note: Global market figures in USD billions.

(1) ITAD market figures, excluding server, storage, and network. (2) Workspace refers to computers and laptops.

## Full Circular Tech Platforms

- Critical to work on positioning to secure a premium valuation.
- Very scarce assets, trading at a significantly higher valuation than players focused on single services.



- Positioning around sustainability implies several conditions:
  - Proper reporting of internal ESG KPIs.
  - Quantification of external impact of stakeholders (e.g., clients).
  - Implementation of ESG programs (e.g., a carbon-neutral program).



# Voices of the Market

## Leading Through “as-a-Service”: Insights From Jakob Lagander, CEO of 3stepIT

### About Jakob Lagander



- **3stepIT CEO and Board Member**
- **More than 20 years of experience in technology and financing, with a strong track record in driving strategic growth, operational excellence, and sustainable innovation.**

### About 3stepIT

*“Guided by Nordic values, we act with resilience and integrity, consistently creating lasting value for our customers and partners.”*

3stepIT is a global leader in circular technology management, helping organizations optimize the full lifecycle of their tech assets through a single, trusted partner. Solutions span financing, management, refresh, and resale of workplace and data center technology, delivering sustainable, cost-efficient, and operationally effective outcomes.

Founded in 1997 and headquartered in Helsinki, 3stepIT operates in 13 countries, including North America. In 2019, it partnered with BNP Paribas to launch a joint venture, expanding its footprint across mainland Europe. The company also has a strategic alliance with Apple Financial Services, operating as AFAS throughout the Nordic Region.



### Interview

**Q:** *What are the benefits for a company like 3stepIT to combine “as-a-service” with value recovery? Are there advantages to covering the full circle?*

**A:** The true advantage lies in our ability to deliver converging financial, operational, security, and sustainability benefits through a single integrated solution: that’s what going full circle means to us. Our comprehensive platform uniquely unites financing, in-life management, and end-of-life services, driving value and circular outcomes across the entire technology lifecycle. While others may offer isolated services, such as leasing, asset management, or device take-back, few can deliver a seamless, end-to-end experience. With our approach, businesses can unlock the full value of their technology investments, reduce waste, and maintain peak efficiency at every stage through a single, global provider.

**Q:** *How do European circular technology players see U.S. expansion opportunities, and what’s their right to win there?*

**A:** European circular technology companies with proven, profitable business models recognize their strong appeal in the U.S. market. Their emphasis on resource reuse and product lifecycle extension helps reduce dependence on imported raw materials, aligning closely with U.S. priorities around supply chain resilience and domestic reuse. By bringing European expertise in repair, remanufacturing, and material recovery, these companies can help accelerate the U.S. transition to a circular economy, strengthening local production capacity while cutting environmental impact.

**Q:** *How does AI affect 3stepIT’s business?*

**A:** Internally, AI is transforming 3stepIT’s business by driving efficiency, transparency, and innovation across our business, customers, and partners. 3stepIT employs advanced AI-driven device grading to automate and standardize quality assessments, enabling more accurate pricing, accelerated refurbishment cycles, and reduced disputes, an industry-first capability that sets us apart from all existing solutions. AI is also used to streamline operations through automated invoice processing and data classification, and to support strategic decisions with predictive analytics for market expansion. From a market perspective, the drive to adopt AI-enabled technology—both in workplace tools and data centers—undoubtedly presents a significant opportunity for us to accelerate our business.

**Q:** *How do you see collaboration models evolving in the future, for example, leasing companies collaborating with circular technology players, or OEMs?*

**A:** There’s no doubt collaboration models in the tech lifecycle are evolving toward integrated ecosystems that combine financing, circularity, and OEM expertise, and we are excited to be right at the heart of this evolution. Our joint venture with BNP Paribas, BNP Paribas 3StepIT, launched six years ago and is active in seven European markets, exemplifying this trend, merging financial excellence with circular lifecycle management. Partnerships with OEMs, such as our partnership with Apple in the Nordics, where 3stepIT operates as Apple Financial Services, go a step further by adding access to premium devices with highly competitive residual value. These collaborations create a triple win for our platform: leasing companies can showcase sustainability credentials to boost leasing penetration; OEMs can accelerate refresh cycles by providing a sustainable, value-driven way to retire and replace old technology; and customers enjoy a seamless, cost-effective, operationally efficient, and environmentally responsible end-to-end solution.

4M+

Assets Under  
Management

4,000+

Clients Globally

1M

End-of-Life Devices  
Processed Annually

Seven

Refurbishment  
Centers

450+

Employees Across  
Europe and the U.S.

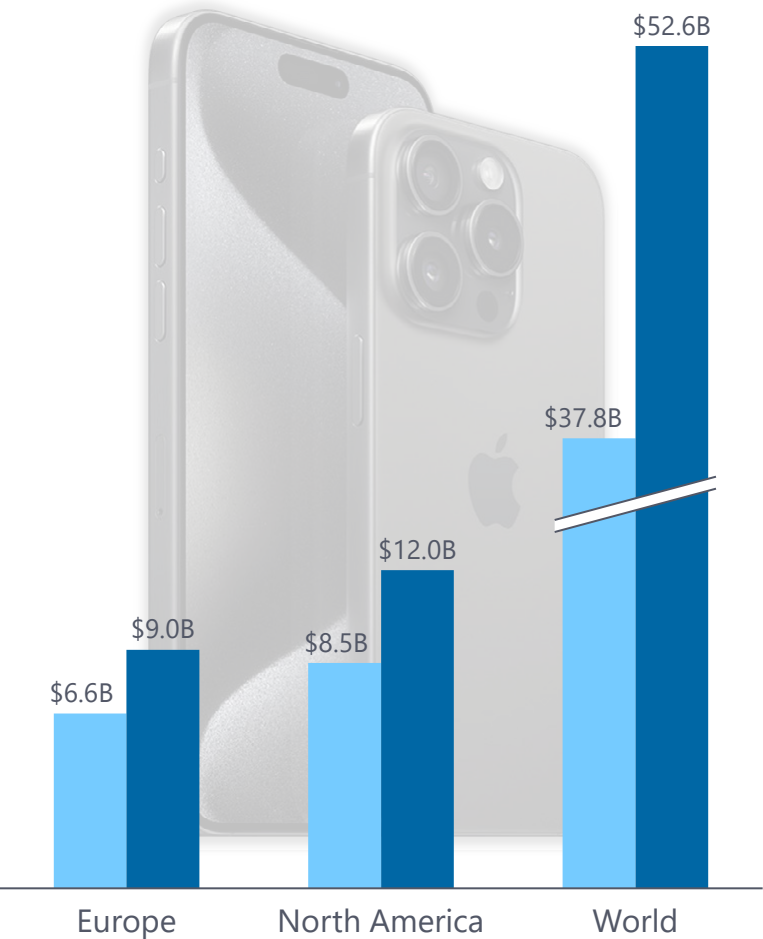


# Deep-Dive: Global Mobile Phone Secondary Market Overview

A Large and Fast-Growing Secondary Ecosystem, Outpacing the Primary Market

## Organized Secondary Mobile Market by Region

2023 2028



## Primary vs. Secondary Market Volume

-3.1%

Average YoY Growth in Smartphone Shipment Volumes in the Primary Market (2019–2024)

9.9%

Average YoY Growth in Smartphone Shipment Volumes in the Secondary Market (2019–2024)

- Shipment growth in the primary market has been **negative in four of the past six years**.
- The secondary market by contrast has seen exclusively **positive and high YoY growth**.
- Volumes in the secondary market are **outpacing the primary market** substantially.
- Higher gross margins on refurbishment and recurring services versus low-margin primary hardware create structural **operating leverage upside as volumes scale**.

## RV Is a Vast Market Worth More Than \$100 Billion

> \$100 Billion—Global RV Market

Global market value of refurbished consumer electronics in 2024.

\$38 Billion—Mobile Device Market

Global secondhand market for mobile devices.

\$7 Billion—Europe

Mobile devices sold secondhand in Europe alone.

Sources: Apple; Appleinsider.



