



**BIKE
EXCHANGE**

WHERE THE WORLD RIDES™

BIKEEXCHANGE (ASX: BEX)

Investor Presentation

November 2022

Agenda

BEX INVESTOR ROADSHOW

01

BEX Overview



Ryan McMillan
Chief Executive Officer

02

Q1 Performance &
Outlook Ahead



Gregg Taylor
Non-Executive Chairman

03

BEX 5m Funding Plan



Dominic O'Hanlon
Non-Executive Director





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BEX Overview

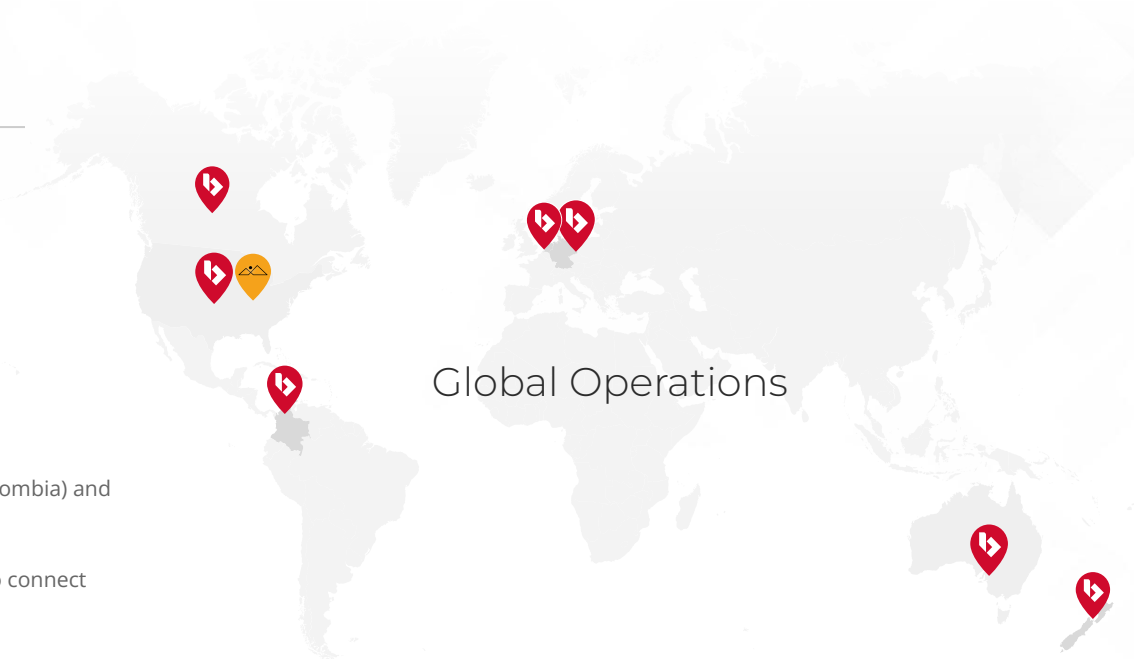


BEX Overview

WORLD'S LEADING ONLINE BICYCLE MARKETPLACE

“ **BikeExchange** is the world's leading online marketplace connecting consumers to bike stores and brands. ”

- Operations in eight countries & four hubs - ANZ, Europe (Germany, Belgium & Netherlands), LatAm (Colombia) and NA (BikeExchange + Kitzuma)
- Enabling our network of brands, retailers and distributors to connect via single destination marketplaces.
- Focus on e-Commerce transactions along with seamless bicycle logistics solutions.



