

万物新生
A T R E N E W

4Q22 INVESTOR PRESENTATION

March 2023



爱回收
AHS Recycle

拍机堂
PJT Marketplace

拍拍
Paipai Marketplace

AHS DEVICE

Safe Harbor

Forward-looking Statements

This presentation has been prepared by ATRenew Inc. (the “Company”) solely for informational purposes. This presentation contains forward-looking statements within the meaning of the U.S. Private Securities Litigation Reform Act of 1995. These forward-looking statements reflect the Company’s current expectations and projections with respect to, among other things, our financial condition, results of operations, plans, objectives, future performance, and business. These statements may be preceded by, followed by or include the words “aim,” “anticipate,” “believe,” “estimate,” “expect,” “forecast,” “intend,” “likely,” “outlook,” “plan,” “potential,” “project,” “projection,” “seek,” “can,” “could,” “may,” “should,” “would,” “will,” the negatives thereof and other words and terms of similar meaning. Forward-looking statements include all statements that are not historical facts. Such forward-looking statements are subject to various risks and uncertainties. Accordingly, there are or will be important factors that could cause actual outcomes or results to differ materially from those indicated in these statements. Among these factors are risks related to the “Risk Factors” identified in the Company’s F-1 filing with the U.S. SEC. There is no assurance that any forward-looking statements will materialize. You are cautioned not to place undue reliance on forward-looking statements, which reflect expectations only as of this date. The Company does not undertake any obligation to publicly update or review any forward-looking statement, whether as a result of new information, future developments, or otherwise.

Market and Industry Data

This presentation includes information concerning economic conditions, the Company’s industry, the Company’s markets and the Company’s competitive position that is based on a variety of sources, including information from independent industry analysts and publications, as well as the Company’s own estimates and research. The Company’s estimates are derived from publicly available information released by third party sources, as well as data from its internal research, and are based on such data and the Company’s knowledge of its industry, which the Company believes to be reasonable. The independent industry publications used in this presentation were not prepared on the Company’s behalf. While the Company is not aware of any misstatements regarding any information in this presentation, forecasts, assumptions, expectations, beliefs, estimates and projects involve risk and uncertainties and are subject to change based on various factors.

Use of Non-GAAP Measures

This presentation includes certain non-GAAP financial measures when evaluating the Company’s business operations. For details of the use of non-GAAP measures, please refer to “Reconciliations of GAAP and Non-GAAP Results” in the Company’s earnings release and the corresponding Form 6-K furnished with the U.S. SEC.

3 Steps to Our Long-term Mission of Consumer Goods Recycle and Reuse



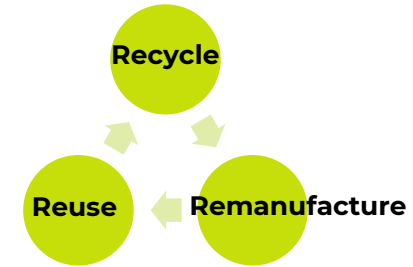
Foundation - Continued growth of electronics business

The largest pre-owned consumer electronics transactions and services platform in China¹



Breakthrough - A national brand for recycling

Increase consumer awareness for recycle and reuse of existing and new categories via 1,920 offline storefronts



Mission - To give a second life to all idle goods

Maximize the value of products and resources

4Q22 Operational Results Summary

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PJT
Marketplace

拍拍
Paipai
Marketplace

AHS DEVICE
International Business

RMB2,981.2 million, +22.4% yoy
Total revenues in 4Q22

RMB34.6 million
Non-GAAP operating income¹ in 4Q22

4.8% take rate
Of marketplaces in 4Q22

RMB2,687.9 million, +29.5% yoy
Net product revenues in 4Q22

1,920 stores
Covering 266 cities in China²

RMB2.8 billion
Cash position as at the end of 4Q22³

Notes:

- (1) Under non-GAAP measures, the impact of the impairment losses of deferred cost, intangible assets, share-based compensation expenses and amortization of intangible assets and deferred cost resulting from assets and business acquisitions is excluded;
- (2) As of December 31, 2022, including AHS stores and Paipai Selection stores;
- (3) Cash position included cash and cash equivalents, short-term investments and funds receivable from third-party payment service providers.

Highlights as of December 31, 2022:

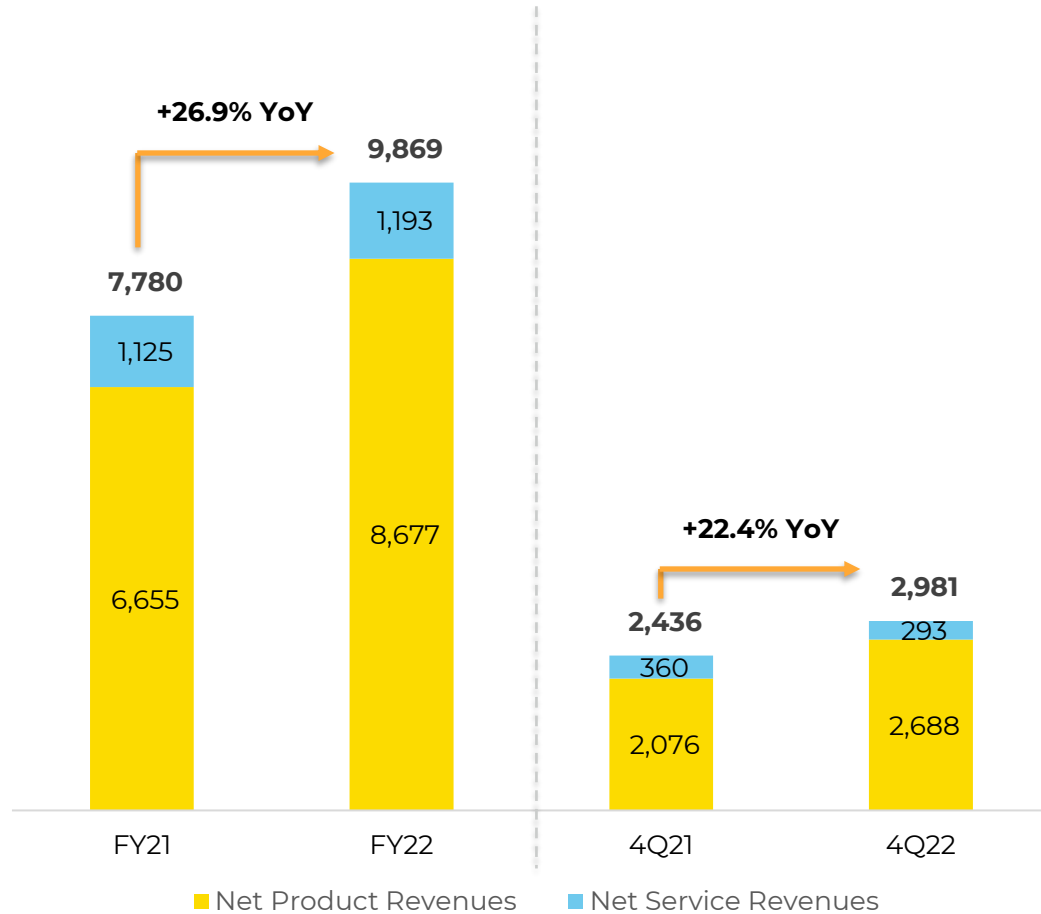
- Total net revenues in FY22: **RMB9,869 MN**, +26.9% YoY
- Operating cash flow kept positive for 4 consecutive quarters, which totaled **RMB881 MN** in FY22
- Total #of transactions in FY22: **32 million**
- Physical stores totaled **1,920** in **266 cities** in China, ensuring offline interactive fulfillment experience
- PJT Marketplace served **400,000+** merchant users with digitalized transaction solutions
- **8** regional operation centers (incl. 2 automation facilities) + **17** city-level operation stations support nationwide business operations in scale

Note: the store numbers include self-operated AHS stores, jointly operated AHS stores and Paipai Selection stores.

