

A long-exposure photograph of a city street at night. The street is dark, with white lane markings. In the background, several tall buildings are lit up, their windows glowing. Red light trails from cars stretch across the upper half of the image, creating a sense of motion. The overall atmosphere is urban and dynamic.

Bid Energy 2018 AGM – MD's Report

Guy Maine, Managing Director

On an upward trajectory

2018 marks a turning point for Bid Energy

We've delivered an improved commercial and financial performance due to:

- Refined sales & marketing approach
- Embedding culture of fiscal responsibility

And setting the foundation for future growth via:

- Start of International expansion – US & UK
- Launch of new revenue streams
- Ever strengthening Sales pipeline

Operating cash burn
Sep Qtr-18

<50%

vs. Sep Qtr-17

ASR YTD CY18

\$2.9M

up \$1.1M (59%)

Successful

“Bid Billy”

pilot

27

new enterprise customers
YTD CY18.

+12,300 sites

Achievements to date*

* All figs from 1st January to 31st October 2018

- Sustained growth in recurring revenue base:
 - ASR up 59% to \$2.9M & Group AR @ \$4.8M
- BidEnergy Inc. (USA) positive EBITDA contribution across Rebates & Energy Spend Mgmt.
- 27 new accounts added with a further 19 account renewals
- From the 19 renewals we delivered a 9% uplift in revenues, for an overall 3% Upsell improvement across the base
- Churn at 3% supporting a growing stable of loyal major Australian & global brands
- Meters under management >22,800 - more than doubling through CY18
- Reach into the USA and UK with new customers, now 7 in total
- Cash position \$4.2M as of 31 October 2018

Delivering on key metrics as momentum builds

As of 31 October 2018



Group Revenue *
(BID & RWW)

\$4.83M



BID Subscription *1
Revenue (Global)

\$2.86M



Rebate Revenue *2
(USA)

\$1.97M



BID Subscriptions
(Global)

70



BID US/UK
Subscriptions

7



Meters

22,807



FTE
(Global)

41



Net Upsell 3

3%



2Yr Rev CAGR
(June 30)

120%



Churn

3%

“The fourth industrial revolution is coming and cognitive automation is its flag bearer” (KPMG – Robocalypse: Now?)

We're moving beyond the domain of early adopters

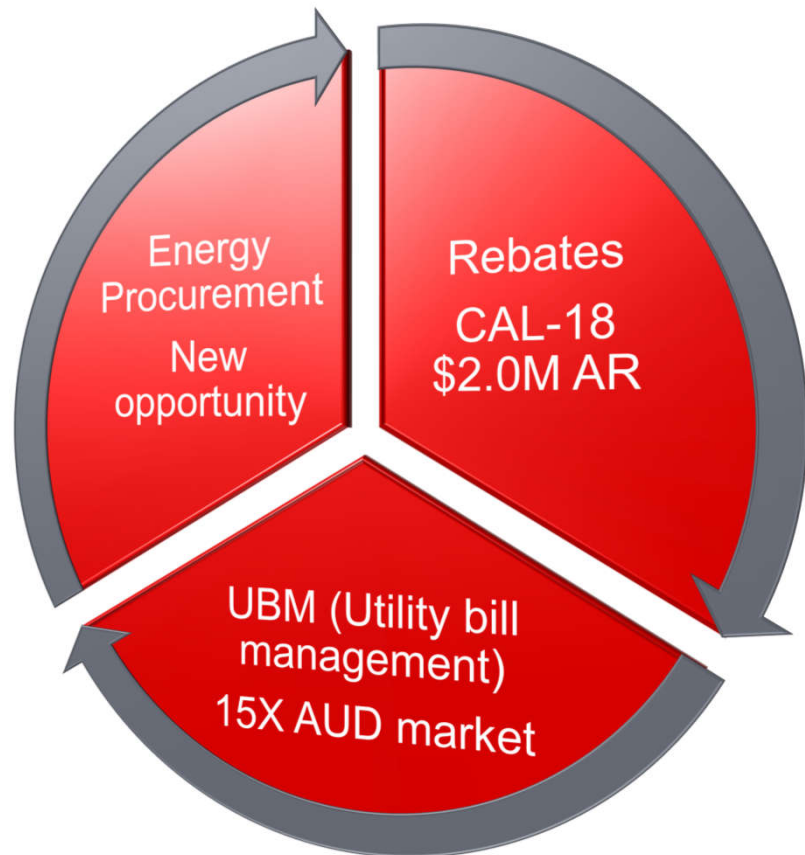
Our technology is proven with 70 enterprise customers, spanning Australia, NZ, US and UK with emerging opportunities in South East Asia and Europe