21 million

Global Traffic

1,500+

Brands on Platform

1,585

Active Retail Accounts

\$1.2 billion

Aggregate Product Enquiry Value



FY22 Group Highlights

STRONG GROWTH ACROSS KEY METRICS vs FY21

Key Fy22 Highlights

\$30.9m

↑ 22%

Lookthrough TTV*

\$6.8m

↑ 41%

Lookthrough Revenue*

0.19%

↑ from 0.14%

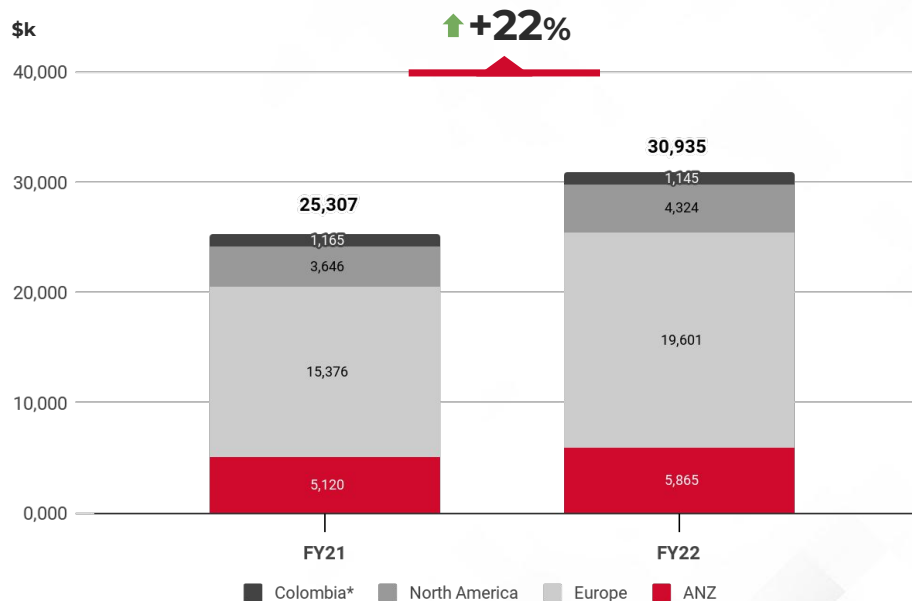
Traffic conversion

\$1,022

↑ 19%

Avg. Revenue Per Account

Lookthrough TTV¹ By Geography – FY22



1. Lookthrough Total Transaction Value (TTV) and Revenue includes 50% of BikeExchange Colombia's TTV up to 2 March 2022, and 100% from then on (post acquisition). All metrics above are for FY22 vs pcp and exclude BikeExchange Colombia except for those marked as lookthrough.



Market, Industry & BEX Developments

Positive industry drivers now converting into key partnerships

FROM

01

Capital Markets:

Focus on revenue & growth potential

02

Industry:

High consumer demand, Global Inventory shortages

03

Industry:

Full margin made in-store
Focus Offline, not digital ready

04

BEX:

Ramp up on cost base to support growth strategy

TO:

Capital Markets:

Focus on cash & cost management. Pathway to profitability

Industry:

Inventory ramping up, Brands & Sellers overstocked, need channel to market

Industry:

Consumers demand to buy online
Brands offer direct-to-consumer
Retail Stores need an online presence

BEX:

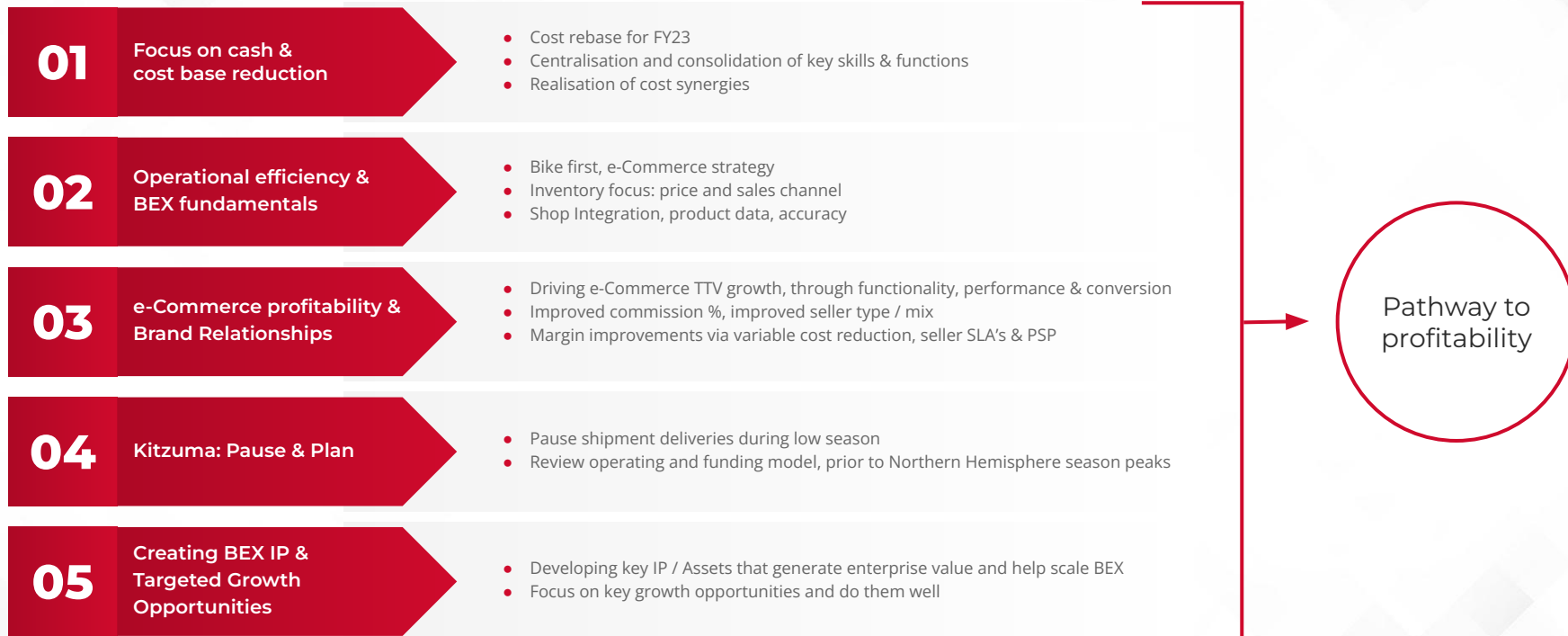
Cost base reset, centralised resourcing & operational efficiency, focus on marketplace fundamentals to achieve revenue growth and profitability