Topline and Profitability Milestones

Total Net Revenues

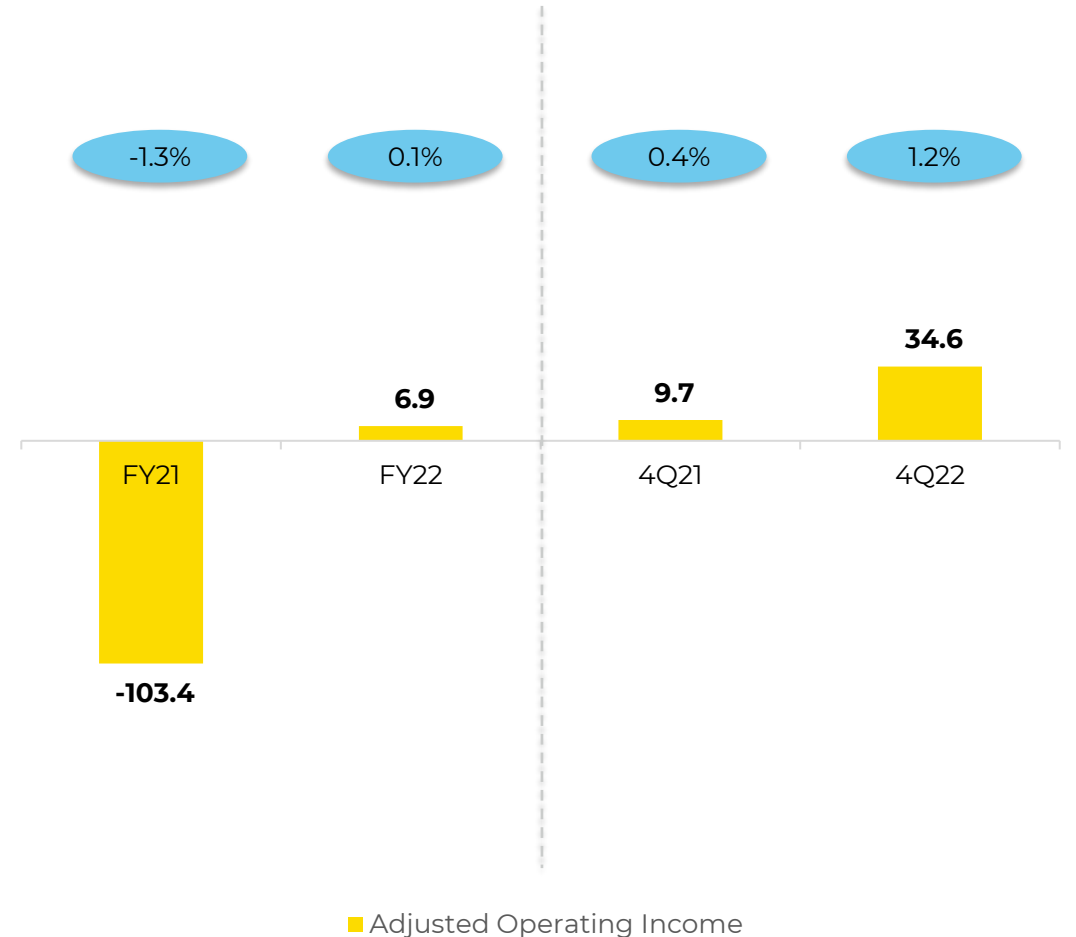
(RMB million)



Adjusted Income from Operations

(RMB million)

Adjusted Operating Margin %

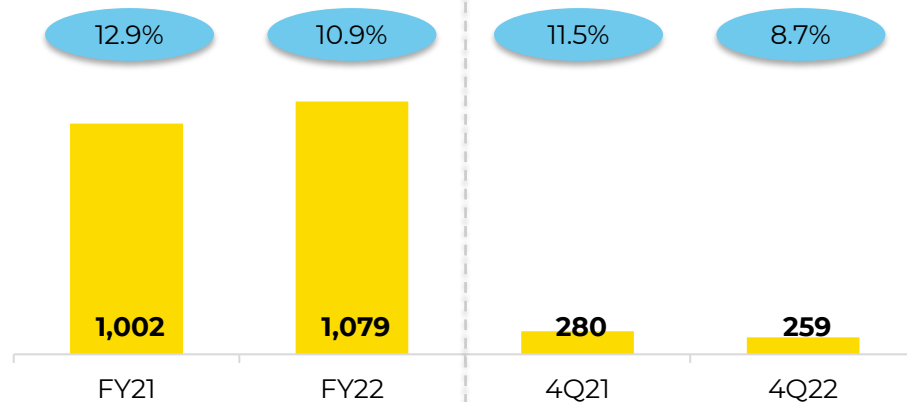


Snapshot of Non-GAAP Operating Expenses

Fulfillment Expenses

(RMB million)

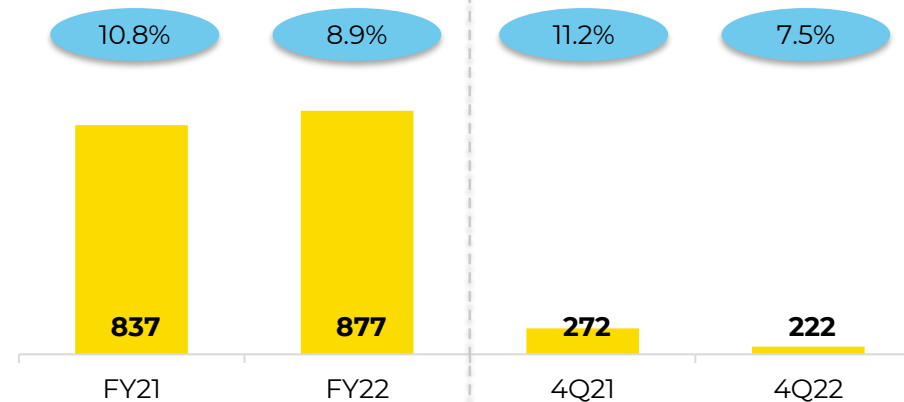
As % of total net revenues



Selling and Marketing Expenses

(RMB million)

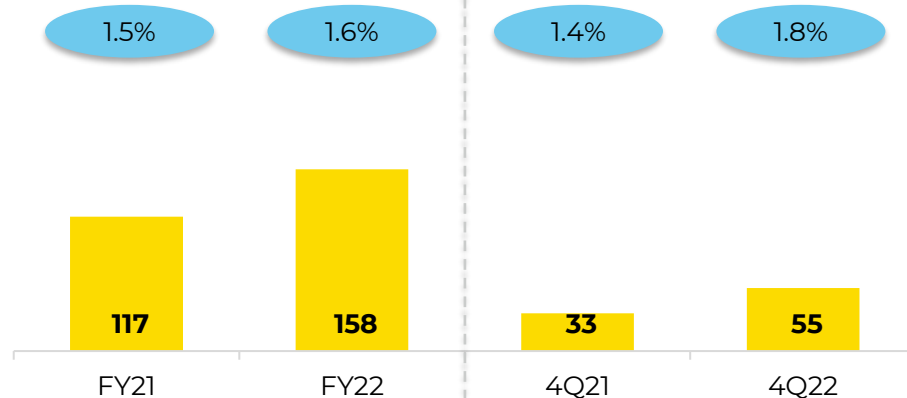
As % of total net revenues



General and Administrative Expenses

(RMB million)