# Deep-Dive: Residual Value—Concepts

## Determinants and Dynamics of Electronics Residual Value

### Residual Value Concept

- 1. Residual value is the outcome of **multiple determinants** on supply and demand.
- 2. Price floors are set by structured **trade-in programs** led by OEMs, carriers, Telco, and insurance partners.
- 3. Retail **recommerce** and marketplaces are fueling Europe’s secondary market on the front end toward consumers.



### Key Drivers of Residual Value...



#### New Products

- New products almost always decrease RV.
- This is due to an increase in trade-ins of old models and, therefore, supply.



#### Pricing

- Prices perceived as too high lead to less demand for new models and boost RV.



#### Branding

- Strong brands command higher RV.
- Apple sees consistently strong residual value compared to peers like Huawei.

### Key Company Levers to Raise Residual Value and Drive Yield

1

Tighter Product Intake Standards

2

Selective High RV Brand Product Mix

3

Fast-Turn Workflows Around Launch Windows

4

Multichannel Exit Routing

5

VAT Margin Scheme Utilization

6

Pricing Bots/AI-Enabled Tools

### Directly Affect Supply and Demand of New and Old Devices



#### Special Releases

- Rather than command premiums, devices in one-off colors or limited-edition releases fare worse in RV terms than regular devices.



#### Software Releases

- Apple has consistent five-year support for mobile devices, boosting RV.
- Android flagships now match or extend this with seven-year pledges.



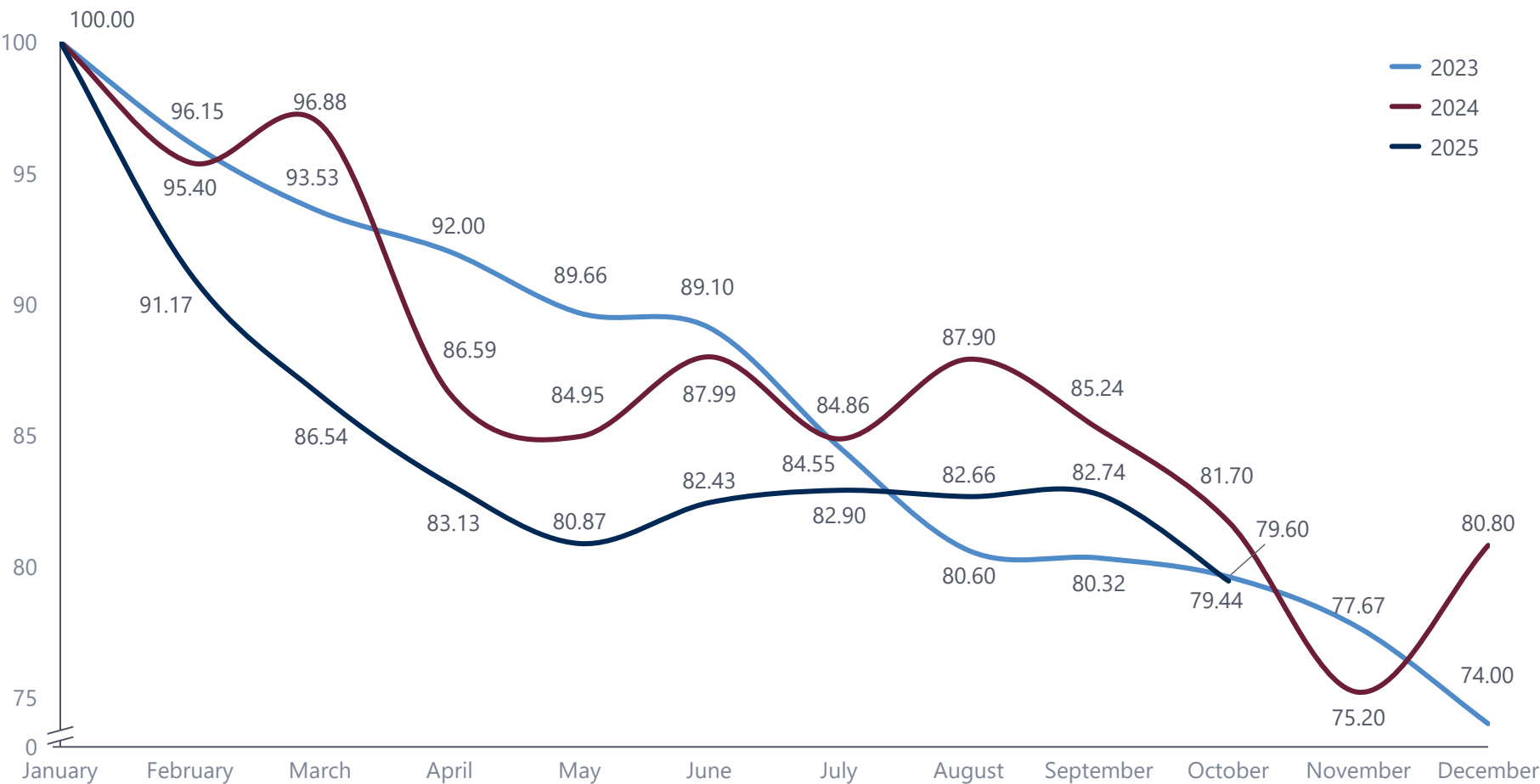
#### Durability

- Fragility features, such as water resistance, lead to more durable devices.
- This increases supply and drops RV.

# Deep-Dive: Residual Value—Long-Term Trends

Residual Value Risk: Are There Long-Term Trends in Residual Values?

Price Index for Refurbished Smartphones



Source: Dipli.

## Takeaways for Predictability in the RV Market

- Prices Do Not Follow a Smooth Downward Curve...
  - RV fluctuates significantly from period to period, with large swings resulting from price-depressing or price-uplifting events, such as product launches or COVID-19 supply shortages.
  - Much like the commodity market, RV also varies in short timeframes: monthly (shown below), weekly, and, in some cases, significant daily movements can be seen.
- But the Market Is Becoming More Operationally Mature
  - Players are becoming better at anticipating promotions, avoiding overstocking, and using trade-ins to feed their supply.
  - This helps to avoid major imbalances between supply and demand, resulting in fewer sharp drops, more consistent pricing across channels, and ultimately, a more stable market.



# Deep-Dive: Residual Value—iPhone Trends

## Apple’s Longevity-Oriented Device Development Enhances Usability for Circularity

### Incremental Model Advancements iPhone



iPhone

Model Comparisons vs. Previous Generations

Model	iPhone 14 Pro (2022)	iPhone 15 Pro (2023)	iPhone 16 Pro (2024)	iPhone 17 Pro (2025)
Frame Material	Stainless Steel	Titanium	Titanium	Aluminium Unibody (Improves Heat Dissipation)
Display	6.1", ProMotion 120Hz, Up to 2,000 Nits	6.1", ProMotion 120Hz, Up to 2,000 Nits	6.3", ProMotion 120Hz, 2,000 Nits	6.3", ProMotion 120Hz, 3,000 Peak
Chipset	A16 Bionic	A17 Pro (3nm, GPU boost)	A18 Pro	A19 Pro and Vapor Chamber Cooling
RAM	6 GB	8 GB	8 GB	12 GB
Rear Cameras	48 MP Main, 12 MP Ultra-Wide, 12 MP Tele	48 MP Main, 12 MP Ultra-Wide, 12 MP Tele	48 MP Main, 48 MP Ultra-Wide, 12 MP Tele	48 MP Across All Three, Up to 8x Optical-Quality Zoom
Front Camera	12 MP TrueDepth	12 MP TrueDepth	12 MP TrueDepth	18 MP w/ Center Stage and Dual Capture
Battery Life	23 Hours of Video Playback	23 Hours of Video Playback	27 Hours of Video Playback	31 Hours of Video Playback
Charging	20W Wired, MagSafe	20W Wired, MagSafe	25W to 30W Wired, MagSafe/Qi2	Up to 40W Wired (50% in c. 20 Min), MagSafe/Qi2
Weight	206g	187g	194g	198g
Launch Price for Base Model	USD 999 <sup>(1)</sup>	USD 999 <sup>(1)</sup>	USD 999 <sup>(1)</sup>	USD 1099 <sup>(2)</sup>

Sources: Apple; Appleinsider.  
 (1) 128 GB.  
 (2) 256 GB.  
 (3) Eleven key modules can be repaired, including the back glass, battery, display, and cameras. Enabling iPhone back glass repair as an individual module lowered the cost of repair for customers by more than 60%.