Recent Wins



FY23 Outlook: From Growth Focus to Profit and Cash Retention

PATHWAY TO PROFITABILITY - Positive Operating Cash Flow targeted in Q4 FY23





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BEX Q1 FY23 Performance



Q1 FY23 Highlights

GROWTH ACROSS KEY METRICS VS Q1 FY22

Key Q1 FY23 Highlights

↑ **+86%**

Lookthrough Revenue ¹

↑ **\$770**
Up 18%

Average Order Value

↑ **0.19%**
from 0.17%

Traffic Conversion

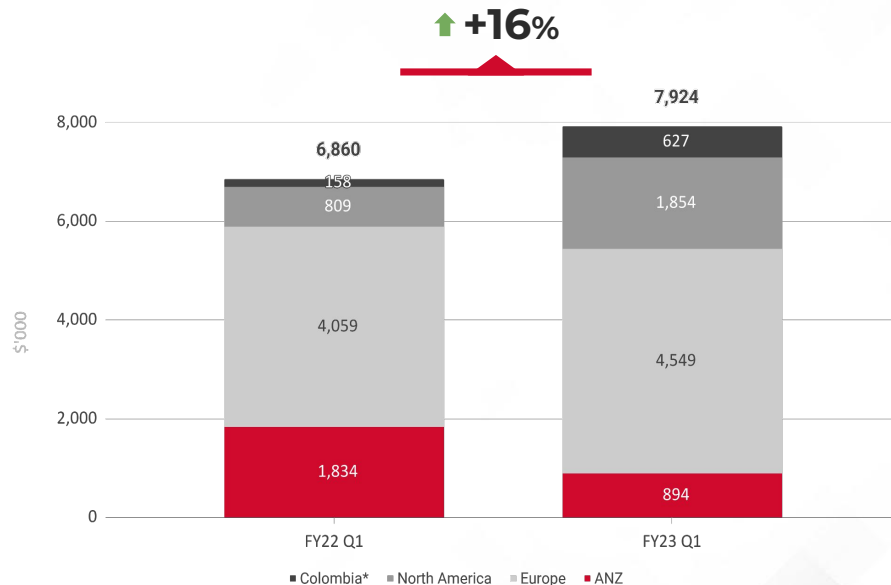
↑ **+3%**

Avg. Revenue Per Account

1. Lookthrough Total Transaction Value (TTV) includes 50% of BikeExchange Colombia's TTV up to 2 March 2022, and 100% from then on (post acquisition). Kitzuma results are included 100% from acquisition 23 December 2021.

All metrics above are for FY23 vs pcp and FY22 metrics exclude BikeExchange Colombia except for those marked as lookthrough. See page 16 for metric definitions.