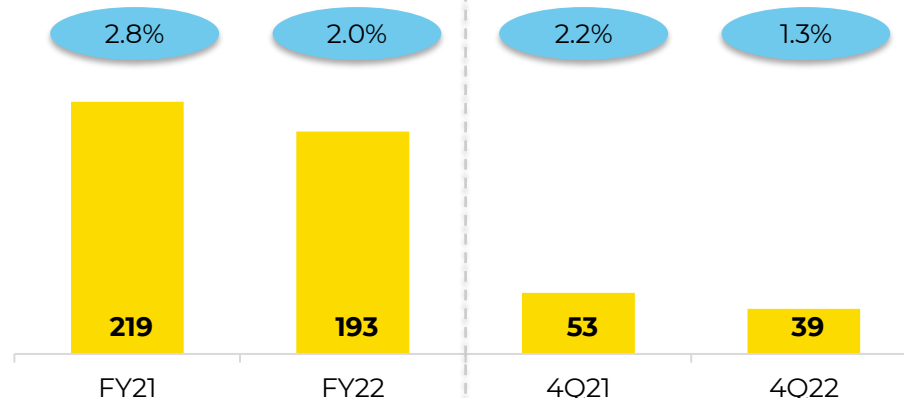
As % of total net revenues



Technology and Content Expenses

(RMB million)

As % of total net revenues



Our Strategy: Increase Recycling Scene Coverage While Enhancing Profitability

City-level service integration

- Enhance 1P sourcing capability and growth momentum via consolidated sourcing capabilities and refined operation on the city level
- Facilitate the recycling of used devices for brands
- **Enlarge market share and penetration**



Retailing refurbished devices

- Guidelines for compliant refurbishment by People's Procuratorate of Shenzhen
- **Widen profit margin for 5%** as we **prioritize direct-to-consumer distribution** through compliant refurbishment



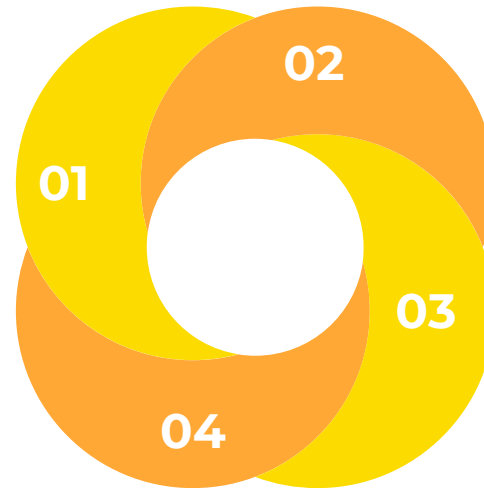
Recycle more categories from stores

- New revenue streams from luxury goods, camera equipment, gold, jewelry, and prestige liquor while satisfying consumers' growing demand for carefree cashback
- **Attract repurchases and improve store unit economics**
- **No excessive capex**



Improve cost efficiency with tech

- Continue to invest in automated inspection technologies for higher inspection accuracy to minimize loss from returns
- **Minimize fulfillment expenses per order**



