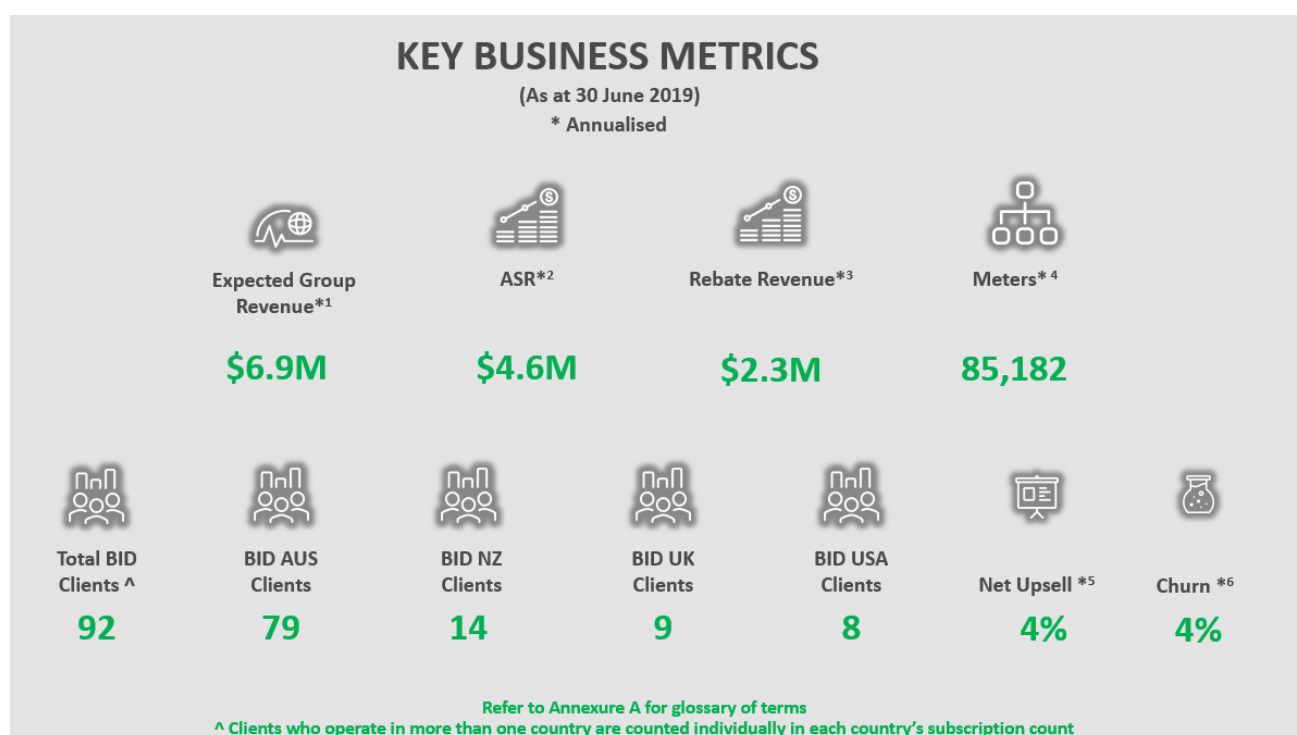


BIDENERGY JUNE 2019 QUARTERLY APPENDIX 4C AND OPERATIONS REPORT

ASX Release

22 July 2019

BidEnergy Limited (ASX: BID) ("BidEnergy" or "the Company"), is pleased to provide its quarterly report and Appendix 4C for the period ending 30 June 2019.



Management Commentary

BidEnergy achieved substantial growth during the quarter, with ASR up 18% to \$4.6 million and 13 new client wins, with significant traction in US and UK markets through new channels. In just twelve months, the Company has increased ASR by 80% and added 47 new clients in total.

Large enterprises continue to move towards automation and it is evident that the BidEnergy RPA platform is well accepted in the market. There remains a significant opportunity to utilise the Company's core IP to solve pain points for utility spend market participants.



BidEnergy is making significant inroads with large customers in the broker, facility management, and energy retailer channels, which represent the potential for hundreds of thousands of meters under management.

BidEnergy has been successful in converting discussions with energy retailers which commenced in the March 2019 quarter into paid pilot agreements. In July, the Company began delivering live services to Cushman and Wakefield. Together, these customer wins, with the ever-increasing addition of well-known Australian brands to the platform, positions the Company for significant growth.