### Takeaways for Circularity Dynamics

- Apple has progressively increased the durability of its products over time, significantly extending their life expectancy.
- This enhanced durability positions Apple devices as naturally suited for circular economy initiatives, benefiting ITAM, ITAD, and recommerce markets.
- Key durability improvements include design features aimed at supporting longer holding periods, such as increased storage options (e.g., 256 GB storage for the base model) and material enhancements.
- Apple’s continuous innovation in materials (Ceramic Shield) and reparability improvements (e.g., individual module reparability<sup>(3)</sup> in iPhone 15) reduces repair rates, such as a 44% reduction since the iPhone 7, and supports longer device lifecycles.
- Greater reparability and a reduced incidence of damage (e.g., 75% fewer liquid damage repairs post iPhone 7) market the devices for extended secondary market use and lend themselves to circular product life models.



# Deep-Dive: Residual Value—Circularity Dynamic of iPhones Releases

## How Apple’s iPhone Releases Reinforce a Continuous Refurbishment Cycle

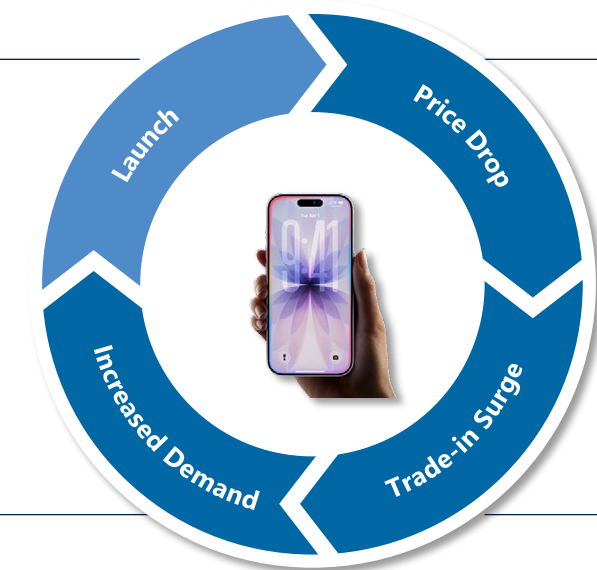
### Data-Backed Dynamics of the iPhone Refurbishment Market

#### Introduction of a New Generation of iPhone

This year’s launch, starting at \$1,099, underscores the circular economy’s rising value. Apple focused on durability this year, featuring tougher Ceramic Shield 2 front glass and aerospace-grade aluminum, which preserves residual value longer and boosts refurbishment demand.

#### Tailwind for Demand in Refurbished Devices

Demand for refurbished models increases sharply as pricing becomes more accessible. Recommerce empowers partners, major operators, retailers, e-tailers, and OEMs across Europe with technology and logistics to convert this demand into sustainable growth and customer loyalty, extending beyond the sale of refurbished phones.



#### Ripple Effect on Previous Generations

Resale prices for previous-generation devices decline by 10% to 15%, driven by post-launch normalization.

#### Spike of Trade-in Activity

Trade-in volumes rise by 50%, expanding supply in the secondary market across Q4 and Q1. Trading in old devices is a key way to finance purchases, new or refurbished. According to the latest Kantar barometer, 53% of French consumers prefer in-store trade-ins for their security, transparency, and speed.






### Takeaways for Circular Tech and Recommerce

- This dynamic creates a virtuous cycle—manufacturers build more robust devices, while consumers benefit from higher resale values, fueling growth in the secondhand market.



Source: Dipli.  
(1) Sixteen years of data on the refurbished market, collected by recommerce, deliver clear insights with every new iPhone launch, underpinning the shown refurbishment cycle and our expertise in trade-in, refurbishment, and resale dynamics.

# Featured Sector News

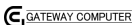























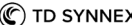
























Date	Company	Region	Description	Article Link
November 2025		North America	Cisco achieved 100% circular design across all new products and packaging, embedding 25 circular design principles to reduce waste and extend hardware lifecycles. The six-year program, led by Chief Sustainability Officer Mary de Wysocki, won the 2025 Reuters Global Sustainability Award. This initiative prioritized reuse, repair, and recycling, reshaping data center infrastructure for sustainability.	<a href="#">Read more</a>
October 2025		North America	DHL Supply Chain launched its ReTurn Network in North America to transform reverse logistics. The multi-client solution offered 11 shared facilities for scalable returns processing, reducing infrastructure costs, and landfill waste. Businesses achieved 10% to 50% savings through streamlined operations and advanced technology, which accelerated returns decisions and provided analytics for optimization.	<a href="#">Read more</a>
October 2025		France	Vestiaire Collective launched a carbon credit initiative, becoming the first pre-owned fashion platform to monetize avoided emissions. The credits, certified by AmSpec and developed with Inuk, quantified emissions prevented when consumers bought secondhand instead of new. The credits entered the voluntary carbon market, aiming to finance circular fashion and accelerate sustainability in the industry.	<a href="#">Read more</a>
October 2025		America	Metallium partnered with Glencore to transform critical metal supply chains through e-waste recycling. The alliance combined Metallium’s Flash Joule heating technology with Glencore’s global network, ensuring secure electronic scrap supply and efficient recovery of metals. Glencore agreed to purchase up to 75% of Metallium’s recycled output, creating a closed-loop system to strengthen circular economy practices.	<a href="#">Read more</a>
September 2025		Europe	A European consortium launched the RETURN project, co-funded by Horizon Europe and SERI, to transform e-waste into a secure circular source of critical raw materials. It introduced eco-friendly chemical recovery, automated sorting, digital product passports, and a dynamic digital marketplace. The initiative aimed to reduce reliance on carbon-intensive imports and strengthen Europe’s circular economy.	<a href="#">Read more</a>
September 2025		Global	Epson introduced a circular leasing program with BNP Paribas Leasing Solutions to make its technology more accessible while advancing sustainability. The model allowed customers to lease Epson’s full product range with predictable costs and support. Epson retained ownership at lease end, ensuring equipment was refurbished, reused, or recycled, preventing waste and supporting a closed-loop approach.	<a href="#">Read more</a>
July 2025		Europe	TD SYNnex announced a strategic partnership with Cordon Group and its affiliate SLS to expand its Renew program across Europe. This agreement added services such as certified data erasure, IT asset disposition, refurbishment, repair, and on-site equipment retention. It enabled resellers to access enhanced lifecycle management solutions via the TD SYNnex Renew portal.	<a href="#">Read more</a>

Sources: Company websites and press releases.

# Key Transaction Multiples

## Circular Tech: ITAM/ITAD

### ITAM/ITAD

Date	Oct-25	Sep-25	Sep-25	Aug-25	Jul-25	Jun-25	May-25	Apr-25	Apr-25	Apr-25	Mar-25	Mar-25
EV (\$M)	n/a	n/a	n/a	86	n/a	n/a	n/a	n/d	n/a	n/a	n/a	n/a
EBITDA (\$M)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/d	n/a	n/a	n/a	n/a
EBITDA Margin (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/d	n/a	n/a	n/a	n/a
<div>■ EV/EBITDA</div> <div>EV/EBITDA Median: 10.2x</div>												
	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/d	n/a	n/a	n/a	n/a
Target												
Target Country												
Target Description	Provider of bilingual IT support services and infrastructure solutions.	Provider of secure IT asset disposal services.	Provider of software and IT asset management services.	Provider of IT infrastructure and lifecycle management.	Operator of a retail network for the purchase and sale of secondhand products.	Online retailer of used and refurbished mobiles and tablets.	Provider of IT asset reimaging after data sanitization.	Provider of wireless network infrastructure solutions.	Provider of IT asset disposition and systems consulting.	Provider of electronics recycling and secure ITAD services.	Provider of refurbished products and recommerce platform.	Provider of refurbished IT and recommerce.
Acquirer												
Acquirer Country												
Houlihan Lokey Transactions												

Sources: S&P Capital IQ, Mergermarket, and PitchBook Data as of October 2, 2025. All EV and EBITDA values were sourced in local currency where applicable and, for presentation purposes, converted to USD using the historical FX rate.