Appendix

- Investment Highlights
- Market Overview
- Offerings and Capabilities

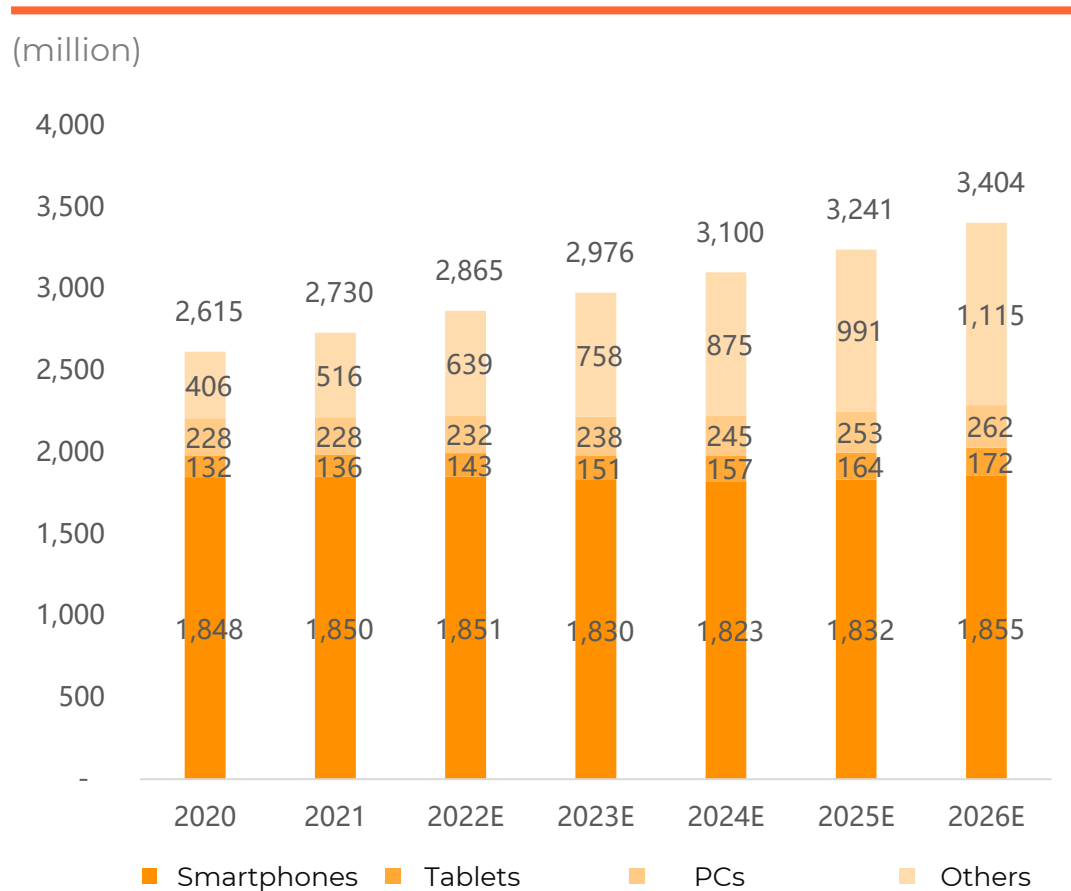


Key Investment Highlights

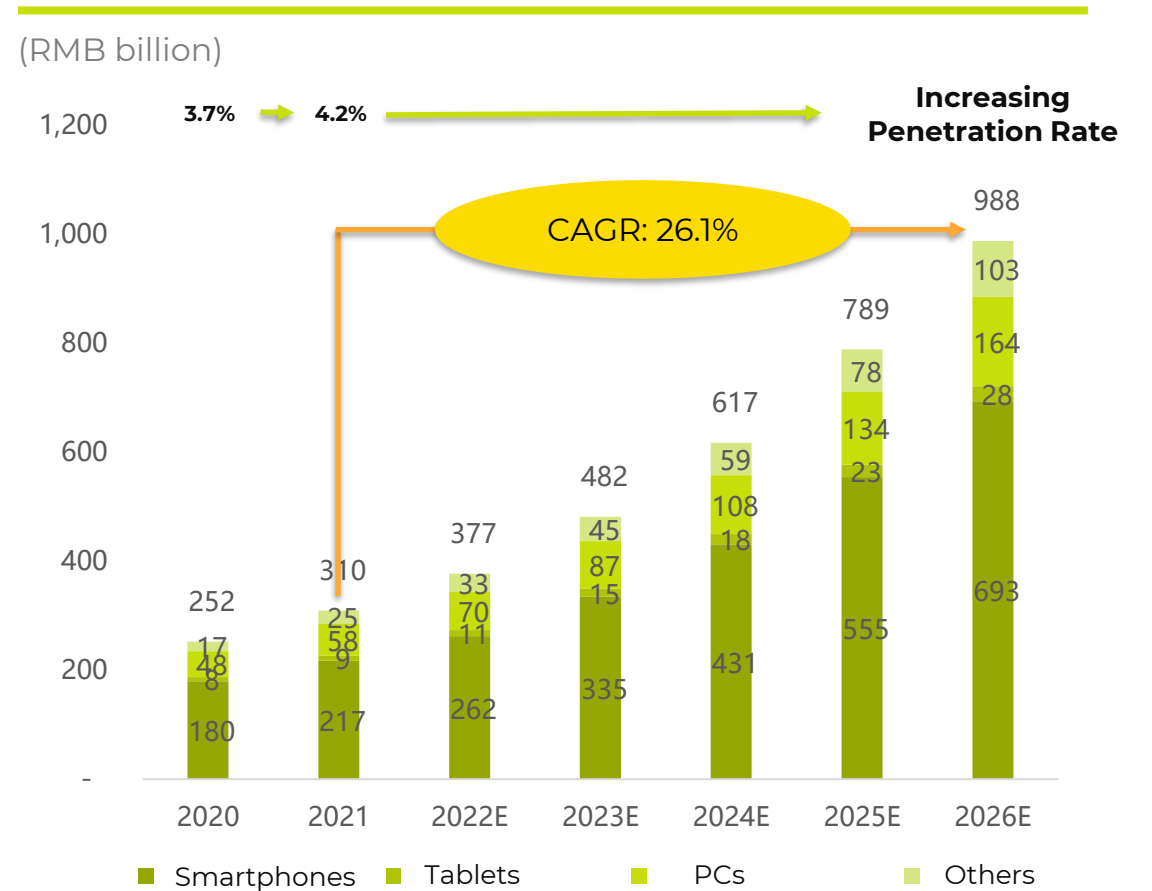


Huge Domestic Market Opportunity in Pre-owned Electronics

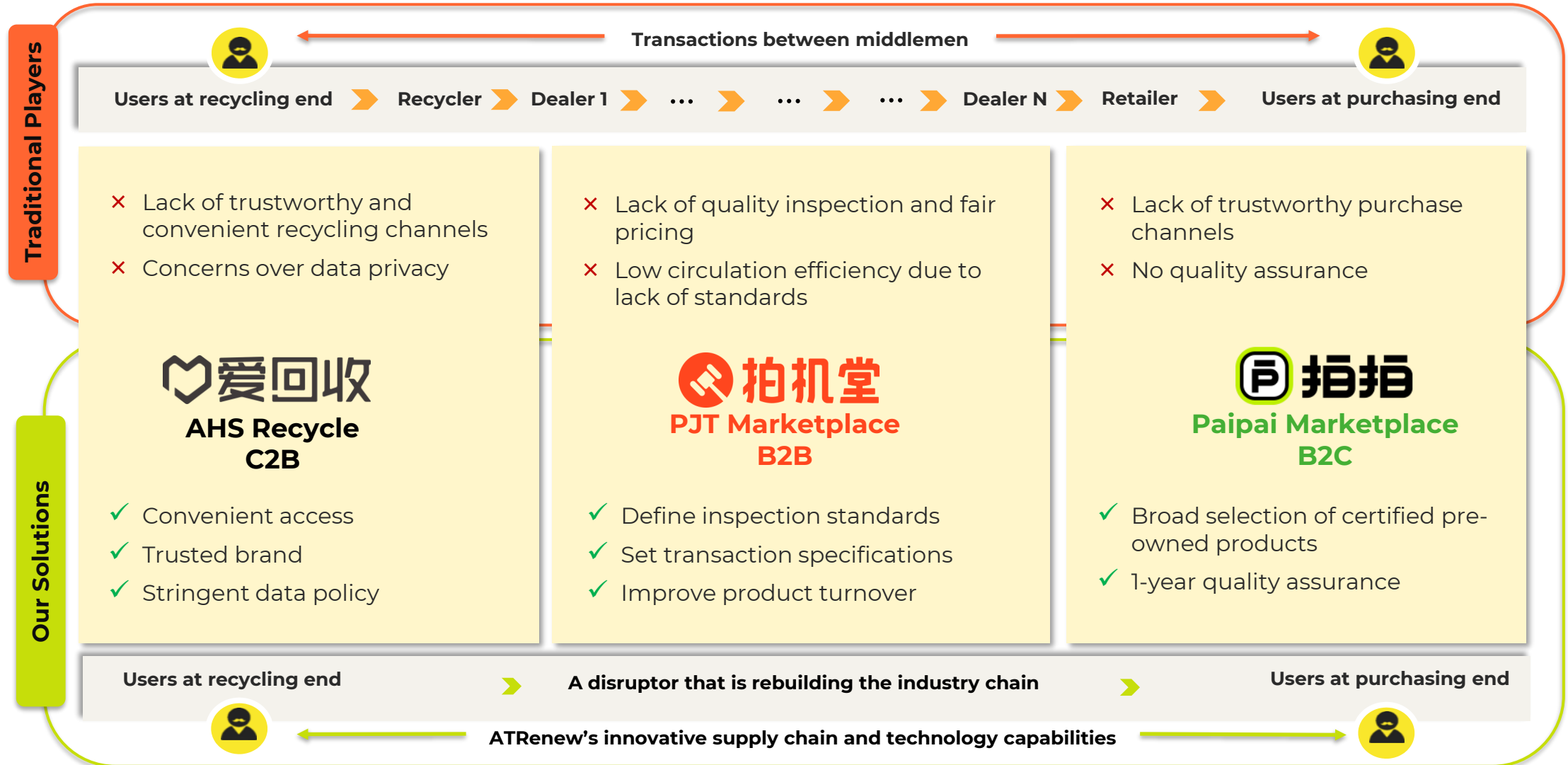
Device Volume with Use Value in China