BidEnergy's pipeline is robust across all verticals in AUS, UK and US, and in response to the growing demand, the Company has hired a Chief Commercial Officer, Darren Knihnicki, to further capitalise on these opportunities. Darren brings a wealth of expertise managing growing SaaS technology companies and will focus on the execution of the Company's business pipeline and global growth.

Highlights for the June 2019 Quarter

Underlying revenue (unaudited) of \$1.3 million for the June 2019 quarter, up from \$1.0 million in the previous corresponding quarter (June 2018), comprised of:

- o \$0.8 million in BidEnergy subscription revenue (compared to \$0.6 million in the June 2018 quarter); and
- o \$0.5 million in BidEnergy USA rebate capture revenue (compared to \$0.4 million in the June 2018 quarter).

Total expected annualised group revenue from contractual agreements is \$6.9 million, comprised of:

- o BidEnergy Platform: Annualised Subscription Revenue ("ASR")² of \$4.6 million; and
- o US Rebate capture: Annualised Rebate Revenue ("AR")³ of \$2.3 million.

Cash on hand at 30 June 2019 was \$4.2 million.

Operational Highlights

- 13 new clients contracted in the UK, USA, and Australia.
- ASR increased 18% to \$4.6 million (compared to \$3.9 million in the March 2019 quarter).



- Significant growth of sites managed using the BidEnergy Energy Spend Management platform, with over 85,000 meters⁴.
- BidEnergy's deployment to Cushman and Wakefield went live in early July 2019, which will bring on board some 17 organisations, representing 10,295 meters in the coming months.
- The Company has entered into paid pilot agreements with tier one energy retailers.
- Two major deals completed in the UK with Simble/UCR and Optima, representing an initial combined 20,000 meters, with potential to move to 120,000 meters over time.
- LG Energy Group, a leading third-party independent energy consultant ("TPI") in the UK, formalised an agreement to implement an initial portal service for accessing bill, spend, and meter data to be provided for approximately 3,400 meters.
- The Company has entered into a MOU with Envizi, one of the world's leading energy, sustainability and building optimisation software providers.
- The Company has completed two major energy procurement programs in the USA with new partner apollo Edison, with successful outcomes for BidEnergy's clients.

Operational Update

BidEnergy's Energy Spend Management platform is now provided through three primary channels to market being; "Full Service", "As a Service", and "Self Service".

Full Service Update

Full Service is BidEnergy's offering to multi-site enterprises and is a core focus of our direct sales team.

- During the June 2019 quarter, the Full Service channel secured contracts with nine new clients to provide our Energy Spend Management ("ESM") services:
 - **Quest (CEMG) (AUS)** – a provider of apartments across all major Australian cities;
 - **Nazareth Care (AUS)** – a provider of aged care facilities;
 - **AMA Group (AUS)** – an ASX listed provider of automotive aftercare and accessories;
 - **Elders (AUS)** – a leading ASX listed agribusiness with large national footprint;
 - **RACV (AUS)** – a provider of motor vehicle services, insurance and accommodation;



- **Downer** (AUS) – a provider of infrastructure, maintenance and industrial services;
- **A large Australian university** (AUS);
- **City of Whittlesea** (AUS) – a large urban city council; and
- **Catholic Charities of the Archdiocese of Chicago** (USA)

This was in addition to:

- **Envizi** (signing a memorandum of understanding); and
 - **Optus** (providing service for one-off retail procurement event).
- The Company entered into an MOU with Envizi, one of the world's leading energy, sustainability and building optimisation software providers. BidEnergy and Envizi plan to partner and work together in the mid-tier market, combining their respective strengths to deliver a cost effective, end-to-end solution for energy and sustainability management. Envizi provides complete visibility of data from the enterprise down to the equipment level, enabling businesses to quickly and easily improve efficiency of their buildings and assets. BidEnergy and Envizi believe a combined solution will be world class, and expect significant success in the mid-tier market, with stronger client loyalty from the ability to seamlessly transition data between technology platforms.

As A Service Update

As A Service utilises the Company's core IP to parse bills to help energy retailers, brokers, and consultants compare their clients' rates, validate energy retailer bills prior to customer receipt, and build customer portals for clients to access BidEnergy's suite of analytics and reports.