Lookthrough Total Transaction Value¹ By Geography – Q1 FY23



Q1 FY23 4C & Activity Report

Q1 FY23 4C ACTIVITY STATEMENT AND OUTLOOK

Sep Q1 2023

- Key highlights:
 - 16% increase in Q1 FY23 lookthrough* total transaction value to \$7.9m
 - 86% increase in Q1 FY23 lookthrough* revenue to \$2.3m, (including Kitzuma & Colombia).
 - Underlying revenue increase of 16% in the BikeExchange core e-Commerce business.
 - E-Commerce performance remains strong driven by improved conversion rates and average order values.
- Total operating cash outflows were \$3.9m in Q1 FY23. This includes \$1.5m non-recurring costs which included the following:
 - Employment costs relating to exiting employees
 - Cancellation of marketing & sponsorship agreements
 - Technology expenditure, subsequently rationalised and consolidated
 - Costs related to Kitzuma which will be wound back in the planned scaleback of the business

* Lookthrough Total Transaction Value (TTV) includes 50% of BikeExchange Colombia's TTV up to 2 March 2022, and 100% from then on (post acquisition). Kitzuma results are included 100% from acquisition 23 December 2021.

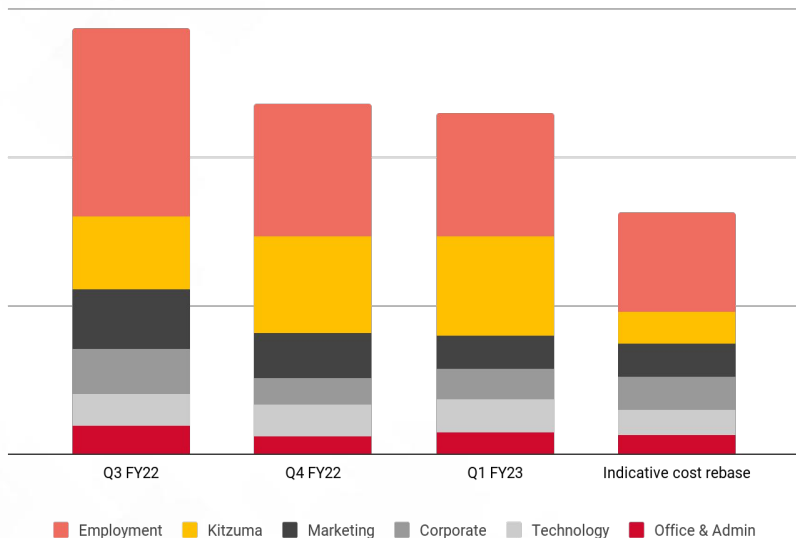
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Cost Base Reductions & Growth Opportunity

DRIVING AN IMPROVED OPERATING RESULT

A Consistent Reduction of Cost Base



Combined with Solid Growth Fundamentals

With supply chain improvements resulting in more inventory at Brands and Retail sellers, as well as an improved offering for Sellers and Buyer, BEX is in a strong position to grow in 2023.

Coupled with ongoing cost base reductions from centralisation and consolidation of skills and realisation of cost synergies

Further improvements expected in Q3 and Q4 FY23 driven by:

- New Brand, Distributor and Retail sellers on platform driven by easing of industry wide supply chain issues
- Improved inventory volume and richer mix on platform driving increased transactional revenues on BEX.
- Increased revenues from BEX's largest regions during the northern hemisphere bike season
- Conversion uplift from improved technology stack improvements in Q4 FY23





BIKEEXCHANGE (ASX: BEX)

