



WHERE THE WORLD RIDES™

BIKEEXCHANGE (ASX: BEX)

**FY21 Full Year Results**  
August 2021





# Disclaimer

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The financial information should be read in conjunction with the basis of preparation set out on page 15.

## Forward-looking statements

This presentation may contain forward-looking statements which are statements that may be identified by words such as "may", "will", "would", "could", "expects", "intends", "anticipates", and other similar words that involve risks and uncertainties. These statements are based on an assessment of present economic and operating conditions and on a number of best estimate assumptions regarding future events and actions that, at the date of this document, are expected to take place. No person who has made any forward-looking statements in this document has any intention to update or revise forward-looking statements, or to publish prospective financial information in the future, regardless of whether new information, future events or any other factors affect the information contained in this document, other than to the extent required by law. Such forward-looking statements are not guarantees of future performance and involve known and unknown risks, uncertainties, assumptions and other important factors, many of which are beyond the control of the Company.

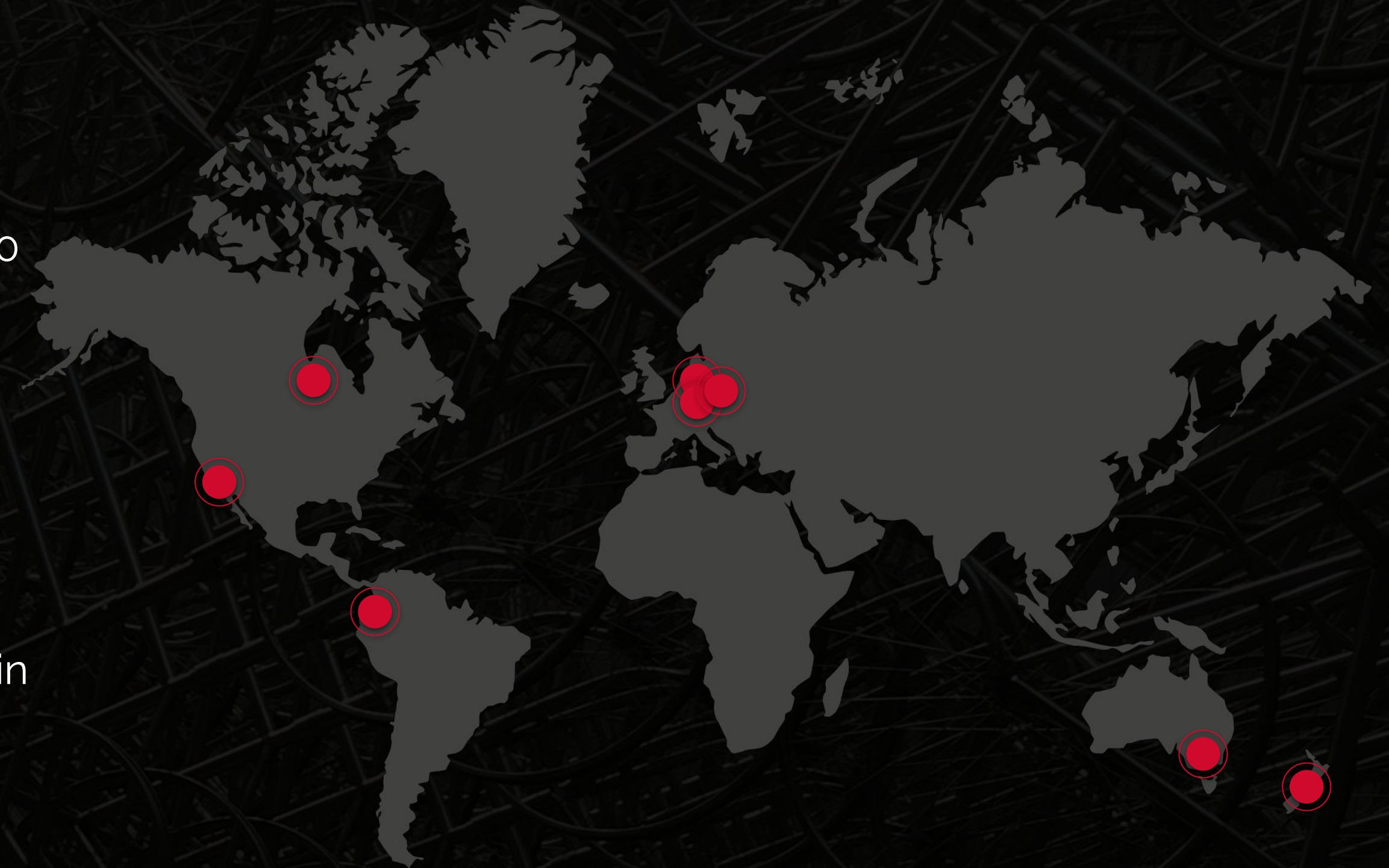


# BikeExchange overview

## WORLD'S LEADING BICYCLE MARKETPLACE

- **BikeExchange** is one of the world's largest online cycling marketplaces.
- Operations across 8 countries in 4 hubs - ANZ, North America, Europe (Germany, Belgium and Netherlands), Latin America (Colombia) with over 80 employees.
- Enabling our network of brands, retailers and distributors to connect via single destination marketplaces.
- Significant transformation underway with a number of new executive hires and organisational restructure whilst delivering solid financial results.
- Strategic shift to focus on ecommerce transactions and volumes reflected in the category revenue contributions in the year.