- During the June 2019 quarter, the *As A Service* channel accelerated considerably, attracting two significant new clients:
 - BidEnergy has signed an agreement with new client Optima Energy Systems, a leading software validation service, to provide a bill parsing service to capture meter information for populating their software. The agreement is for up to 60,000 electricity and gas accounts, with a minimum of 10,000 accounts expected to be onboarded in the first twelve months. BidEnergy's solution will become operational through July 2019. Optima Energy Systems manages approximately 360,000 client meters in total.



- LG Energy Group, a leading TPI, formalised an agreement in June 2019 that implements an initial portal service for bill, spend and meter data, to be provided for an expected 3,423 meters. There is further potential to rollout BidEnergy's Energy Spend Management platform offering in 2020.
- In the March 2019 quarterly report, the company highlighted that discussions had begun with major energy retailers about providing services. The company is pleased to report that these discussions have progressed into paid pilot agreements.
- Correlate USA – BidEnergy's new partnership in the USA is gaining traction, with Correlate currently in the process of onboarding 13 energy brokers.

The Company is pleased that the strategy of targeting this evolving scale opportunity outlined in February has had immediate traction with major energy retailers in Australia and overseas.

The Company notes that as it achieves further success with larger clients (often with sizeable numbers of sites and meters) the process to fully onboard their entire portfolio of sites will occur over time. Accordingly, reported revenue will lag ASR growth in the near term. Monthly revenue from these larger clients will be realised as the onboarding process progresses for their portfolio of sites.

Self Service Update

The **Self Service** channel extends BidEnergy's reach into large and high growth revenue markets, previously not envisaged (e.g. BidBilly).

- In May, BidEnergy signed a non-exclusive agreement with Simble to white label BidBilly to service thousands of SMEs via a leading TPI, UCR Consultants, who have approximately 60,000 meters under management, immediately launching to an initial 10,000 meters.

USA Rebate Revenue Update

- BidEnergy's USA rebate capture business recorded two new client contracts:
 - Citizen's Bank; and
 - Karcha USA.





The Company continues to see the BidEnergy USA rebate capture business as a channel to cross-sell our Energy Spend Management capabilities. Our rebate capture business includes many substantial multi-site clients with national footprints.

Financial Highlights

- Cash on hand at 30 June 2019 was \$4.2 million, up \$0.3 million from the previous quarter. \$1.7 million was received from exercise of options up to June 30th, with a further \$0.7 million received post June 30 pursuant to the BIDO option underwriting arrangement.
- Cash receipts from clients for the June 2019 quarter were \$1.3 million, in line with revenue.
- Gross cash operating costs for the June 2019 quarter were \$2.7 million (compared to \$2.9 million forecast in the March 2019 Appendix 4C).
- Net cash burn from operations was \$1.4 million (compared to \$1.2 million for the previous corresponding period).
- The Company expects its net operating cash burn for the September 2019 quarter to be in line with the June 2019 quarter, excluding approximately \$400,000 of annual and one-off fees expected to be paid during the September 2019 quarter.

Further information:

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About BidEnergy

BidEnergy is an Australian-based technology company with offices in Australia, the USA and UK. BidEnergy's cloud-based platform simplifies the complex energy spend management process by using automation, enabling organisations to have complete control over their energy spend. Unlike manual consulting and business services, the platform automates the management of every component of the process for multi-site companies. By automatically capturing and validating invoices and meter data, BidEnergy clients can streamline their accounting and payments processes, go to market at short notice to optimise their supply contracts and reduce billing charges using sophisticated analytics and reporting.

BidEnergy's innovative Robotic Process Automation ("RPA") platform gives small to large enterprises greater control over the full energy spend lifecycle, particularly where there is a national multi-site configuration. Further, under these agreements, BidEnergy's RPA platform is utilised to automatically capture and validate invoices, automating the payable function, discovering cost reduction opportunities and providing real-time Energy information and accurate financial capabilities at the touch of a button, as and when they need it.

Disclaimer

This announcement may contain forward-looking statements which may be identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'will', 'would', 'could', or 'should' and other similar words that involve risks and uncertainties. From time to time, the Company may also use industry-specific terminology such as "Annualised Subscription revenue" which refers to the annualised value of active client contracts under management by BidEnergy at a particular point in time and should not be interpreted as a financial forecast. Such statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Announcement, are expected to take place.

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, the Directors and management of the Company.