Notes: Confidential Houlihan Lokey transactions are not disclosed (n/d) but are included in the median calculations and include transactions executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company. Additionally, the median calculations contain internal market insights on several of the transactions with undisclosed metrics.

# Key Transaction Multiples

## Circular Tech: ITAM/ITAD (cont.)

### ITAM/ITAD

Date	Feb-25	Feb-25	Feb-25	Feb-25	Feb-25	Jan-25	Oct-24	Oct-24	Oct-24	Oct-24	Oct-24	Sep-24
EV (\$M)	n/a	n/a	n/a	n/a	n/a	n/a	9	n/a	n/a	n/a	34	n/a
EBITDA (\$M)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	5	n/a
EBITDA Margin (%)	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	n/a	3%	n/a
<div> <div></div> <div>EV/EBITDA</div> </div> <div> <div>EV/EBITDA</div> <div>Median: 10.2x</div> </div>												
	7.3x	n/a	n/a	n/a	n/a	13.2x	n/a	n/d	n/a	n/a	7.4x	n/a
Target	LeaseCloud	CASCADE ASSET MANAGEMENT <small>A LUXE TECHNOLOGIES SUBSIDIARY</small>	bb net	Ucan secure IT <small>THE SECURE CIRCULARITY OF THINGS</small>	top gun	Sprout	Clearq	likewize.	RELECTRO	it-recycling.nl	musicMagpie	Wisetek
Target Country												
Target Description	Provider of cloud-based software for digital leasing agreements.	Provider of secure IT asset recycling and reuse services.	Reseller of refurbished IT equipment.	Provider of recycling services for redundant IT equipment.	Provider of data center infrastructure maintenance.	Provider of software-powered IT asset lifecycle management.	Provider of business computer rentals.	Distributor of wireless devices and accessories.	Provider of electronics repair and device lifecycle services.	Provider of hardware recycling, data wiping, and buyouts.	Provider of recommerce and circular tech solutions.	Provider of secure data disposition and IT asset services.
Acquirer	3stepIT	sage	econocom	ego	SERVICE club	RECOGNIZE	mobile club	GENSTAR	sage	eyeti.	go	IRON MOUNTAIN
Acquirer Country												
Houlihan Lokey Transactions												


























































Sources: S&P Capital IQ, Mergermarket, and PitchBook Data as of October 2, 2025. All EV and EBITDA values were sourced in local currency where applicable and, for presentation purposes, converted to USD using the historical FX rate.

Notes: Confidential Houlihan Lokey transactions are not disclosed (n/d) but are included in the median calculations and include transactions executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company. Additionally, the median calculations contain internal market insights on several of the transactions with undisclosed metrics.

# Key Transaction Multiples

## Circular Tech: ITAM/ITAD (cont.)

### ITAM/ITAD

Date	Jun-24	Apr-24	Jan-24	Jan-24	Nov-23	Nov-23	Sep-23	Jun-23	Apr-23	Feb-23	Dec-22	Nov-22
EV (\$M)	n/d	56	n/d	n/d	n/d	205	n/d	n/d	n/d	n/a	n/d	n/d
EBITDA (\$M)	n/d	9	n/d	n/d	n/d	27	n/d	n/d	n/d	n/a	n/d	n/d
EBITDA Margin (%)	n/d	n/a	n/d	n/d	n/d	27%	n/d	n/d	n/d	n/a	n/d	n/d
<div>■ EV/EBITDA</div> <div>EV/EBITDA Median: 10.2x</div>												
	n/d	6.2x	n/d	n/d	n/d	7.6x	n/d	n/d	n/d	n/a	n/d	n/d
Target												
Target Country												
Target Description	Provider of mobile device rental and leasing services.	Provider of IT/tech lifecycle management solutions and services.	Provider of specialized asset recovery services.	Provider of educational technology devices via DaaS offering.	Provider of IT/tech lifecycle management solutions and services.	Provider of IT/tech recycling services.	Refurbisher and online marketer of Apple products.	Provider of circular sourcing and refurbishment solutions.	Provider of telecom asset management and disposal services.	Provider of IT/tech products trade-in services.	Supplier of refurbished IT hardware for data centers.	Provider of IT/tech lifecycle management solutions.
Acquirer												
Acquirer Country												
Houlihan Lokey Transactions												

Sources: S&P Capital IQ, Mergermarket, and PitchBook Data as of October 2, 2025. All EV and EBITDA values were sourced in local currency where applicable and, for presentation purposes, converted to USD using the historical FX rate.


























































Notes: Confidential Houlihan Lokey transactions are not disclosed (n/d) but are included in the median calculations and include transactions executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company. Additionally, the median calculations contain internal market insights on several of the transactions with undisclosed metrics.



# Key Transaction Multiples

## Circular Tech: ITAM/ITAD (cont.)

### ITAM/ITAD

Date	Feb-22	Dec-21	Jul-21	Jun-21	Apr-21	Apr-21	Oct-20	Oct-19	Aug-19	Jul-19	May-19	Sep-18	Jun-18
EV (\$M)	1,029	912	472	n/d	n/d	506	n/a	n/d	535	449	n/d	79	n/d
EBITDA (\$M)	51	76	30	n/d	n/d	34	n/a	n/d	54	35	n/d	7	n/d
EBITDA Margin (%)	n/a	n/a	16%	n/d	n/d	4%	n/a	n/d	3%	16%	n/d	30%	n/d
<div>■ EV/EBITDA</div> <div>EV/EBITDA Median: 10.2x</div>	20.2x	12.0x	15.7x	n/d	n/d	14.9x	n/a	n/d	9.9x	12.8x	n/d	11.3x	n/d
Target													
Target Country													
Target Description	Provider of IT/tech lifecycle management solutions.	Provider of IT/tech lifecycle management solutions.	Provider of services in IT, infosec, and multi-cloud solutions.	Provider of IT asset refurbishment and replacement services.	Operator of an online marketplace.	Online retailer of technology products.	Provider of recycling and recommerce solutions for hardware.	Provider of refurbished mobile and IT equipment.	Marketer and supplier of technology products for businesses.	Provider of maintenance services for computer equipment.	Provider of IT hardware and digital services.	Provider of technology financing services.	Provider of IT service and lifecycle management services.
Acquirer													
Acquirer Country													
Houlihan Lokey Transactions													


































Sources: S&P Capital IQ, Mergermarket, and PitchBook Data as of October 2, 2025. All EV and EBITDA values were sourced in local currency where applicable and, for presentation purposes, converted to USD using the historical FX rate.

Notes: Confidential Houlihan Lokey transactions are not disclosed (n/d) but are included in the median calculations and include transactions executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company. Additionally, the median calculations contain internal market insights on several of the transactions with undisclosed metrics.

# Key Transaction Multiples

## Circular Tech: IT Distribution

### IT Distribution

Date	Apr-25	Jul-24	Apr-22	Jan-22	Dec-20	Nov-19	Dec-18	Jul-18
EV (\$M)	42	n/a	229	n/d	6,683	5,081	66	n/d
EBITDA (\$M)	4	n/a	34	n/d	928	593	14	n/d
EBITDA Margin (%)	2%	n/a	2%	n/d	2%	2%	1%	n/d
<div>■ EV/EBITDA</div> <div>EV/EBITDA Median: 6.8x</div>	9.6x	n/a	6.5x	n/d	7.2x	8.6x	4.6x	n/d
Target		 (1)					Vicis New Investments (former ABC Data)	
Target Country								
Target Description	Wholesaler and distributor of computer peripherals, accessories, and other multimedia products.	Distributor of IT and mobile products to resellers and retailers.	Distributor of electronic components and provider of supply chain services.	Distributor of surplus laptops, desktops, servers, and spare parts.	Distributor of IT hardware, including computers, peripherals, and related equipment.	Distributor of IT software and hardware, offering logistics and supply chain management.	Distributor of IT hardware, software, and consumer electronics solutions.	Distributor of a broad range of information and communication technology equipment.
Acquirer								
Acquirer Country								
Houlihan Lokey Transactions								

Sources: S&P Capital IQ, Mergermarket, and PitchBook Data as of June 30, 2025. All EV and EBITDA values were sourced in local currency where applicable and, for presentation purposes, converted to USD using the historical FX rate.