## GLOBAL OPERATIONS



**28 Million**

GLOBAL TRAFFIC

**1,500+**

BRANDS ON PLATFORM

**1,600+**

ACTIVE RETAIL ACCOUNTS

**1.6 Billion**

SALES LEADS VALUE

All countries are 100% owned except for BikeExchange Colombia (50% Joint Venture). Head Office is in Melbourne, Australia.  
All metrics above are for FY21 vs pcp (active accounts 30 June 2021 vs 31 December 2020) and include the BikeExchange Colombia. See page 15 for metric definitions.



# A leading competitive position

**The cycling category is experiencing a once in a generation revolution**

- Global cycling market worth over \$80bn.
- Continued consumer take up and growth in the mass market - outside of sport related cycling.
- Shaped by continued government investment in cycling infrastructure - cycling an active transport solution.
- Increased proactive awareness by consumers on the environmental, health & convenience aspects of cycling.

**BEX is the World's largest network of cycling focused marketplaces**

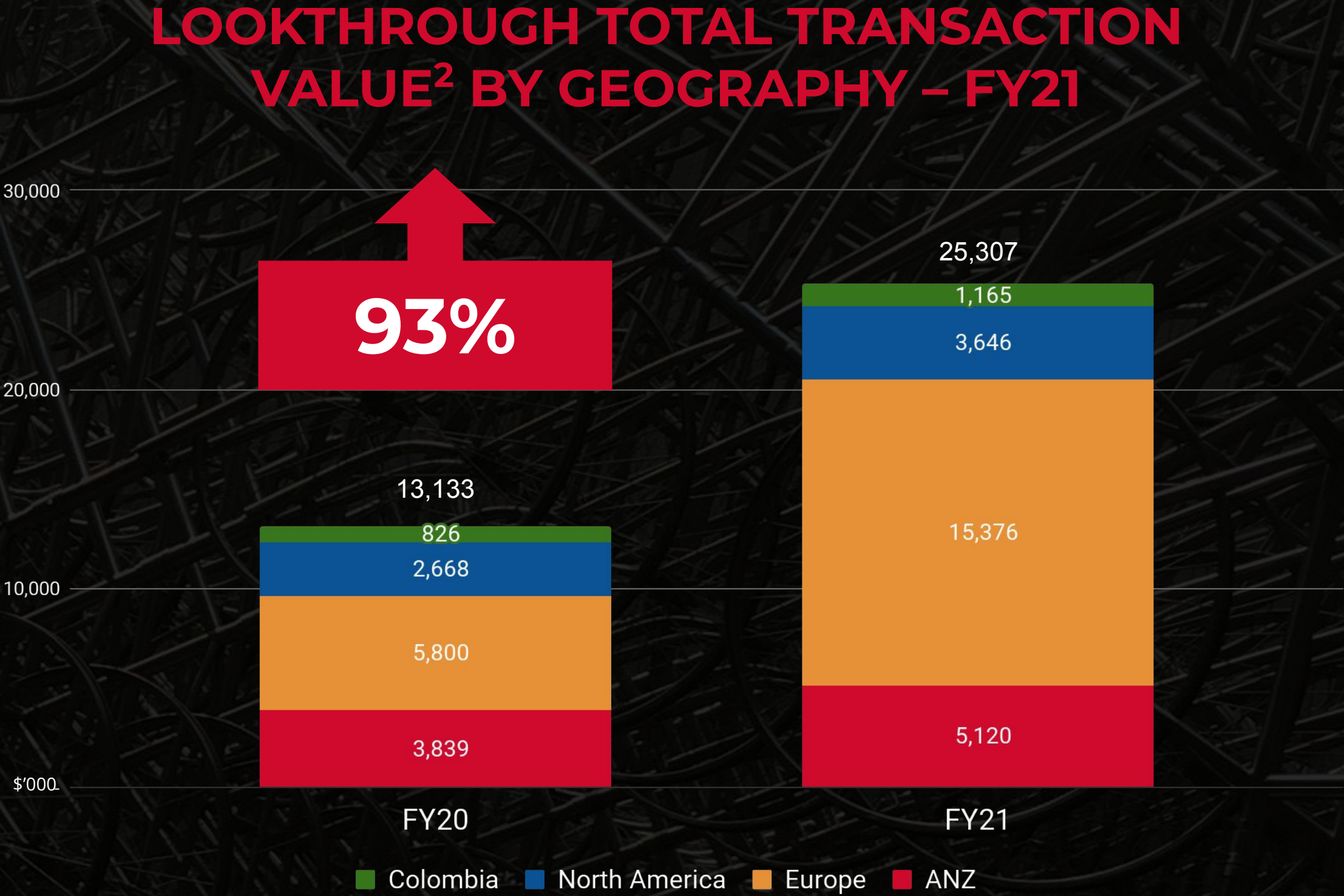
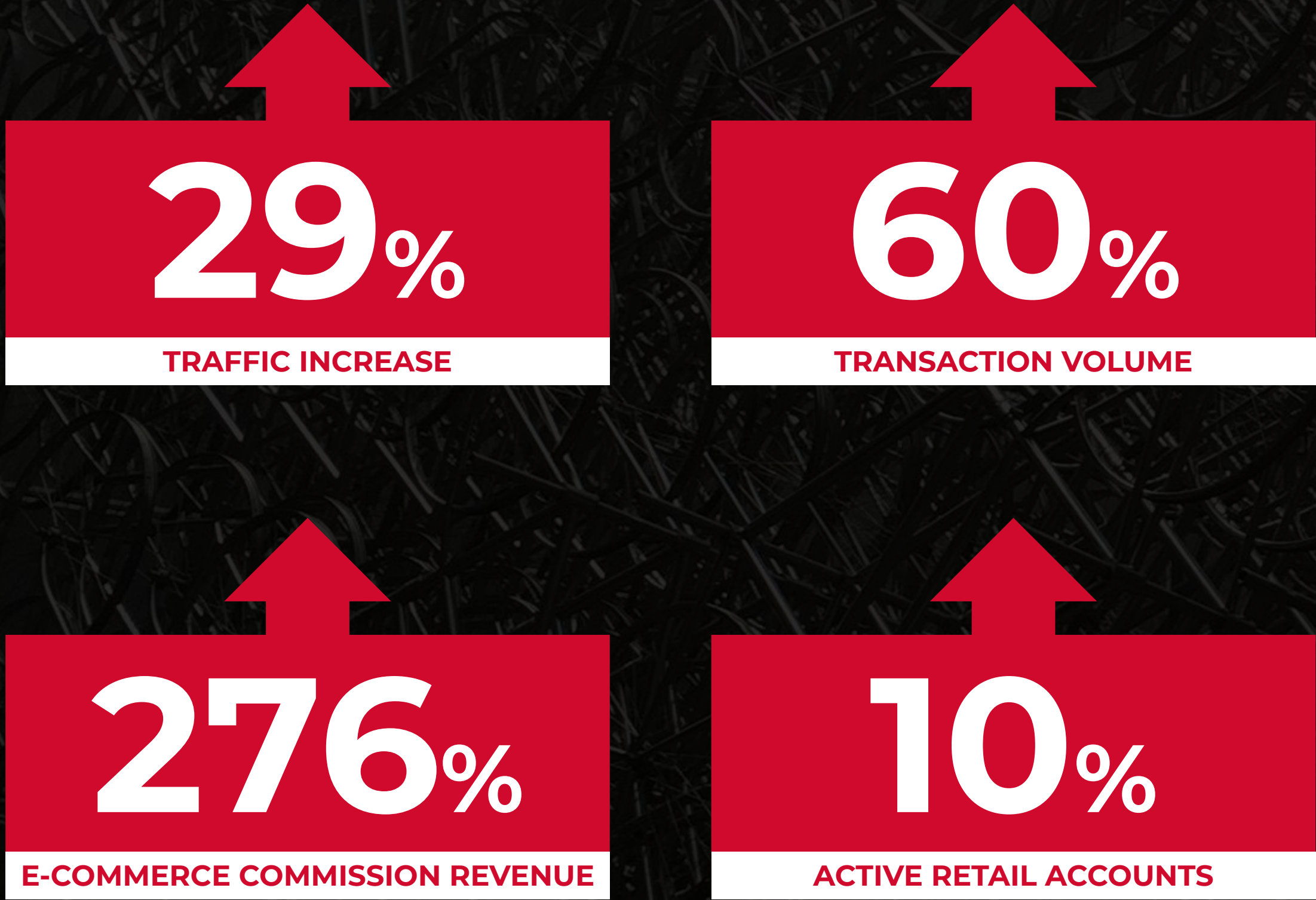
- BEX has the first mover advantage, built over a decade. 1,600 active accounts and growing, in a four region market worth over \$15bn.
- An established presence with a 28 million+ audience across ANZ, Europe, North America and Colombia, to scale with capital deployment.
- Established relationships with a network of brands, retailers and sellers, delivering a compelling consumer value proposition.
- Strong scalable technology foundation already in place.