The Company has no 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 Announcement, except where required by law.

The Company cannot and does not give assurances that any results, performance or achievements expressed or implied in any forward-looking statements contained in this Announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.



Annexure A: Glossary of Terms

¹**Expected Group Revenue** – refers to the sum of total of Annualised Subscription Revenue (ASR) and Annualised Rebate Revenue (AR).

²**Annualised Subscription Revenue (ASR)** – refers to the annualised revenues from BidEnergy platform client accounts, and is comprised of both billable revenue and expected long-tail revenue:

- billable revenue is attributable to active client accounts, which is the annualized monthly fee billed on active accounts; and
- expected long-tail revenue is attributable to:
 - contracted client accounts that are yet to complete the onboarding process for their portfolio of sites; and
 - annualized monthly revenue from meters expected to be onboarded over the next 12 months.

³**Annualised Rebate Revenue or AR** – refers to BidEnergy USA rebate capture revenues, which are project based and are annualised on a rolling basis based on the last 12 months of project activity to allow for seasonality inherent in the rebate business.

⁴**Meters** – Number of energy, gas, and water meters for our subscribers. Meters corresponding to ASR include those meters onboarded and being serviced, those being onboarded from contracts, and those expected to be onboarded in the next twelve months from contracted clients.

⁵**Net Upsell** – Calculated as the net revenue improvement for combined contract renewals for the preceding twelve months to date.

⁶**Churn** – Clients loss represented as the net revenue loss of any existing subscriber for the preceding twelve months to date.

BidEnergy (BID) – Energy Spend Management platform (ESM), utilising Robotic Process automation (RPA) charged on a monthly or annual subscription basis in Australia, NZ, UK and the USA.

BidEnergy Inc. USA (Formerly RWW) – Rebate Capture Business operating in the USA (Philadelphia based) that manages the process of claiming rebates from Energy retailers for energy efficiency programs such as LED lighting changeout for clients on a fee for service basis.

BID Subscriptions – Number of Paying subscribers on BID's Energy Spend Management platform.

BID US/UK/NZ Subscriptions – Number of paying subscribers on BID's ESM internationally. N.B. In the case of BP for example, they are counted in both Australia and the UK and NZ.



+Rule 4.7B

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

BIDENERGY LIMITED

ABN

94 131 445 335

Quarter ended ("current quarter")

30 June 2019

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
1. Cash flows from operating activities			
1.1 Receipts from customers		1,332	5,427
1.2 Payments for			
(a) research and development		(419)	(1,415)
(b) product manufacturing and operating costs		-	-
(c) advertising and marketing		(103)	(214)
(d) leased assets		-	-
(e) staff costs		(1,461)	(5,108)
(f) administration and corporate costs		(749)	(2,984)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		10	57
1.5 Interest and other costs of finance paid		-	-
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	474
1.8 Other		-	-
1.9 Net cash from / (used in) operating activities		(1,390)	(3,763)
2. Cash flows from investing activities			
2.1 Payments to acquire:			
(a) property, plant and equipment		-	-
(b) businesses (see item 10)		-	-
(c) investments (term deposit)		(38)	(113)

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments (term deposit)	0	75
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other	-	-
2.6	Net cash from / (used in) investing activities	(38)	(38)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	-
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	1,689	2,687
3.4	Transaction costs related to issues of shares, convertible notes or options	-	-
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	1,689	2,687

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,938	5,313
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,390)	(3,763)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(38)	(38)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	1,689	2,687

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (12 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	4,199	4,199

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	3,299	1,713
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term deposit)	900	2,225
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	4,199	3,938

6. Payments to directors of the entity and their associates

	Current quarter \$A'000
6.1 Aggregate amount of payments to these parties included in item 1.2	108
6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-

6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Director fees

7. Payments to related entities of the entity and their associates

	Current quarter \$A'000
7.1 Aggregate amount of payments to these parties included in item 1.2	-
7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3	-

7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Nil

8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		
Nil		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(495)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(125)
9.4 Leased assets	-
9.5 Staff costs	(1,705)
9.6 Administration and corporate costs	(1,260)
9.7 Other (financing activity - underwriting fee)	(100)
Other (investing activity - tenancy deposit)	(60)
9.8 Total estimated cash outflows	(3,745)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: EDale Date: 22 July, 2019
(Company Secretary)

Print name: Erlyn Dale

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.