Notes: Confidential Houlihan Lokey transactions are not disclosed (n/d) but are included in the median calculations and include transactions executed by Houlihan Lokey professionals while at other firms acquired by Houlihan Lokey or by professionals from a Houlihan Lokey joint venture company. Additionally, the median calculations contain internal market insights on several of the transactions with undisclosed metrics. (1) Partnership includes operations in Great Britain, Ireland, and France.



# Peer Companies Overview and Rationale










Peer Groups Comprise ITAM/ITAD and IT Distribution Companies

## Overall Considerations







The circular tech peer group universe is divided into two main peer groups. This is simply because there are currently no publicly traded and purely focused circular tech players. We consider the selected peer groups the best proxies for a still-nascent industry. The relatively large valuation gap between these peer groups arises from ITAM/ITAD players offering comprehensive and value-added services to customers. In contrast, IT distributors mainly provide substitutable/less value-added services.

## Public Companies Peer Groups

### ITAM/ITAD



### IT Distribution



## Rationale

- Involves strategic management of IT assets, including hardware and software.
- Aims to optimize asset lifecycle, reduce costs, and ensure regulatory compliance.
- Includes responsible disposal practices to minimize environmental impact and data risks.

- Facilitates the distribution of IT hardware and software devices.
- Acts as a crucial link between manufacturers and end users, streamlining the supply chain.
- Offers a wide range of products, services, and support to meet diverse technological needs.



# Latest Business Performance and Market Updates

## VARs Show Resilient Growth, Margin Recovery Remains Uneven

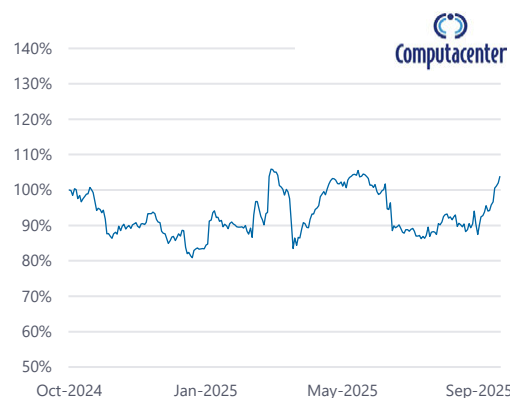
- Atea surpassed expectations in Q3 with sales up 7% organically YoY and EBIT up 13% YoY, 2% above consensus.
- Services and software drove the beat, with services gross profit ahead of estimates and software gross margin recovering to 8% (from 5% in Q2).
- Most Nordic markets delivered strong growth of about 8% to 14% YoY, while Finland lagged with approximately a 9.5% decline in gross sales.
- Trading at roughly 9.7x 2026e EV/EBIT, it offers a 5% to 6% dividend yield and screens at a discount versus listed peers on EV/EBIT multiples.

September 2025



- Positive momentum given the likely return to sustainable growth in FY26 following several years of soft EBITDA development.
- Return to growth in Germany driven by public sector activity.
- U.K. continuing to improve (having weighed on results from 22 to 24).
- Current backlog ahead of 1H 2025 levels.
- Trading at c. 16x P/E, representing a c. 1% discount to peers, versus a historically typical discount closer to 19%.

September 2025



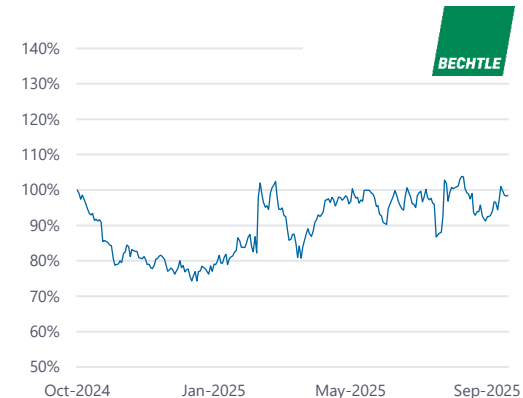
- Q3 2025 revenue is effectively in line with expectations (4% YoY), led by growth in all customer verticals (corporate, small, and public).
- Demand driven by software, cloud, and services all at healthy levels, aided by double-digit growth in SMB, but hardware growth was muted despite robust momentum in client devices.
- CDW's Q4 outlook assumes multiple areas of potential headwinds, particularly the likelihood of lower federal spending due to a government shutdown and potential changes to funding for the healthcare vertical.

September 2025



- Slower SME business recovery, higher personnel expenses, and missing Microsoft fees weighed on Q2 2025 profitability, a trend brokers do not expect to change in Q3.
- While business volume (1H 2025: 3% YoY) and revenue (1H 2025: -1% YoY) guidance are well in reach, further profitability improvements are required to hit EBT guidance for FY25.
- Shares trade at 7.9x EV/EBITDA 2026E, at the lower end of the valuation range of c. 8x to 14x over the past 10 years.

September 2025



Sources: S&P Capital IQ, investment research reports. Trading multiples are based on share price, other market data, and broker consensus future-earnings estimates from S&P Capital IQ as of September 30, 2025.

Notes: Share prices from October 1, 2024, to September 30, 2025. Graphs reflect daily total return (%).

# Latest Business Performance and Market Updates (cont.)

## IT Distributors Post Resilient Earnings Amid Mixed Segment Dynamics and Cautious Spending Signals

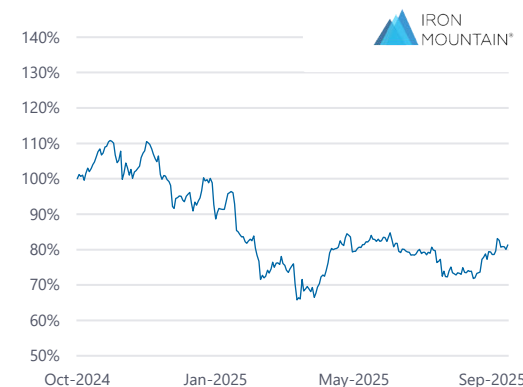
- Q3 2025 earnings ahead of consensus on a stronger-than-anticipated revenue performance (7% YoY) and lower non-opex despite lower-margin mix pressuring gross margin.
- Client and endpoint 13% YoY (PC refresh); advanced solutions -4.5% YoY (servers/storage up, margin mix down; infra software/networking softer); cloud -4% YoY, low-single-digit growth excluding divestiture (IaaS, modern workplace).
- North America 3% YoY; EMEA 6% YoY (macro headwinds); AsiaPac 13% YoY (lower-margin mobility in China); LatAm 13% YoY (smartphones/tablets).

September 2025



- Q3 2025 revenue grew by 13% YoY as FX and M&A presented larger tailwinds; adj. EBITDA margin expanded +120 bps YoY to 37% driven by operating leverage in the firm's Global Data Center (GDC) and Asset Lifecycle Management (ALM) businesses.
- GDC revenues rose by 32% YoY, ALM revenues grew 65% YoY (29% contribution from M&A), and Iron Mountain remains acquisitive in ALM.
- Raised its dividend 10% to \$0.86 per share.
- Potential earnings of more than \$700 million over the next five years through an agreement with the Department of the Treasury to provide tax-related digitalization services.

September 2025



- Q3 2025 earnings above consensus, driven by above expectations margins and despite lower revenue performance (-4% YoY).
- Outlook slightly moderated as improving cloud trends are offset by large enterprise spending (c. 70% of revenue) remained weak, weighing on hardware and core services.
- Commercial (c. 20% of revenue) grew for the sixth consecutive quarter.
- Cloud gross profit recovered when adjusting for partner-program impacts.
- Low single-digit growth expected for 2025.

September 2025



- Q3 2025 revenue grew by 7% YoY; non-GAAP gross billings increased 12% YoY, and gross margin expanded +68 bps YoY to 7% helped by more sales reported on a net basis.
- Regionally, Americas revenue rose 2% YoY with non-GAAP gross billings up 9%, Europe grew 13% YoY (gross billings +15%), and APJ delivered 20% YoY revenue growth.
- Non-GAAP diluted EPS rose 25% YoY to \$3.58.
- TD SYNEX raised its quarterly dividend 10% to \$0.44 per share.