Pre-owned Device Distribution and Service GMV in China

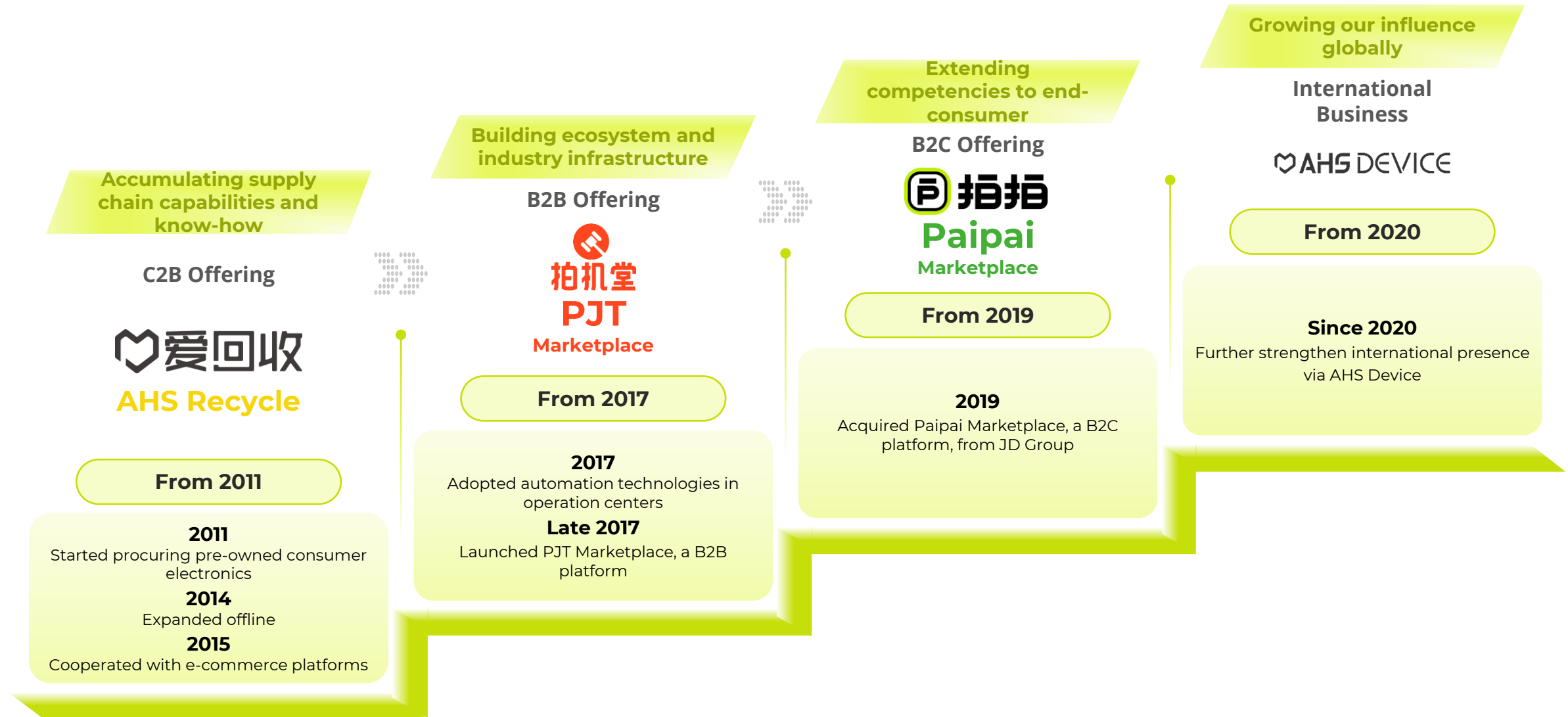


ATRenew as a Tech-driven Market Disruptor and Reformer

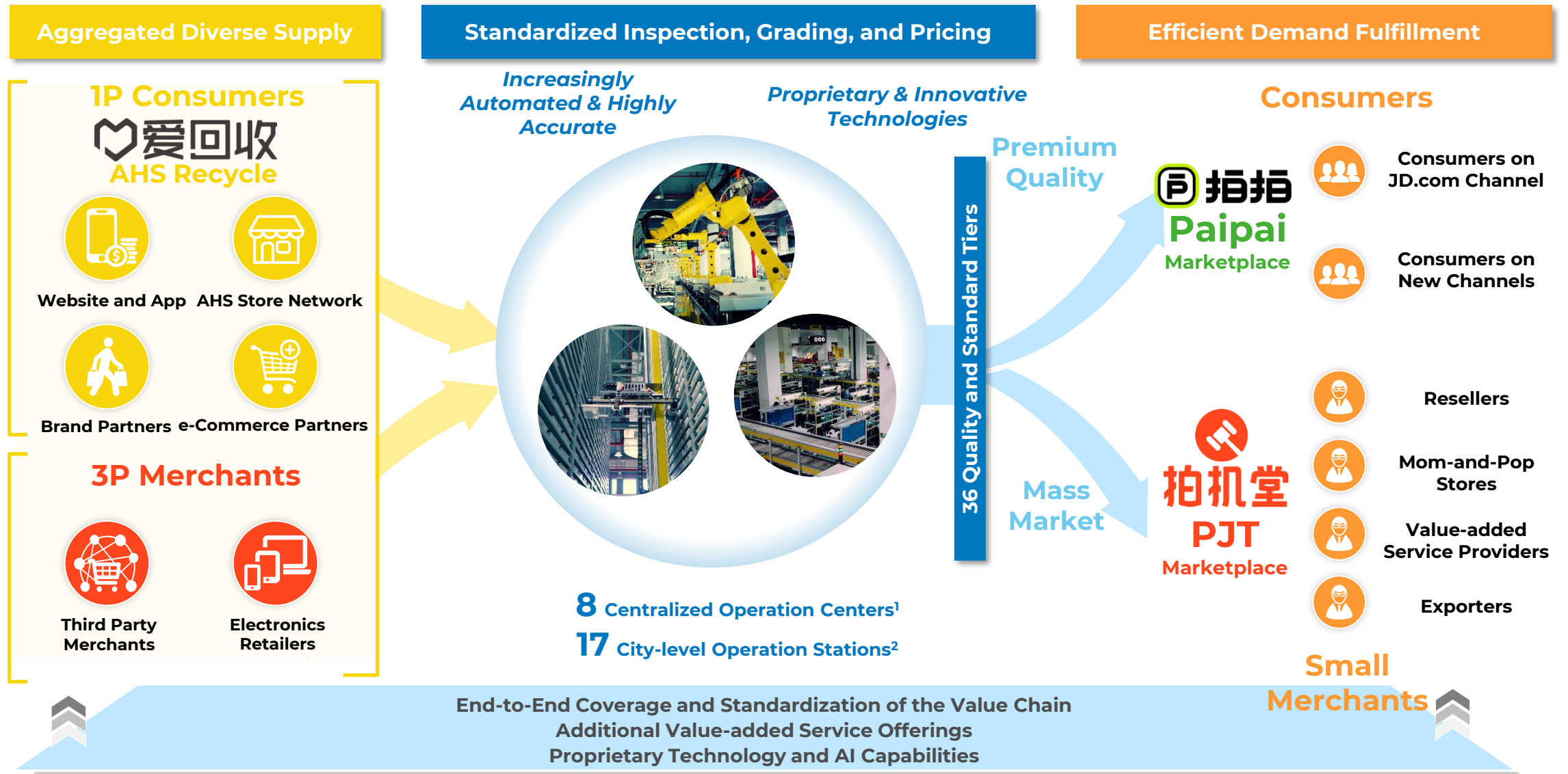


Our Evolution

On June 18, 2021, ATRenew became a publicly traded company, listing on the New York Stock Exchange under the symbol 'RERE.'