BEX Capital Plan



Capital Plan

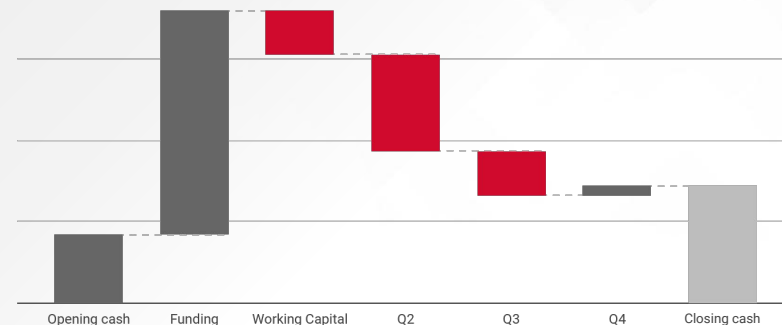
1 BEX Capital Plan

- BEX intends to complete an additional \$5.0m funding process (after brokerage fees) to add to the \$0.5m approved funding at the AGM as part of the broader capital plan to recapitalise the business to fund the restructure and the ongoing operations
- The group cash flow position is expected to improve progressively throughout each quarter of FY23 following recent cost reductions, operational efficiencies gained through the centralisation of skill base & reduced cash burn from Kitzuma.
- An illustration of use of funds and cash position is provided in the adjacent chart

2 Reduced Burn combined with Solid Growth Fundamentals

- BEX has implemented meaningful operating cost reductions in Q4 FY22 & Q1 FY23 as we continue to focus on operational efficiency and ecommerce profitability
- Additional cash burn savings via Kitzuma bike delivery pause prior to heading into the Northern Hemisphere peak period of spring and summer 2023.
- Easing of industry wide supply change issues resulting in more inventory on BEX and increasing opportunities with Brand, Distributor and Retail sellers.
- **Positive cash flows are expected in Q4**, driven by eCommerce growth as the northern hemisphere enters peak season.

Illustrative Cash Position FY23



3 Improved Site Conversion via Investment in IP

- BEX will commence implementation of Composable Tech Stack Roadmap including new Consumer Front-end and Seller Integration solution.
- This investment will not only improve the user experience for sellers and buyers, but is expected to drive a material uplift in eCommerce conversion rates through best in class, search, merchandising and ecommerce engine performance as well as AI driven recommendations, personalization and content.



Driving Conversion thru Technology

AN ENHANCED EXPERIENCE FOR BUYER AND SELLER

Ensuring we stay at the forefront of global marketplace capabilities and customer experience, we have readied the business to build and launch new customer and seller experience platforms in 2023, with development scheduled to commence in November '22.

This new experience will deliver us:

- Modern customer experiences for buyers and sellers
- Best-in-class MACH technology architecture across marketplace, commerce, search & content
- AI and machine learning across all key touch points to drive increased conversion
- Highly scalable cloud architecture that reduces our total cost of ownership
- Ability to scale into new markets with minimal investment
- Increased capabilities to manage our technology internally

Technology Partners

MARKETPLACER

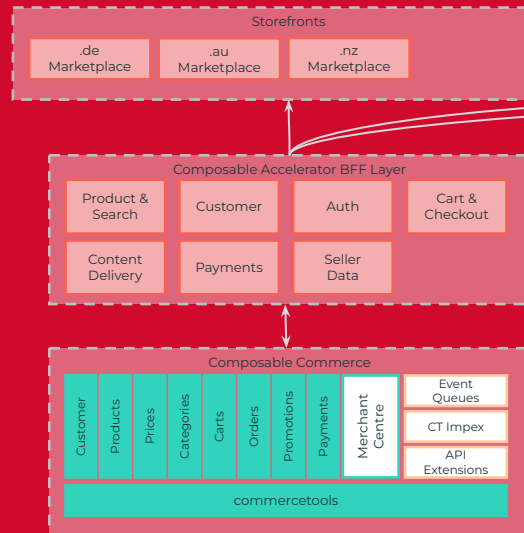
commercetools

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The financial information should be read in conjunction with the basis of preparation set out in the Appendix on page 16.

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Basis of preparation

Basis of preparation

The information contained in this presentation is based on the BikeExchange Limited FY22 Annual Report. The Group's auditor expressed an unmodified audit opinion in respect of the FY22 Financial Statements. Where measures are marked as reported they comply with AIFRS.

The BEX 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 5 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 financial results of the Group for the 12 month financial periods ending 30 June 2022 (FY22) and 30 June 2021 as a comparative (FY21).

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 for FY21 and the consolidated results of BikeExchange Limited and the BikeExchange Holdings Pty Ltd Group for FY22.

Non-IFRS 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 was 50% owned for all periods up to 2 March 2022 when the Group acquired the remaining 50% and consolidated 100% of the entity from that date.
- **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, prior to the completion of the acquisition on 2 March 2022.
- **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.





THANK YOU

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BikeExchange Limited

