Inveready leads a €6M round in Tecfys, the circular economy startup for electronics and appliances by subscription

- The investment, which has been participated by the Spanish firms Inveready and Zubi Capital, will be used to acquire technological assets to offer on subscription and to grow its business.
- Tecfys' innovative Device as a Service (DaaS) model is highly valued by real estate asset managers, the industrial segment, and all types of companies that value having flexible service and comprehensive maintenance of their equipment.

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The Spanish startup Tecfys, a pioneer in offering an innovative circular consumption model DaaS (Device as a Service) through monthly subscription for all types of electronic devices and appliances, has closed a €6 million funding round in venture debt mode. Participating in this round are the Spanish venture capital firms Inveready (from the Trainera fund, in partnership with Banco Santander) and Zubi Capital (a social/environmental impact manager with the well-known successful entrepreneur Iker Marcaide). The total amount will be used to purchase technological assets to grow the business and finish 2024 with more than €5 million in technological assets on subscription.

The company, founded in Barcelona in 2019, is in an exponential growth phase and has already become profitable. Its revenue in 2023 amounted to €650,000, achieving an EBITDA of over €200,000 and a business growth of 450%, while structural and personnel costs increased by only 35%. Currently, they have approximately 2,500 different technological devices under subscription, generating a Monthly Recurring Revenue (MRR) of over €100,000. In the first quarter of the year, they registered a monthly growth between 5% and 10%, with the goal of ending 2024 with another 3,000 new products under subscription, an MRR of €200,000, and €1.5 million in revenue with a positive net result.

"Venture debt is a very interesting investment product for capital-intensive companies like ours. It's a relatively new product in Spain, with a portion of the debt repaid with interest over a period of 36/48 months and a fraction that the investor retains as equity or shares in the startup. This way, we can access a lot of capital when banks don't provide it because we don't yet have a history, and public grants are limited. Without products like venture debt and without the commitment from Zubi Capital and Inveready, Tecfys wouldn't be in the positive and promising situation it finds itself in today," says Miquel Manzanas, CEO and co-founder of Tecfys.

Jordi-Ferran Penina, Investment Director at Inveready, highlights Tecfys' value as "a company committed to the circular economy that has developed an agile and intuitive platform with a client retention rate exceeding 90%, with little investment."

Meanwhile, Marc Guasch, Investment Director at Zubi Capital, emphasizes "their commitment to sustainability, their innovative approach to the reuse of electronic equipment, their ability to offer flexible financial solutions to customers, and their highly qualified management team. These combined factors make Tecfys an attractive company with significant growth potential and long-term success."

Customer and Product Profile

For any company with equipment, managing and controlling their technological park is always complex. Therefore, offering them a subscription that includes all installation, maintenance, and renewal services for their electronic devices and appliances is a highly appreciated solution for this customer profile. In fact, 70% of Tecfys' customers are SMEs, whether they are startups that have gone through their first round of financing or companies with up to 50 employees, especially from the hospitality (hotels, restaurants, vacation rentals, etc.) and education sectors (business schools, virtual training, etc.). Additionally, 30% are companies from the industrial segment, such as mechanical workshops, logistics, or small industries.

Currently, they have a wide variety of clients: municipalities like Rivas Vaciamadrid, schools like La Salle, large companies like Acciona, NGOs like Save The Children, major engineering firms like Between Engineering, and successful startups like Factorial, Badi, or PayFlow.

"The customer that fits best with Tecfys is a small or medium-sized company that needs to purchase a significant volume of equipment. Traditional financial institutions do not give them special support and attention, and they require a long and complex financing process, including signing contracts before a notary in many cases. With us, they can sign the contract in 2 minutes and have the equipment within 24 hours. We immediately replace any device that doesn't work. They can extend, reduce, or amortize the contract whenever they want, without commitment. In other words, we offer flexibility and comprehensive coverage for their needs," explains Miquel Manzanas.

Currently, 30% of their contracts correspond to consumer electronics such as laptops, mobile phones, or monitors, and 25% are for appliances. The remaining 40% are subscription contracts for any other technological equipment that a company needs, whether it's water machines, engine decarbonization equipment, POS systems, printers, etc.

"We always recommend and offer our clients reconditioned equipment, which allows them to achieve significant savings, in addition to reducing their carbon footprint by 70%, and we provide the same guarantees as if they were buying a new product. With all our subscriptions with reconditioned products, we have helped avoid more than 70 tons of CO_2 emissions into the atmosphere," asserts the CEO of Tecfys.