We Built the Circulation Ecosystem for Pre-owned Devices in China



Our Scale and Capabilities to Define Industry Standards

Nationwide coverage of industry participants



Online Recycling: Multiple online **consumer touchpoints** for trade-in



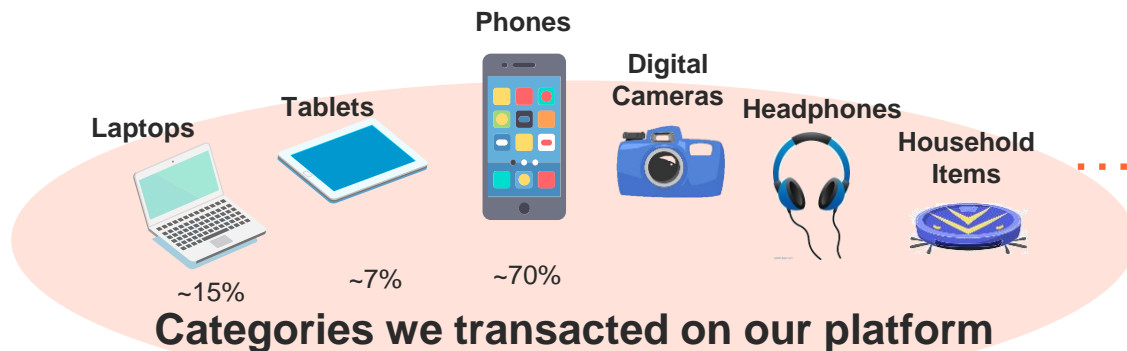
Offline Presence: **1,920** stores and **1,980+** self-service kiosks in **266** cities in China¹



Extended Reach: **407,000+** merchants registered as buyers or sellers on PJT Marketplace²



LTM transaction volume: **32.0** million consumer products transacted over the last twelve months³



Pioneer in developing industry standards



Inspection
38 Criteria to be inspected automatically



Grading
36 grading tiers set for each device model and used for bidding



Pricing
Based on millions of bids and transactions



Security
Data erasure conducted at storefront and facilities

Proprietary Testing, Grading, and Pricing Technologies

Our State-of-the-art Operation Centers

Wide-ranging Coverage in China



8 centralized operation centers¹

- Changzhou (automated)
- Dongguan (automated)
- Wuhan
- Chengdu
- Tianjin
- Xi'an
- Shenyang
- Hong Kong



17 city-level operation stations²



Streamlined Process and High Precision Improve Non-GAAP Fulfillment Cost Efficiency


Enhance Efficiency of Business Operation

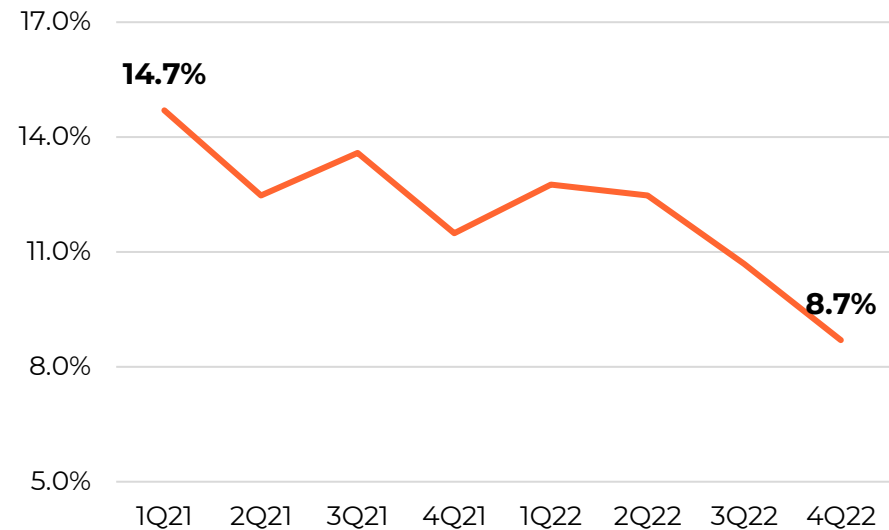

Improve Service Accessibility


Provide Adequate Processing Capability


Reduce Error Rate and Labor Cost



Non-GAAP fulfillment cost as % of total net revenues



Dongguan 2nd Gen Automation Facility Realizes Multiple Upgrades



Three dimensional advancements compared to the 1st generation facility in Changzhou:

Circulation efficiency

Automated shunting
efficiency: improved **15%**

Inspection accuracy

Matrix 3.0:
improved **10%**

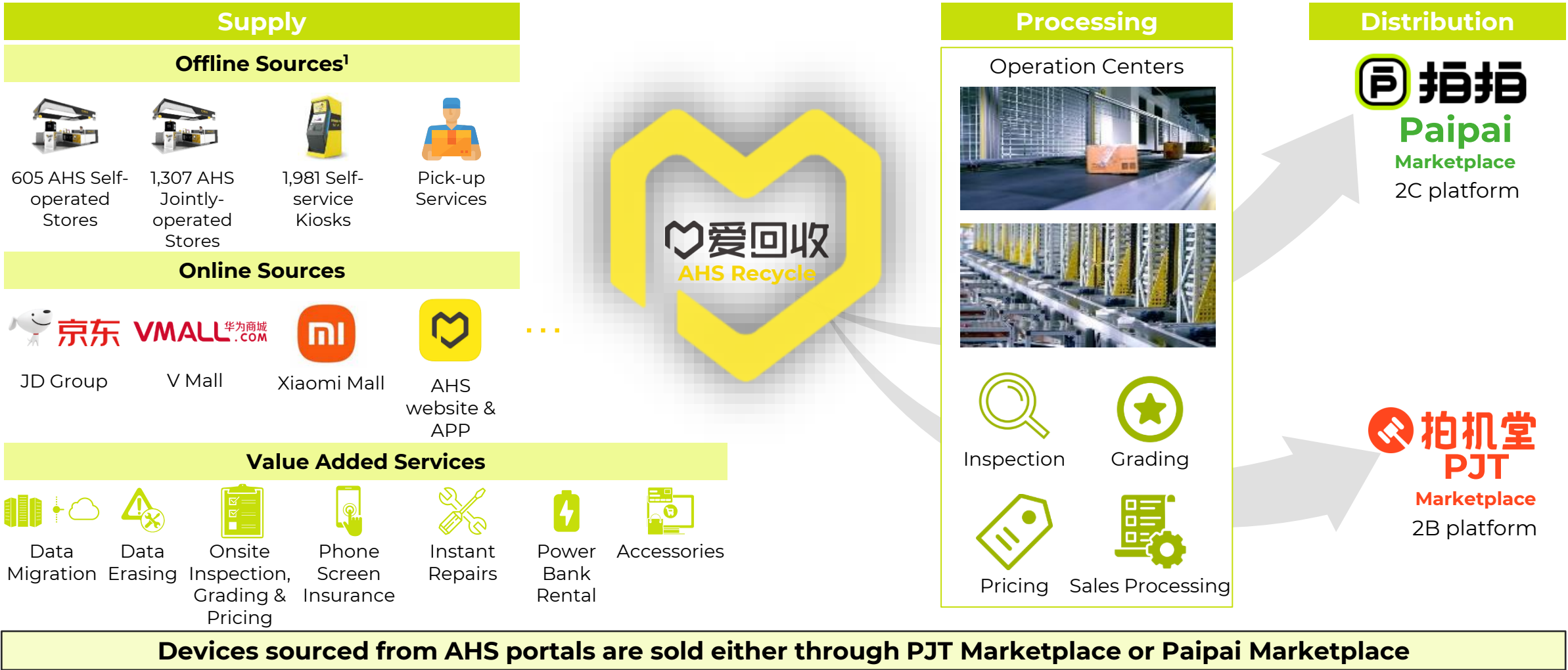
Storage capacity

AS/RS capacity:
improved **100%**



Overview of AHS Recycle (C2B)