**Diversified business with significant growth potential**

- e-Commerce enabled marketplace model with diverse revenue model, and significant room to extend.
- Strong growth metrics established to date with limited capital deployment showing strength of our model.
- Focus on key areas of Sellers, Stock and Transactions with consistency will see accelerated scaling and robust growth across all regions.



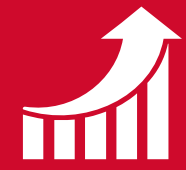
# Demonstrating our potential in a milestone year



1. All countries are 100% owned except for BikeExchange Colombia (50% Joint Venture).  
2. Lookthrough Total Transaction Value includes 50% of the Colombian Joint Venture's TTV and excludes operations in UK and Ireland which closed in FY20. See page 16 for a reconciliation to statutory metrics. All metrics above are for FY21 vs pcp (active accounts 30 June 2021 vs 31 December 2020) and include BikeExchange Colombia except for Transaction Volume growth. See page 15 for metric definitions.



# Four key themes underpinning FY21



## Record TTV achieved with solid growth in retail accounts

- 93% lookthrough TTV<sup>1</sup> growth in FY21 on pcp.
- Strong growth across all geographic markets with Europe the standout.
- Total Active Retail Accounts of 1,600 at 30 June 2021 (including Colombia), up 10% on 31 Dec 2020.
- Subscription revenues returned to growth in Q4 FY21.



## Consumer demand continues to be strong

- Traffic sessions of 28.2 million for FY21 (including Colombia), up 29% on pcp.
- Enquiry value of over \$1.6 billion in FY21 up 53% on pcp (including Colombia), with conversion initiatives being rolled out to improve monetisation.
- Increasing shift to purchasing bikes online vs just parts / accessories - driving the Average Order Value increase of 46% on pcp.



## Substantial E-commerce revenue growth

- Lookthrough e-commerce commissions revenue grew 276% in FY21 on pcp.
- Supported by strong e-commerce transaction growth of 60% on pcp
- Average commission rates achieved of 8.2% for FY21, up 3.2% on pcp.
- E-commerce revenues 37% of Group revenues for FY21, and 46% in Q4 FY21 as the conversion initiatives begin to bear fruit.