September 2025



Sources: S&P Capital IQ, investment research reports. Trading multiples are based on share price, other market data, and broker consensus future-earnings estimates from S&P Capital IQ as of September 30, 2025.

Notes: Share prices from October 1, 2024, to September 30, 2025. Graphs reflect daily total return (%).

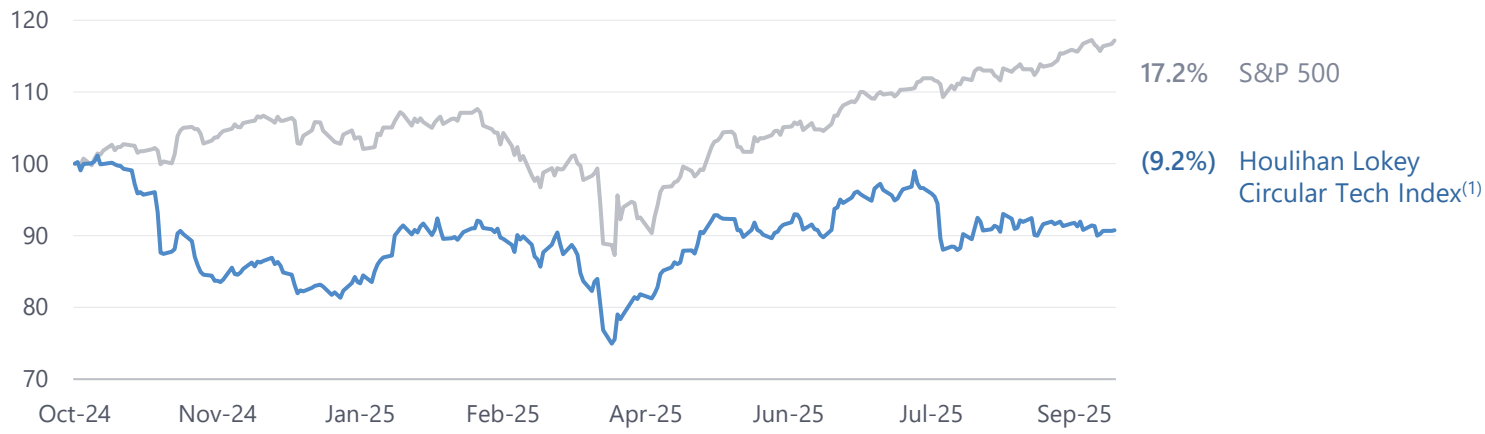




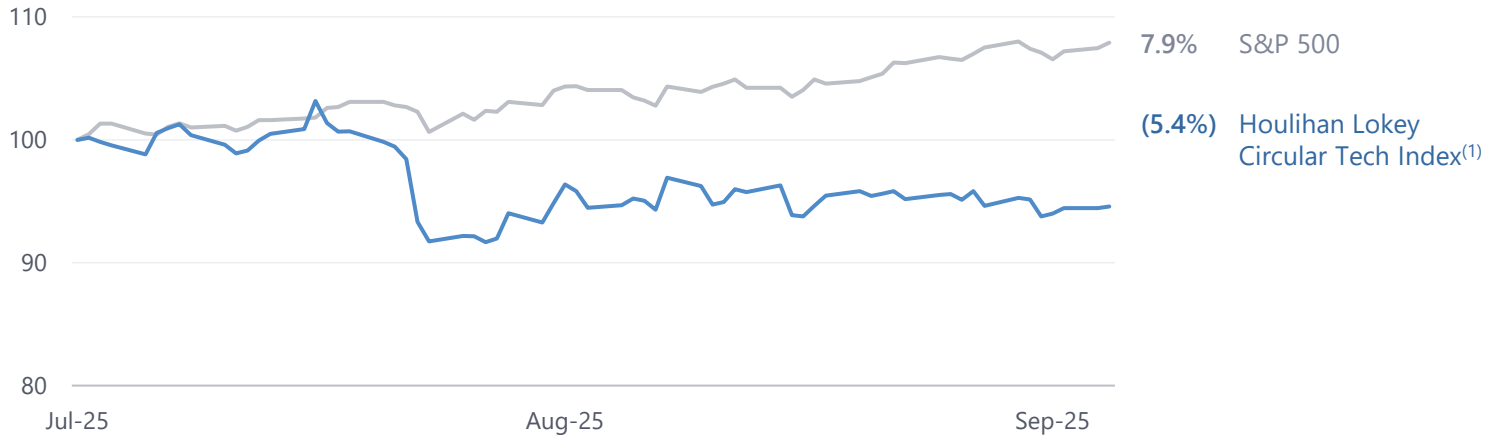
# Equity Market Index Performance

## Circular Tech

LTM September 2025 Performance



July 2025 to September 2025 Performance



### Key Takeaways

- As of September 2025, the Houlihan Lokey Circular Tech Index declined 9.2% over the LTM, underperforming the S&P 500 by 26.4%. However, Q3 revealed strong operational momentum, laying the groundwork for a potential rebound in stock performance.
- TD Synnex posted the most substantial Q3 return at (+21.0%), followed by Kontron (+9.9%), ASBIS (+7.9%), and Computacenter (+7.7%). Ingram Micro and Bechtle maintained similar share prices in Q3, at (+1.2%) and (+0.2%), respectively.
- Most companies in the index reported negative Q3 returns, including Dustin (-28.3%), Insight Enterprises (-19.7%), CDW Corp. (-11.8%), ALSO (-9.8%), Econocom (-8.1%), Atea (-7.3%), Cancom (-5.9%), and Arrow Electronics (-6.4%).
- Dustin (-77.8%), Insight Enterprises (-50.4%), CDW Corp. (-33.1%), Ingram Micro (-19.6%), and Arrow Electronics (-16.8%) were among the weakest LTM performers. Atea (+68.9%), ASBIS (+46.4%), TD Synnex (+24.9%), and Bechtle (+15.3%) delivered the strongest returns over the LTM.

Source: S&P Capital IQ.  
Notes: Data as of September 30, 2025. All share prices are rebased to 100.  
(1) The Houlihan Lokey Circular Tech Index consists of a diversified set of companies in the circular tech sector. For a complete list, see page 26.