C2B – efficiently sourcing supply of all phone types



AHS Stores are Our Core Consumer Touchpoints

01

Premium recycling experience



02

Trusted face-to-face delivery



03

Established offline trade-in fulfillment infrastructure



04

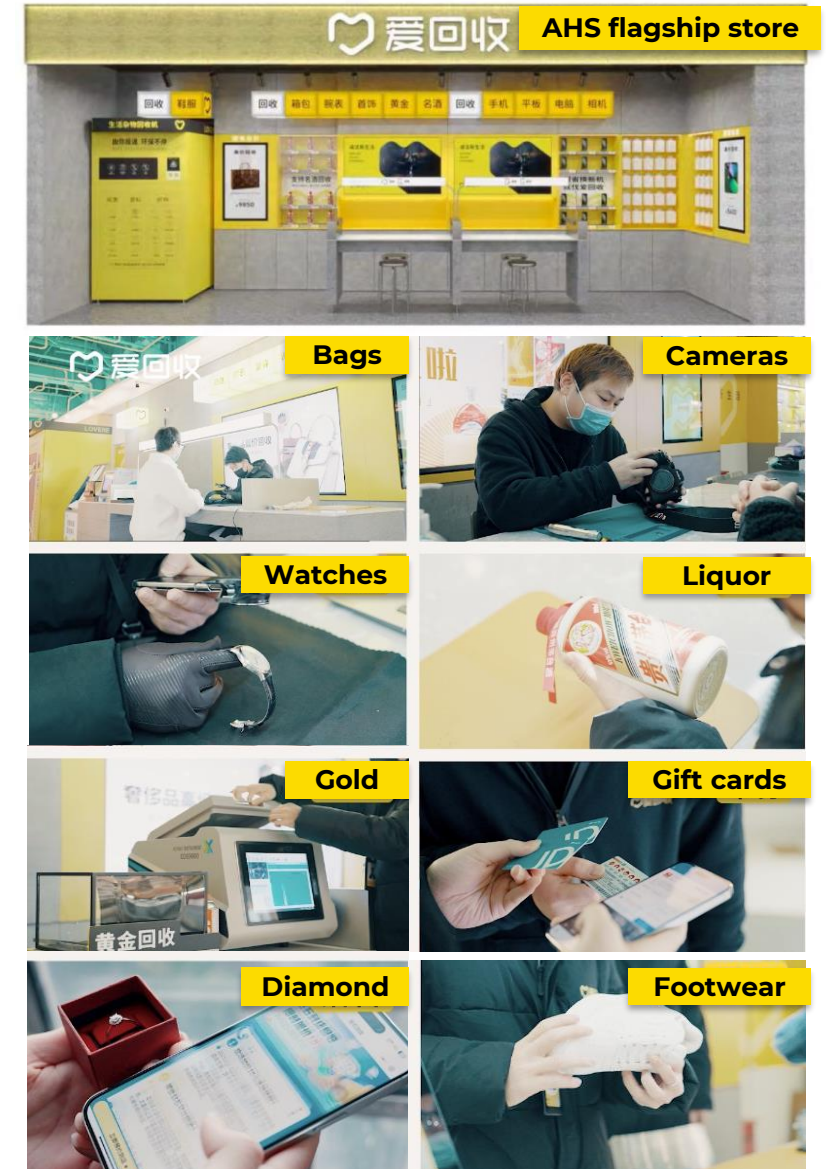
Increased brand awareness



Accelerate New-category Coverage as Pilot Results Speak Up

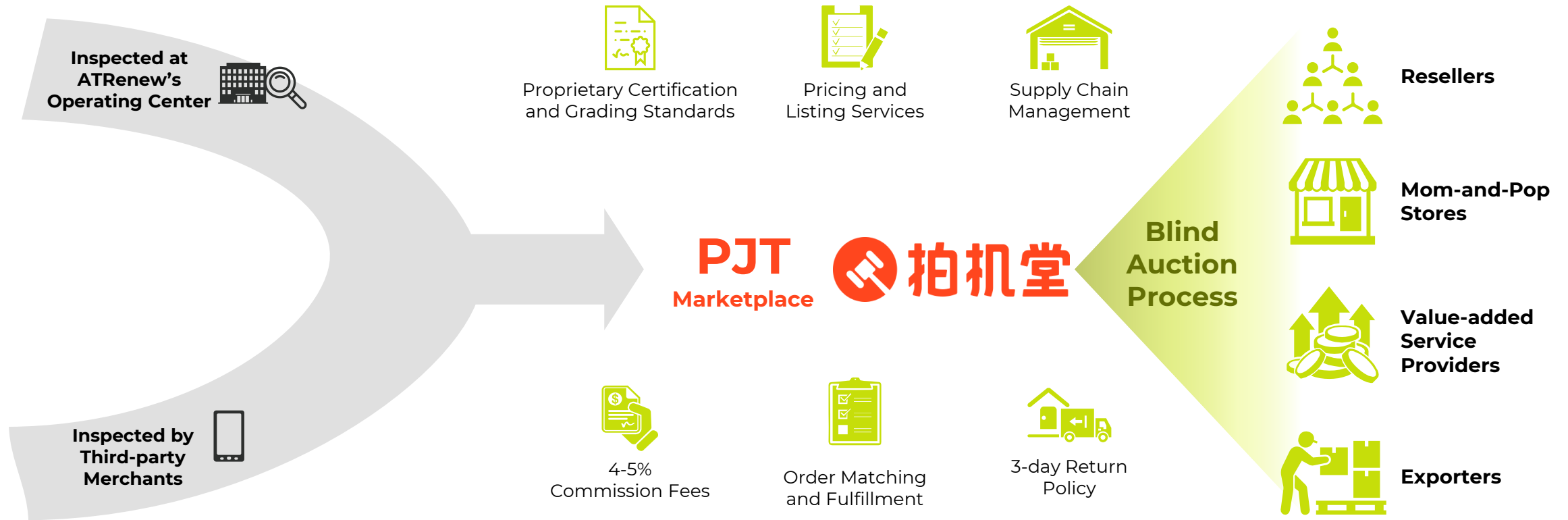
Promote AHS Recycle as a top-of-mind cashback destination.