## Growth Capital to deploy & scale business

- IPO completed with \$20m capital raise and no debt.
- Net cash of \$15.9m at 30 June 2021.
- Structuring the business focus around Sellers, Stock & Transactions - invested in key leadership roles and hires, and building out core teams.
- Invested in SEO & SEM for organic / acquisition traffic and Customer Service to drive conversion of leads.
- Key partnerships established for scaling - such as Cycle Software, Auteco (LatAm).

1. Lookthrough Total Transaction Value includes 50% of the Colombian Joint Venture's TTV and excludes operations in UK and Ireland which closed in FY20.

2. All metrics are presented excluding BikeExchange Colombia unless otherwise stated or defined as lookthrough. See definitions set out on page 15 and page 16 for a reconciliation to statutory metrics.



# Strong growth across all key metrics in FY21

Lookthrough TTV\*

\$25.3m

↑ 93%

Lookthrough Revenue\*

\$4.9m

↑ 26%

Traffic sessions\*

28.2m

↑ 29%

ARPA

\$3,433

↑ 5%

E-commerce Transactions

33,473

↑ 60%

Average Order Value

\$636

↑ 46%

Enquiry value\*

Over \$1.6b

↑ 53%

Average Commission Rate

8.2%

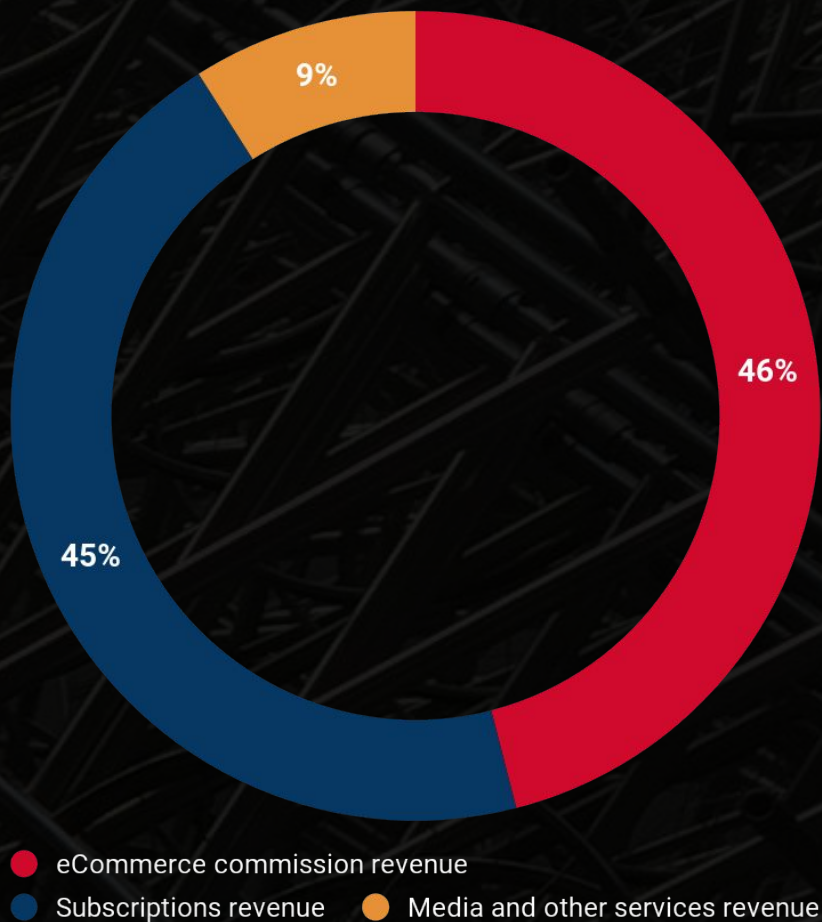
↑ from 5.0%

Active Retail Accounts\*

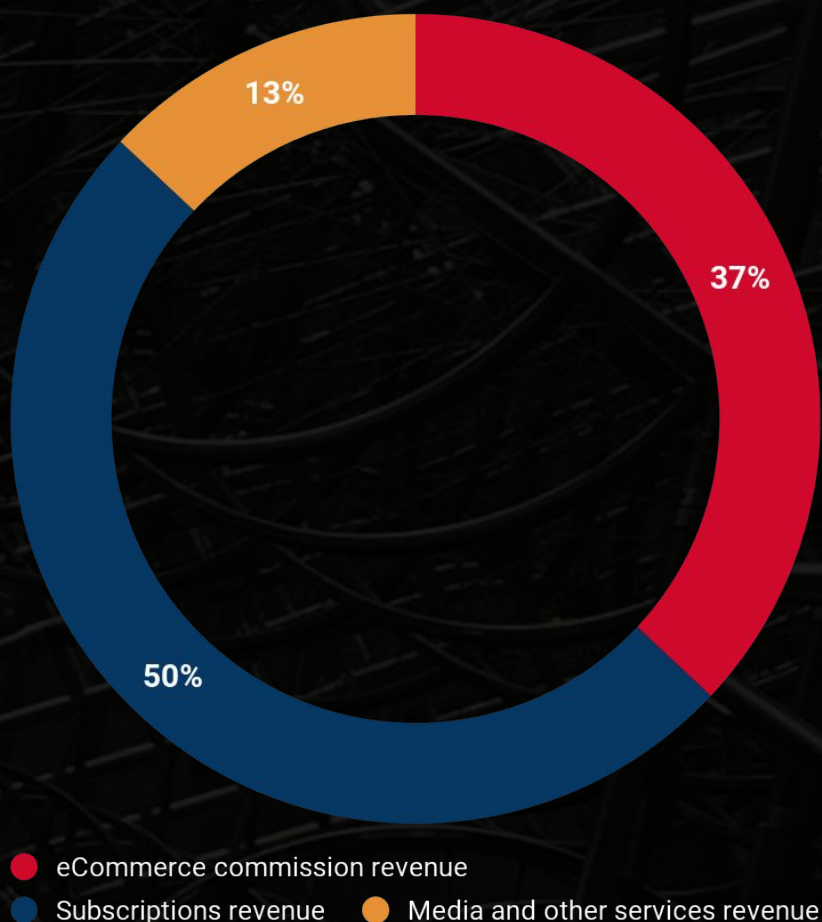
1,600

↑ up 10%

Q4 FY21 Lookthrough Revenue by Category



FY21 Full Year Lookthrough Revenue by Category



\* All metrics for the 12 month period to 30 June 2021 vs the comparable period in FY20 and unless otherwise stated by \* (traffic sessions, enquiry value and active retail accounts) or defined as lookthrough metrics exclude the Colombian Joint Venture. Refer to basis of preparation of page 15 for metric definitions and page 16 for a reconciliation to statutory metrics. Active Retail Accounts increase of 10% vs 31 December 2020.