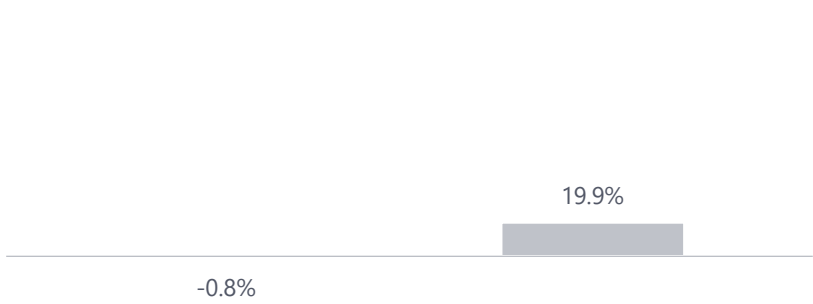
# Equity Market Index Performance

## Circular Tech: ITAM/ITAD and IT Distribution Companies

LTM September 2025 Performance by Subsector



YTD Performance



Three-Year Performance



### Key Takeaways

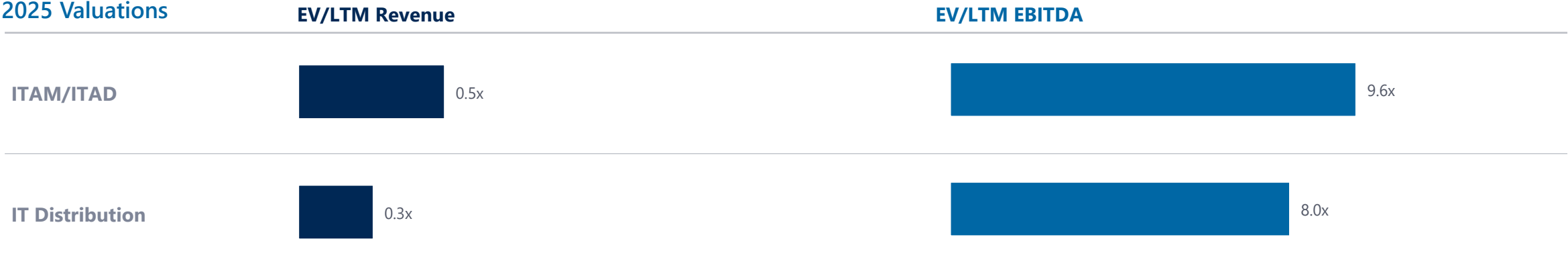
- During the LTM, the ITAM/ITAD peer group declined by 23.8%, while the IT distribution peer group gained 3.0%. Both underperformed the S&P 500, which gained 17.2%. Over the three-year period, ITAM/ITAD returned 21.5%, and IT distribution gained 77.8%.
- While the valuation gap between the IT distribution and ITAM/ITAD peer groups widened over the LTM period, ITAM/ITAD is positioned for a recovery as hardware refresh and cloud-driven lifecycle needs accelerate, and the segment is set to profit from durable structural tailwinds:
  - Rising demand for secure decommissioning.
  - Refurbishment and reuse.
  - Stronger recurring-revenue models.
  - Regulatory/compliance-driven spend.
  - Attractive M&A consolidation opportunities.

Source: S&P Capital IQ.  
Notes: Data as of September 30, 2025. All share prices are rebased to 100.

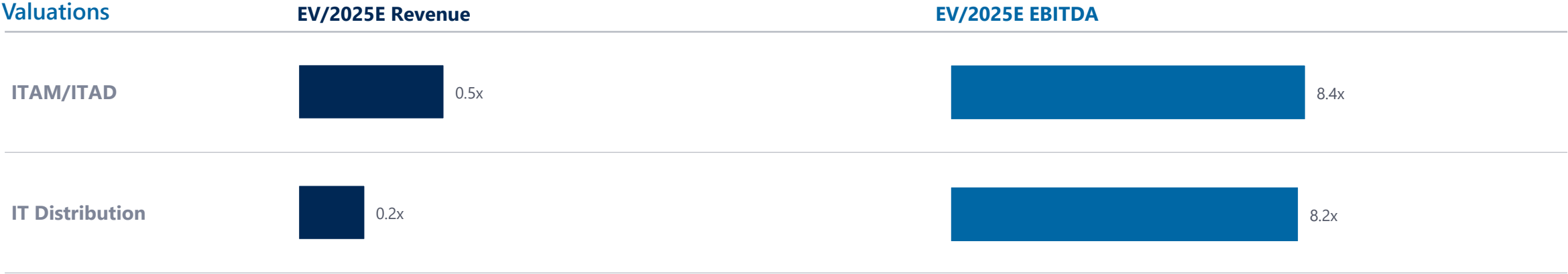
# Public Company Valuations

## Circular Tech: ITAM/ITAD and IT Distribution Companies

### LTM September 2025 Valuations



### 2025E Valuations



Source: S&P Capital IQ.  
 Notes: Data as of September 30, 2025. Values shown reflect the medians of the respective peer groups.  
 Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of September 30, 2025.

# Public Company Valuations Comparables (LTM September 2025)

## Circular Tech: ITAM/ITAD and IT Distribution Companies

(\$ in Millions, Except per-Share Prices)

As of 9/30/25		Market Cap USDm	EV USDm	Net Debt USDm	Net Debt/LTM EBITDA	LTM				Forward P/E	TEV/	
						Revenue USDm	EBITDA USDm	EBITDA Margin	EPS		LTM EBITDA	LTM Revenue
ITAM / ITAD	CDW Corp.	\$20,875.4	\$26,583.8	\$5,572.1	2.7x	\$21,878.3	\$2,064.8	9.4%	\$8.0	16.0x	12.9x	1.2x
	Bechtle AG	5,801.1	6,116.5	312.4	0.6x	7,370.2	518.3	7.0%	2.0	19.4x	11.8x	0.8x
	Insight Enterprises, Inc.	3,569.1	4,805.8	1,236.7	2.4x	8,355.6	512.7	6.1%	4.2	10.8x	9.4x	0.6x
	Computacenter PLC	3,786.6	3,643.9	(158.1)	N/M	10,754.6	429.4	4.0%	2.0	15.4x	8.5x	0.3x
	Kontron AG	1,972.0	2,449.5	460.2	3.2x	2,032.9	143.2	7.0%	2.6	13.1x	17.1x	1.2x
	Atea ASA	1,604.4	1,818.3	211.2	1.1x	3,587.2	189.3	5.3%	0.7	14.6x	9.6x	0.5x
	Cancom SE	966.9	1,092.2	125.0	1.3x	2,004.4	93.5	4.7%	0.7	21.6x	11.7x	0.5x
	Econocom Group SE	346.5	695.6	301.6	2.0x	3,325.2	152.3	4.6%	0.3	4.0x	4.6x	0.2x
	Dustin Group AB	242.7	472.5	251.1	0.6x	2,153.7	387.3	18.0%	(0.3)	28.1x	1.2x	0.2x
Median				\$301.6	1.7x	\$3,587.2	\$387.3	6.1%	\$2.0	15.4x	9.6x	0.5x
Mean				\$923.6	1.8x	\$6,829.1	\$499.0	7.4%	\$2.2	15.9x	9.6x	0.6x
IT Distribution	TD SYNnex Corp.	\$13,241.8	\$17,070.2	\$3,364.5	1.8x	\$60,973.5	\$1,895.0	3.1%	\$9.2	11.6x	9.0x	0.3x
	Arrow Electronics, Inc.	\$6,231.7	\$8,906.3	\$2,599.5	2.3x	\$28,500.2	\$1,108.3	3.9%	\$8.8	9.9x	8.0x	0.3x
	Ingram Micro Holding Corp.	5,046.8	8,371.7	2,873.7	2.3x	50,182.1	1,242.1	2.5%	1.2	7.1x	6.7x	0.2x
	Avnet, Inc.	4,363.4	7,048.7	2,469.6	3.1x	22,200.8	803.0	3.6%	2.8	11.4x	8.8x	0.3x
	ALSO Holding AG	3,703.1	3,985.7	281.5	0.9x	13,098.0	302.8	2.3%	10.9	19.5x	13.2x	0.3x
	ASBISc Enterprises PLC	413.6	636.1	224.0	2.2x	3,335.1	101.2	3.0%	1.0	8.7x	6.3x	0.2x
	AB S.A.	421.1	436.1	15.1	0.2x	4,126.5	80.7	2.0%	3.0	8.6x	5.4x	0.1x
Median				\$2,469.6	2.2x	\$22,200.8	\$803.0	3.0%	\$3.0	9.9x	8.0x	0.3x
Mean				\$1,689.7	1.8x	\$26,059.4	\$790.5	2.9%	\$5.3	11.0x	8.2x	0.2x
Overall Median				\$307.0	2.0x	\$7,862.9	\$408.3	4.3%	\$2.3	12.4x	8.9x	0.3x
Overall Mean				\$1,258.7	1.8x	\$15,242.4	\$626.5	5.4%	\$3.6	13.8x	9.0x	0.5x

Source: S&P Capital IQ.

Note: Data as of September 30, 2025.

Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of September 30, 2025.