- **Positioning:** To recycle valuable and popular products
- **Categories:** Luxury goods, camera equipment, gold & jewelry, prestigious liquor, gift card, and clothing & footwear, etc.
- **Supply chain capabilities:**
 - Customer acquisition, fulfillment, and reputation building – done through existing 1,900+ AHS stores and mobile app
 - Own proprietary capabilities for core consumer electronics, pivot to self-operation for luxury goods, and leverage joint-operation for new takes
- **Recent highlight:**
 - Additional monthly GMV of RMB300,000 for each pilot store in 2H22
- **FY23 priorities:**
 - i) User experience, ii) product database, and iii) pricing capability
 - To cover 150 stores in core commercial areas in 1H23



Overview of PJT Marketplace (B2B)

B2B – enabling third-party merchants' trade-in programs and transactions

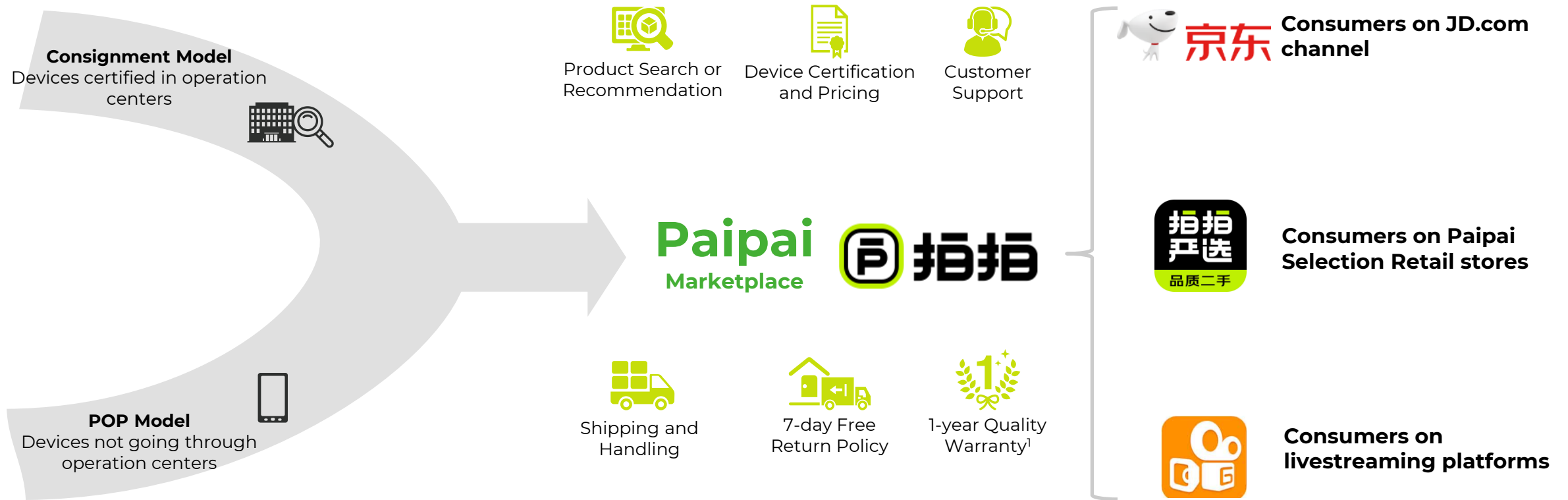


Providing Small Merchants with a Comprehensive Suite of Solutions

- Standardized Certification of Devices
- Optimized Inventory Turnover
- Fewer Middlemen
- Lower Transaction Costs

Overview of Paipai Marketplace (B2C)

B2C – fulfilling consumers' demand for quality products and superior experience



Providing Consumers With a Diverse Range of Pre-owned Consumer Products

- Mobile Phones
- Laptops
- Tablets
- Digital Cameras
- Luxury Goods
- Household Items
- Books

Paipai: A Youthful Brand With Innovative Retailing Channels

01 Integrated offline store and mini warehouse



02 In-store livestreaming and sales, and private domain promotion



03 Compliant refurbishment adds value to more 1PtoC retailing









04 Retail arm of the city-level service integration strategy



Access to refurbished phone listings in Paipai Selection flagship store

City-level Service Integration Grid

How we build the grid across multiple business and commercial areas in a city:

-  Online marketplaces
-  Commercial areas with heavy foot traffic
-  City hubs for offline electronics transactions
-  AHS stores (recycling network)
-  Paipai Selection stores (retail touchpoints with on-site live-streaming)
-  City-level operation stations (extend inspection and operation capabilities to local merchants)



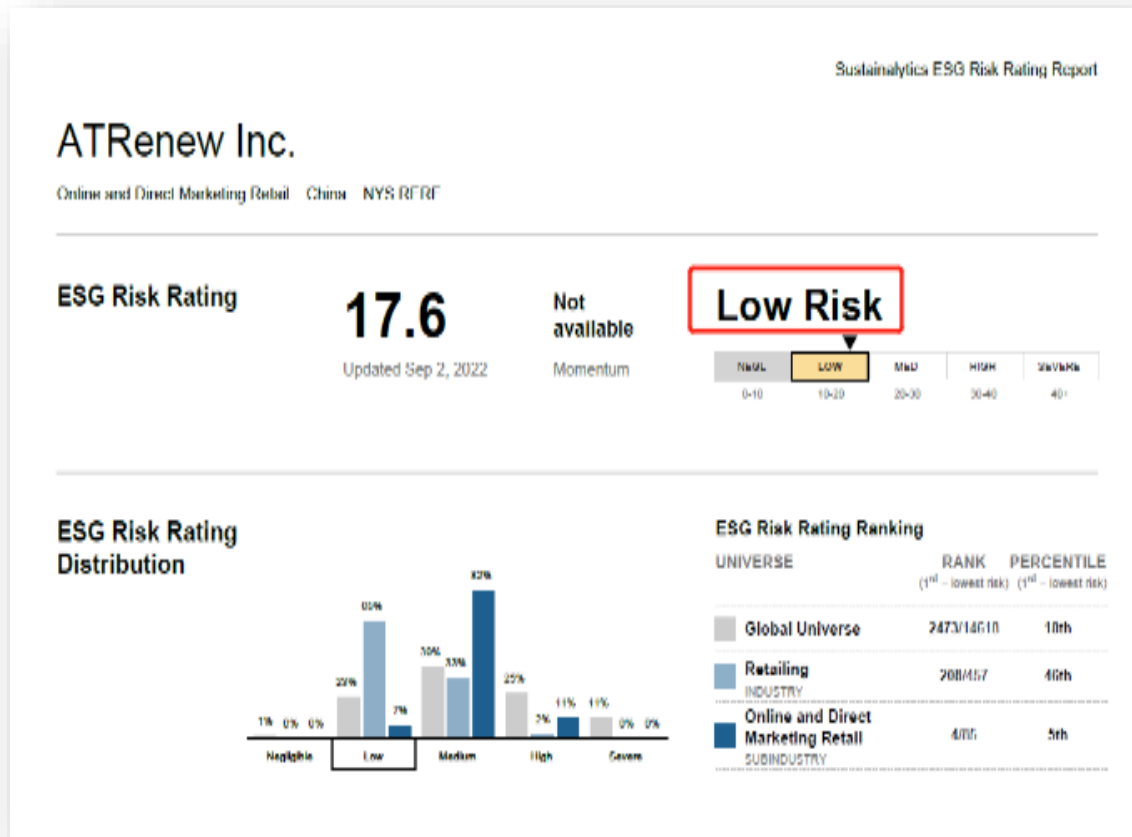
Highly Synergistic Relationship with JD.com

A win-win for new device sales and used device recycling

Seamless trade-in and recycling solutions incorporated in JD.com's main site (product page)



Our Continuous Efforts in Compliance and ESG Initiatives



Environmentally Friendly



- Green recycling, transportation and e-waste disposal
- Build a supply chain with manageable carbon footprint
- ISO14001 certified
- Committed to reducing environmental impact - carbon emission intensity reduced by 28.8% in 2021
- 463,692 tonnes of carbon emission reduction in 2021 by giving a second life to used phones

Socially Responsible



- Education initiatives for underprivileged school children
- Anti-COVID donations to local communities
- Structured employee development and care programs
- Tech and digital tool accessibility for small merchants

Improved Governance



- Established high-caliber ESG Committee
- Transparent Code of Business Conduct and Ethics
- Set product and corporate governance as high materiality topics
- ISO 27001 information security management system certification
- Onboarded one female independent director, enhancing board composition

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