A person is riding a bicycle on a path through a misty forest. The trees have yellow and orange autumn leaves. The scene is foggy and atmospheric.

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**FY21 Financials**



# FY21 Full Year Results

FY21 in \$ thousands	FY21 \$'000	FY20* \$'000	Growth \$'000	Growth %
<b>Total Transaction Value (TTV)</b>	24,142	12,307	11,835	96%
<b>Revenue</b>	<b>4,606</b>	<b>3,628</b>	<b>978</b>	<b>27%</b>
Other income	251	83	168	202%
Employee benefits expense	(5,808)	(3,045)	(2,763)	91%
Marketing expenses	(1,635)	(359)	(1,276)	355%
Other operating expenses and asset disposals*	(3,375)	(1,850)	(1,525)	82%
<b>Loss before Interest, Tax, Depreciation and Amortisation and IPO costs</b>	<b>(5,961)</b>	<b>(1,543)</b>	<b>(4,418)</b>	<b>286%</b>
Depreciation and amortisation expense	(89)	(390)	301	(77%)
Net Finance Costs	(87)	(259)	172	(66%)
Share of results of equity accounted joint venture	(164)	(46)	(118)	257%
Income tax expense	-	-	-	n/m
<b>(Loss) for the year</b>	<b>(6,301)</b>	<b>(2,238)</b>	<b>(4,063)</b>	<b>182%</b>

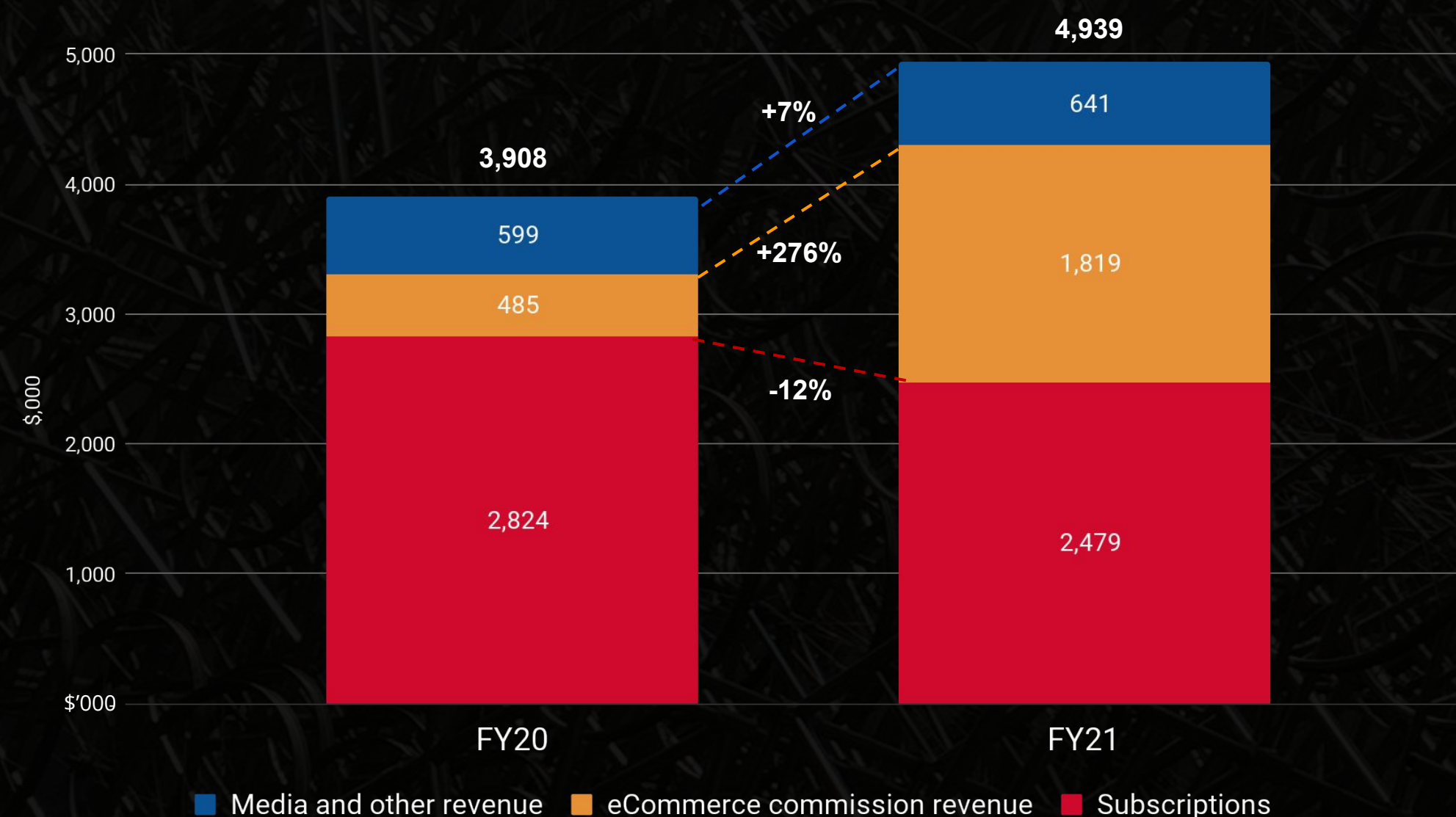
- Strong TTV growth achieved through significantly increased gross e-Commerce order value.
- Reported revenue increase of 27% on pcip primarily driven by higher e-commerce commissions.
- Other income relates to various COVID-19 support programmes income received.
- Costs increased reflecting uplift in listed company costs post IPO and deployment of capital to accelerate growth into FY22.
- Depreciation and amortisation reduced 77% on pcip reflecting full amortisation of legacy technology spend in FY20.
- Net finance costs relate largely to pre-IPO financing - Group is in a net-cash position post-IPO.
- Share of results of equity accounted joint venture reflects the Group's 50% share of BikeExchange Colombia and reflects continued investment into the region to support growth.

