



Rebagg Closes \$15.5 Million In Series B Financing Led By Novator And General Catalyst

NEW YORK, July 26, 2017 /PRNewswire/ -- Rebagg, a resale service for pre-owned luxury goods, today announced the close of a \$15.5 million Series B funding round led by Novator and General Catalyst, with participation from FJ Labs (the holding company of Fabrice Grinda and Jose Marin), Crosslink Capital, Big Sur Ventures-Necotium, Kloof Capital and U-Start. The new funding puts the total raised to date to \$28 million.

The company will use its new financing to build the next scale of its operations, in particular by making key hires, further developing its unique resale pricing technology as well as continuing to promote the Rebagg brand and to grow its sourcing network across geographies.

"We believe Rebagg has the potential to reshape the luxury consumption cycle," said Birgir Ragnarson, Partner at Novator and who will join the Board of Directors. "By making the resale process seamless and the pricing transparent, Rebagg is creating new and instant liquidity for owners. Just like in automobile or high-end electronics, luxury resale behavior is growing and will further increase as a consistent and easily accessible standard like Rebagg becomes omnipresent. As sellers largely reinvest their proceeds, this behavior benefits the whole luxury ecosystem, including brands and department stores."

Strong tailwinds power the luxury resale market. These include a growing focus on sustainable and cyclical consumption, a shift from long-term ownership towards more collaborative patterns and experiences, and a desire to be financially responsible. "Over the past two and a half years, we have seen a clear acceleration in resale behaviour," says Charles Gorra, CEO, Rebagg. "However, the market is still in its infancy. We estimate that less than 2 out of 10 owners of luxury fashion are currently involved in a secondary behaviour (either reselling, recycling or donating). This is significantly lower than other categories like electronics. For instance, research¹ shows that 55% of owners of Apple mobile devices passed them on and suggests that strong growth is ahead of us."

Since its inception Rebagg's unique business model has proven its ability to attract first-time sellers. According to an internal survey, over 50% of Rebagg sellers indicate they had never resold before using Rebagg. The main reasons are a previous lack of interest or awareness (60%), time or complexity constraints (25%) or value related issues (15%). "We are deeply focused on catalyzing behavioural change and activating new sellers, which therefore increases the overall resale market," says Charles Gorra.

"We have backed Rebagg from the beginning. We continue to be impressed with their consistent execution and their ability to create a differentiated sourcing strategy through a network of over 7,000 stylists, shoppers and sales associates," said Adam Valkin,



Managing Director at General Catalyst. "Over time this proprietary access increases the company's competitive advantage."

Following its \$8 million series A round raised in 2016, the company has maintained its high-growth trajectory with current monthly revenues growing 3.5x since January 2016.

"This is a major milestone for the company," said Charles Gorra. "We have been focused on creating the most frictionless resale experience for luxury owners. Over the next months the company will release new tools to further enhance the customer experience. We will also experiment with creative strategies to expand the Rebagg brand and are very excited by the future growth prospects."

About Rebagg

Rebagg aims to create a seamless selling process for pre-owned luxury products. Users can submit pictures on www.rebagg.com or the Rebagg app to receive a free and guaranteed quote within one business day. The company offers complimentary pickups in NYC, and free shipping boxes across the US. Sellers receive payment within 1-2 business days of receipt. The company is based in NYC and employs a team of 45. All handbags are thoroughly checked for authentication and quality. The curated selection is resold at a significant discount on www.trendlee.com, the luxury e-commerce site operated by the company.