# Public Company Valuations Comparables (2025E)

## Circular Tech: ITAM/ITAD and IT Distribution Companies

(\$ in Millions, Except per-Share Prices)

(\$ in Millions, Except per-Share Prices)		EV/Revenue		EV/EBITDA		P/E		2023–2025E CAGR		EBITDA Margin		Forward P/E		
As of 9/30/25		Net Debt/2024 EBITDA	2024	2025E	2024	2025E	2024	2025E	Revenue	EBITDA	2024	2025E	2024	2025E
ITAM/ITAD	CDW Corp.	2.8x	1.3x	1.2x	13.2x	12.5x	20.0x	16.2x	2.1%	1.6%	9.6%	9.6%	15.0x	16.3x
	Bechtle AG	0.6x	0.9x	0.8x	12.5x	10.9x	22.8x	21.3x	3.3%	1.3%	7.5%	7.4%	18.9x	19.6x
	Insight Enterprises, Inc.	2.3x	0.6x	0.6x	8.9x	9.0x	17.3x	11.6x	(3.4%)	1.4%	6.2%	6.2%	10.5x	11.5x
	Computacenter PLC	N/M	0.4x	0.3x	9.4x	8.2x	18.9x	16.2x	10.4%	2.3%	4.4%	4.1%	16.0x	15.0x
	Kontron AG	2.3x	1.4x	1.2x	12.3x	8.4x	22.5x	13.1x	23.2%	61.9%	11.0%	13.9%	18.3x	14.2x
	Atea ASA	1.3x	0.6x	0.5x	11.2x	8.0x	23.8x	15.7x	5.8%	11.8%	5.3%	5.9%	16.5x	15.3x
	Cancom SE	1.3x	0.6x	0.5x	11.1x	8.5x	29.9x	27.2x	9.2%	12.1%	5.5%	6.4%	18.4x	18.3x
	Econocom Group SE	2.2x	0.2x	0.2x	5.1x	3.8x	8.9x	4.0x	7.3%	10.2%	4.8%	5.4%	4.3x	4.0x
	Dustin Group AB	4.7x	0.3x	0.2x	8.9x	7.9x	N/M	36.4x	0.7%	(16.6%)	2.8%	2.7%	2.1x	11.1x
Median	2.3x	0.6x	0.5x	11.1x	8.4x	21.2x	16.2x	5.8%	2.3%	5.5%	6.2%	16.0x	15.0x	
Mean	2.2x	0.7x	0.6x	10.3x	8.6x	20.5x	18.0x	6.5%	9.5%	6.3%	6.9%	13.3x	13.9x	
IT Distribution	TD SYNnex Corp.	1.9x	0.3x	0.3x	9.4x	9.0x	20.6x	12.6x	3.8%	1.0%	3.1%	3.0%	13.3x	12.9x
	Arrow Electronics, Inc.	2.1x	0.3x	0.3x	7.3x	8.2x	16.6x	11.7x	(4.2%)	(21.1%)	4.4%	3.6%	10.8x	10.5x
	Ingram Micro Holding Corp.	2.7x	0.2x	0.2x	6.9x	6.5x	18.3x	7.7x	2.9%	(1.0%)	2.5%	2.5%	N/A	7.3x
	Avnet, Inc.	2.9x	0.3x	0.3x	7.7x	10.1x	14.8x	15.0x	(6.2%)	(26.1%)	4.1%	3.1%	11.8x	11.8x
	ALSO Holding AG	1.2x	0.4x	0.2x	17.0x	10.7x	31.1x	20.5x	20.7%	14.8%	2.4%	2.3%	22.8x	18.1x
	ASBISc Enterprises PLC	2.2x	0.2x	0.2x	6.2x	6.4x	7.6x	9.1x	6.1%	(8.7%)	3.4%	2.9%	6.0x	8.0x
	AB S.A.	0.2x	0.1x	0.1x	5.9x	5.6x	10.2x	8.8x	1.9%	(1.2%)	2.0%	1.8%	9.6x	7.2x
Median	2.1x	0.3x	0.2x	7.3x	8.2x	16.6x	11.7x	2.9%	(1.2%)	3.1%	2.9%	11.3x	10.5x	
Mean	1.9x	0.3x	0.2x	8.6x	8.1x	17.0x	12.2x	3.6%	(6.0%)	3.1%	2.7%	12.4x	10.8x	
Overall Median	2.2x	0.4x	0.3x	9.2x	8.3x	18.9x	14.0x	3.6%	1.3%	4.4%	3.8%	13.3x	12.4x	
Overall Mean	2.1x	0.5x	0.4x	9.6x	8.4x	18.9x	15.4x	5.2%	2.7%	4.9%	5.1%	13.0x	12.6x	

Source: S&P Capital IQ.

Note: Data as of September 30, 2025.

Trading multiples are based on share price, other market data, and broker consensus future revenue and earnings estimates from S&P Capital IQ as of September 30, 2025.





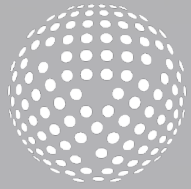
# Disclaimer

© 2025 Houlihan Lokey. All rights reserved. This material may not be reproduced in any format by any means or redistributed without the prior written consent of Houlihan Lokey.

Houlihan Lokey is a trade name for Houlihan Lokey, Inc., and its subsidiaries and affiliates, which include the following licensed (or, in the case of Singapore, exempt) entities: in (i) the United States: Houlihan Lokey Capital, Inc., an SEC-registered broker-dealer and a member of FINRA ([www.finra.org](http://www.finra.org)) and SIPC ([www.sipc.org](http://www.sipc.org)) (investment banking services); (ii) Europe: Houlihan Lokey UK Limited (FRN 792919), authorized and regulated by the U.K. Financial Conduct Authority; Houlihan Lokey (Europe) GmbH, authorized and regulated by the German Federal Financial Supervisory Authority (Bundesanstalt für Finanzdienstleistungsaufsicht); Houlihan Lokey Private Funds Advisory S.A., a member of CNCEF Patrimoine and registered with the ORIAS (#14002730); (iii) the United Arab Emirates, Dubai International Financial Centre (Dubai): Houlihan Lokey (MEA Financial Advisory) Ltd., regulated by the Dubai Financial Services Authority; (iv) Singapore: Houlihan Lokey (Singapore) Private Limited, an “exempt corporate finance adviser” able to provide exempt corporate finance advisory services to accredited investors only; (v) Hong Kong SAR: Houlihan Lokey (China) Limited, licensed in Hong Kong by the Securities and Futures Commission to conduct Type 1, 4, and 6 regulated activities to professional investors only; (vi) India: Houlihan Lokey Advisory (India) Private Limited, registered as an investment adviser with the Securities and Exchange Board of India (registration number INA000001217); and (vii) Australia: Houlihan Lokey (Australia) Pty Limited (ABN 74 601 825 227), a company incorporated in Australia and licensed by the Australian Securities and Investments Commission (AFSL number 474953) in respect of financial services provided to wholesale clients only. In the United Kingdom, European Economic Area (EEA), Dubai, Singapore, Hong Kong, India, and Australia, this communication is directed to intended recipients, including actual or potential professional clients (UK, EEA, and Dubai), accredited investors (Singapore), professional investors (Hong Kong), and wholesale clients (Australia), respectively. No entity affiliated with Houlihan Lokey, Inc., provides banking or securities brokerage services, nor is any such affiliate subject to FINMA supervision in Switzerland or similar regulatory authorities regarding such activities in other jurisdictions. Other persons, such as retail clients, are NOT the intended recipients of our communications or services and should not act upon this communication.

Houlihan Lokey gathers its data from sources it considers reliable; however, it does not guarantee the accuracy or completeness of the information provided within this presentation. The material presented reflects information known to the authors at the time this presentation was written, and this information is subject to change. Any forward-looking information and statements contained herein are subject to various risks and uncertainties, many of which are difficult to predict, that could cause actual results and developments to differ materially from those expressed in, or implied or projected by, the forward-looking information and statements. In addition, past performance should not be taken as an indication or guarantee of future performance, and information contained herein may be subject to variation as a result of currency fluctuations. Houlihan Lokey makes no representations or warranties, expressed or implied, regarding the accuracy of this material. The views expressed in this material accurately reflect the personal views of the authors regarding the subject securities and issuers and do not necessarily coincide with those of Houlihan Lokey. Officers, directors, and partners in the Houlihan Lokey group of companies may have positions in the securities of the companies discussed. This presentation does not constitute advice or a recommendation, offer, or solicitation with respect to the securities of any company discussed herein, is not intended to provide information upon which to base an investment decision, and should not be construed as such. Houlihan Lokey or its affiliates may from time to time provide financial or related services to these companies. Like all Houlihan Lokey employees, the authors of this presentation receive compensation that is affected by overall firm profitability.





Houlihan  
Lokey

Corporate Finance  
Financial Restructuring  
Financial and Valuation Advisory

**HL.com**



Houlihan Lokey