\* Table above presents the BEX Income Statement and excludes the results of BikeExchange UK & Ireland which ceased trading in FY20, and one-off IPO costs in FY21. The Group's 50% ownership in BikeExchange Colombia S.A.S. is equity accounted within "Share of results of equity accounted joint venture" in the Income Statement above. Refer to page 16 for reconciliation to statutory metrics.



# FY21 Full Year TTV and Revenue Summary

## LOOKTHROUGH REVENUE BY CATEGORY



- Strong lookthrough TTV growth across all regions in FY21 with EU a standout.
- E-commerce was the largest contributor to lookthrough TTV growth. Transaction volume up 60% on pcp and average order value (up 46% on pcp).
- Lookthrough e-commerce commission revenues were up 276% on pcp with average commission rates increasing from 5.0% to 8.2% in the year compared to pcp. The commission rate uplift reflects improvements in retailer mix and improved operational processes.
- Lookthrough subscription revenues declined 12% on pcp (principally in NA) reflecting the transition towards quality eCommerce enabled retailers and products undertaken in FY20. Group subscription revenues returned to growth in Q4 FY21 (up 6% on pcp) with rate anticipated to accelerate throughout FY22.
- ANZ saw revenue growth of 2% on pcp (flat in HY21) seeing strong contribution from mix shift towards premium subscriptions (including Multistores) and improving commission rates on e-commerce, offset by weaker subscription revenues compared to pcp in the first half of FY21.
- Europe revenue growth of 104% reflected growth across all categories but particularly e-commerce reflecting strong demand for bikes.
- NA revenue declined 24% on pcp, but run-rate improved in H2 with Q4 revenues growing 30% on pcp as momentum improved.

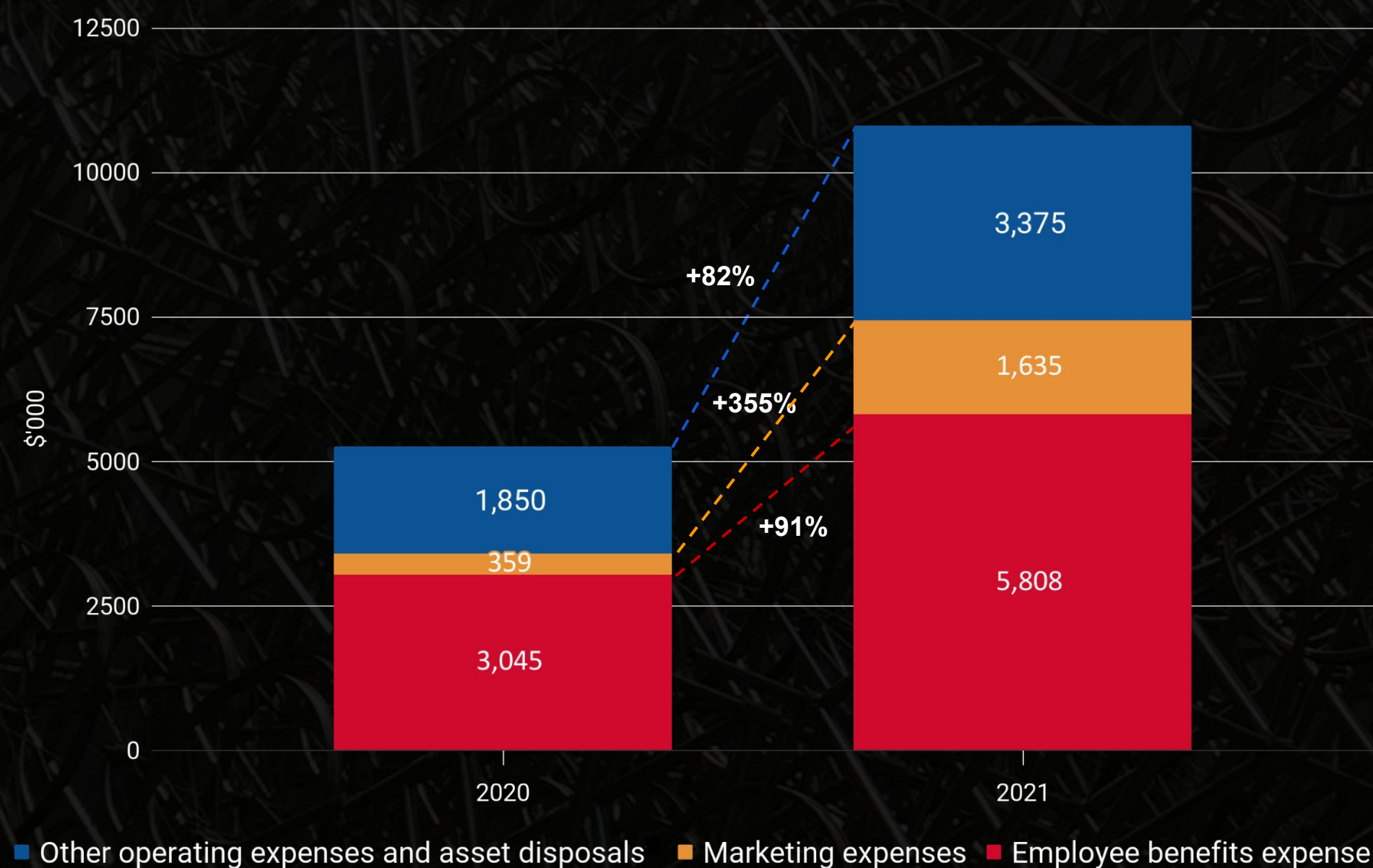
FY21 in \$ thousands	Australia and New Zealand	Europe	North America	Colombia	Total
<b>Lookthrough TTV</b>	<b>5,120</b>	<b>15,376</b>	<b>3,646</b>	<b>1,165</b>	<b>25,307</b>
<i>Growth on pcp</i>	33%	165%	37%	41%	93%
<b>Lookthrough Revenue</b>	<b>1,538</b>	<b>2,312</b>	<b>755</b>	<b>333</b>	<b>4,939</b>
<i>Growth on pcp</i>	2%	104%	(24%)	19%	26%

Information above is presented on a lookthrough basis and includes 50% of the Colombian Joint Venture and excludes the results of BikeExchange UK & Ireland which ceased trading in FY20, and one-off IPO costs in FY21. Refer to page 16 for reconciliation to statutory metrics.



# FY21 Full Year EBITDA

## COSTS BY CATEGORY



FY21 in \$ thousands	H1 FY21 \$'000	H2 FY21 \$'000	FY21 \$'000
<b>Total Transaction Value</b>	8,820	15,322	<b>24,142</b>
<b>Revenue</b>	<b>2,006</b>	<b>2,600</b>	<b>4,606</b>
Other income	206	45	<b>251</b>
Employee benefits expense	(1,976)	(3,832)	<b>(5,808)</b>
Marketing expenses	(624)	(1,011)	<b>(1,635)</b>
Other operating expenses and asset disposals	(1,131)	(2,244)	<b>(3,375)</b>
<b>Loss before Interest, Tax, Depreciation and Amortisation and IPO costs</b>	<b>(1,519)</b>	<b>(4,442)</b>	<b>(5,961)</b>

- Headcount increased by ~25% in FY21, which along with Board costs post IPO, new Group executives and \$0.5m of non-cash share based payments expense increased employment related costs by 91% on pcp. Headcount cost will step up again in FY22 reflecting annualisation of existing hires and new executive team hires in Q1 FY22.
- Increased investment in SEO and SEM increases in B2B marketing efforts in H2 increased marketing expenses by 355% on pcp. Both SEO and SEM will be an important part of the marketing mix over FY22.
- Other operating expenses (before one-off IPO costs) increased by 82% reflecting higher corporate costs post IPO, increased technology licence fees in line with higher TTV and investment in supporting capabilities to scale the business.

Information above excludes the results of BikeExchange UK & Ireland which ceased trading in FY20, and one-off IPO costs in FY21. Refer to page 16 for reconciliation to statutory metrics.



A mountain biker is seen from behind, riding down a rocky trail. The rider is wearing a white jersey with "COMMENCAL" and "VALL NOIR" printed on it, along with other sponsor logos like "SPAL" and "SCHWALBE". They are also wearing a helmet with a Red Bull logo. The background shows a vast landscape with a lake and rolling hills under a hazy sky. Red poles are visible on the trail.

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## Summary & Outlook



# FY22 - Positioned for Growth

## Organisational Structure Aligned With Strategic Focus Areas



## Enabling More Sellers

## Scalable Technology Operations

## Growing on site E-Commerce Transactions

- e-Commerce first growth strategy
- Focus and structure around more sellers, stock & e-commerce transactions with Executive Team Structure reflecting this.
- Cross Geography Teams set up to reflect new structure
- New Regional Lead for North America, Derek Colfer commenced at start of August

- Focus on brands, retailers and direct to consumer sellers.
- Led by Chief Sales & Partnerships Officer - Sam Salter, Co-Founder of BEX appointed in July.

- Enabling seamless seller POS integration and all stock to be merchandised onsite
- Led by Global Head of Technology Operations - Ryan McMillan, Currently BikeExchange Europe Lead.

- Maximising onsite transactions and maximising customer conversion of existing enquiries.
- Supported through marketing (Performance, brand and CRM) and world class customer service.
- Chief Customer / E-commerce Officer - Global role currently in market. Expected start Q2 FY22.



# FY22 Outlook

- Q1 FY22 trading has commenced well with e-commerce transactions and retail account numbers showing robust growth on pcp in the first 7 weeks of FY22, with Australia in particular on track to have an all time record e-Commerce transaction value month in August.
- The refreshed executive team and organisation structure is starting to deliver benefits in Q1 FY22 and accelerate the trends seen in FY21, with an e-commerce first focus.
- There are a number of M&A opportunities the Group is pursuing which would compliment the Group's existing business and enable scaling.
- Investment in the business to continue reflecting new executive team structure. We will deploy growth capital to support the e-Commerce first strategy through product/technology development and customer acquisition initiatives.
- As a result of these factors, TTV and revenue growth rates for FY22 are expected to be significantly above FY21.





# Basis of preparation

## BASIS OF PREPARATION

The information contained in this presentation is based on the BikeExchange Limited FY21 Annual Report. The Group's auditor expressed an unmodified audit opinion in respect of the FY21 Financial Statements. Where measures are marked as reported they comply with AIFRS.

The Financial Information in this presentation is that of BikeExchange Limited Group which is made up of a consolidation of all entities within the Group, except as specifically noted in this basis of preparation. The legacy BikeExchange Holdings Pty Ltd Group was acquired by BikeExchange Limited (previously RPro Holdings Ltd) on 3 February 2021, prior to the Group's listing on the ASX on 9 February 2021. The purpose of the BEX Financial Information is to show certain financial results of the Group for the 12 month financial periods ending 30 June 2021 (FY21) and the 12 month financial periods ending 30 June 2020 (FY20) as a comparative.

BikeExchange Limited generated no revenues and acted as an investment holding company prior to the transaction with the BikeExchange Group and so the acquisition of the BikeExchange Holdings Pty Ltd Group by BikeExchange Limited is treated as a reverse acquisition for accounting purposes. Therefore this presentation presents the financial results of the BikeExchange Holdings Pty Ltd Group from 1 July 2020 to 30 June 2021 and only includes the results of BikeExchange Limited from the date of the acquisition on 3 February 2021.

The comparatives for FY20 are extracted from the FY21 Annual Report and adjusted to exclude operations that closed during FY20, principally the Group's operations in the UK and Ireland, and are classified consistently with FY21. Further information on Non-AIFRS information is set out opposite and a reconciliation to the relevant statutory metrics is provided on page 16.

## NON-AIFRS FINANCIAL INFORMATION

BikeExchange's results are reported under Australian International Financial Reporting Standards (AIFRS). This presentation also includes certain non-AIFRS measures including "KPIs", and "look through". These measures are used internally by management to assess the performance of our business and our Joint ventures, make decisions on the allocation of resources and assess operational management. Non-AIFRS measures have not been subject to audit or review. The following non-AIFRS measures are defined below:

- **Total Transaction Value (TTV)** is the aggregate of revenues, net of sales taxes, generated from display/media sales, retail subscriptions and other online sales and the gross merchandise value for e-commerce transactions that are executed on the BikeExchange network of websites.
- **Lookthrough basis** - For equity accounted joint ventures and consolidated subsidiaries, add the total revenue or TTV within the reporting period multiplied by the Group's % ownership. All entities are owned 100% by the Group with the exception of the Group's interest in BikeExchange Colombia, which is 50% owned.
- **Average Revenue per account (ARPA)** is the total revenue for the period for subscriptions earned from retailers and affiliates divided by the average number of paying retailers accessing BikeExchange network of websites for the period, and does not include revenues or accounts relating to BikeExchange's 50% interest in BikeExchange Colombia.
- **Unique Monthly sellers (Sellers)** is the average number of retailers for the period who fulfilled at least 1 e-commerce order in a individual month.
- **Traffic** represents total unique sessions visiting the Group's network of sites across the period.
- **E-commerce transactions** are the total number of e-commerce transactions occurring on BikeExchange network of websites in each period. A transaction is defined as a single item or basket of items paid for in a single payment transaction through the BikeExchange network of websites.
- **Average Order Value (AOV)** is the gross merchandise value for e-commerce transactions that transact on the BikeExchange network of websites divided by the number of e-commerce transactions for the financial period.
- **Average Commission Rate** - calculated as e-commerce commission revenue divided by the gross e-commerce transaction value for all transactions across the relevant period.
- **Prior corresponding period (pcp)** means the equivalent period in the previous financial year.



# Reconciliation to statutory metrics

The tables below set out the reconciliations from the adjusted or lookthrough metrics used in this presentation to the statutory equivalent measure.

	Total Transaction Value		Revenue	
\$ Thousands	FY21	FY20	FY21	FY20
<b>Reported Measure</b>	<b>24,142</b>	<b>12,488</b>	<b>4,606</b>	<b>3,756</b>
Add 50% BikeExchange Colombia S.A.S	1,165	826	333	279
Less BikeExchange UK & Ireland operations	-	(181)	-	(128)
<b>Lookthrough Measure</b>	<b>25,307</b>	<b>13,133</b>	<b>4,939</b>	<b>3,908</b>

\$ Thousands	FY21	FY20
<b>Reported Loss before Interest, Tax, Depreciation and Amortisation</b>	<b>10,627</b>	<b>1,866</b>
Addback one-off IPO costs	(4,666)	-
Less BikeExchange UK & Ireland operations	-	(323)
<b>Adjusted Loss before Interest, Tax, Depreciation and Amortisation</b>	<b>5,961</b>	<b>1,543</b>





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