Growing enterprise sales Australia and New Zealand

Strong momentum with record start to FY2019

- RPA and energy spend – hot topics in the media
- Proactive lead generation strategies effective & driving a strong pipeline
- Strong start to FY19: 19 new customers, >1,200 sites and \$330K ASR
- New signings a mix of core “heartbeat” customers & large volume of smaller accounts; highlights product reach and expanse of market opportunity
- First successful Energy procurement result in the USA with Cotton On; demonstrates our capability to grow abroad with Australian companies
- Support of leading “corporates” assisting in sales conversion
- ACCC Inquiry - Bid well positioned to capitalise on regulatory tailwinds
- We’ve reached a tipping point, where doors are open and RPA is on the agenda

“Strong sales pipeline with large new customer opportunities across multiple countries at final stages of negotiations” – Guy Maine

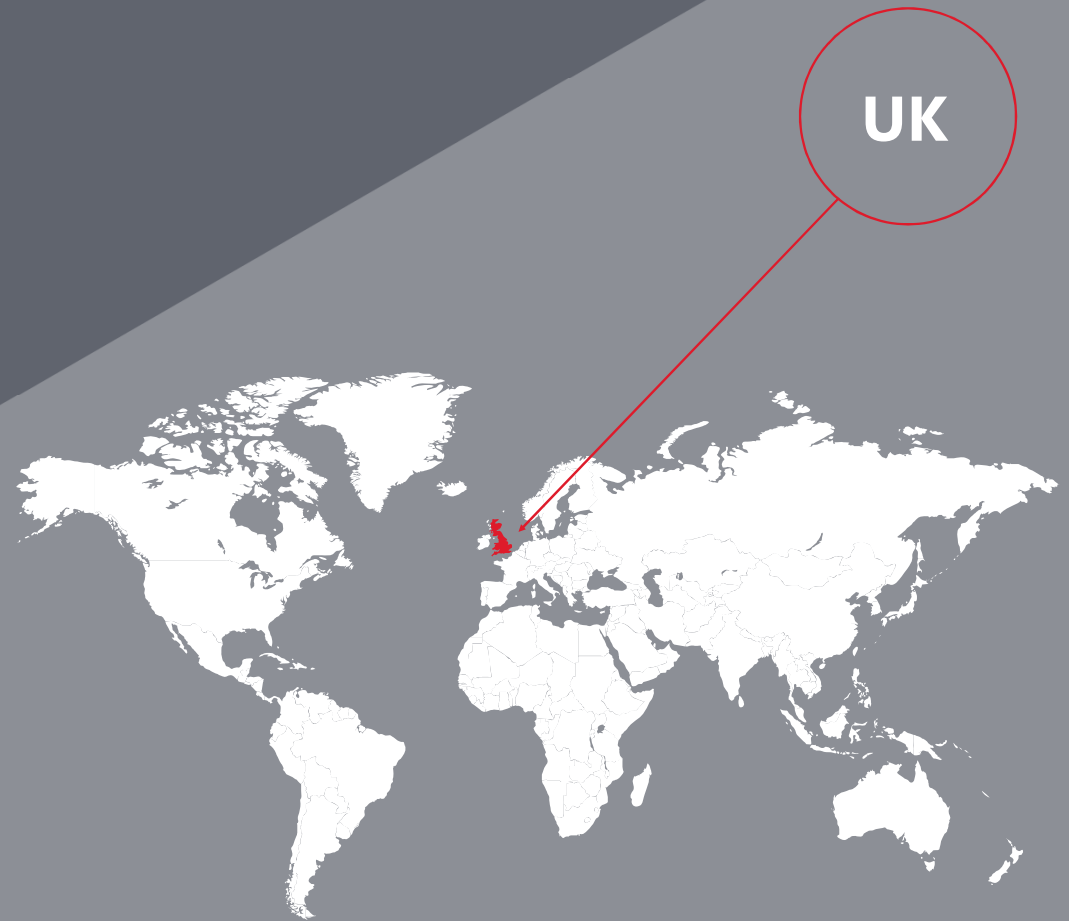


US: Leveraging our foothold in the rebate market

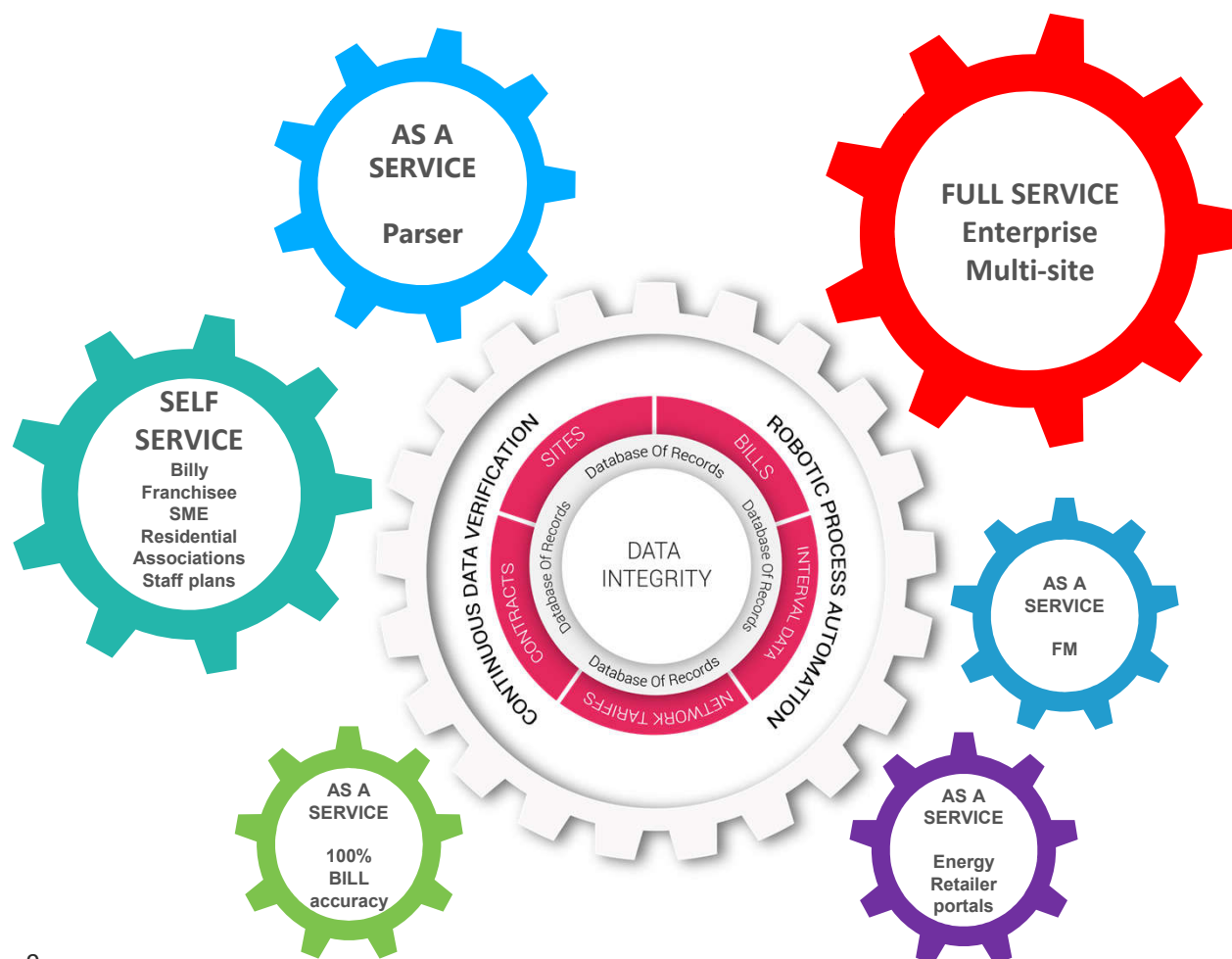
- Continued improvement on rebate business key metrics – multi year renewals and increased contract duration.
- Shifting focus to leveraging customer-base and building presence in the energy management spend (ESM) segment
- Restructure and rebranding implemented - BidEnergy Inc.
- First major contract win with national retailer – existing rebate customer and pilot site for ESM
- BidEnergy growing automation expertise in a fractured market with > 3,500 Energy retailers across 49 states where payment by Check (cheque) is still widely required
- The prize is large for our automation solution

UK: Poised to ramp up

- Platform and offering refined for the market in liaison with BP, UK's number one brand
- Now poised to ramp up UK enterprise sales with UK & Europe Country Manager appointed in September 2018
- First new “heartbeat account” Walker's Nonsuch Toffee signed in October 2018
- Significant interest from major UK brands within a market more readily open to innovation
- Low cost investment given market similarity to AU
- Opportunity to grow into Europe



Evolving revenue streams



Our RPA platform has applications across the energy supply chain

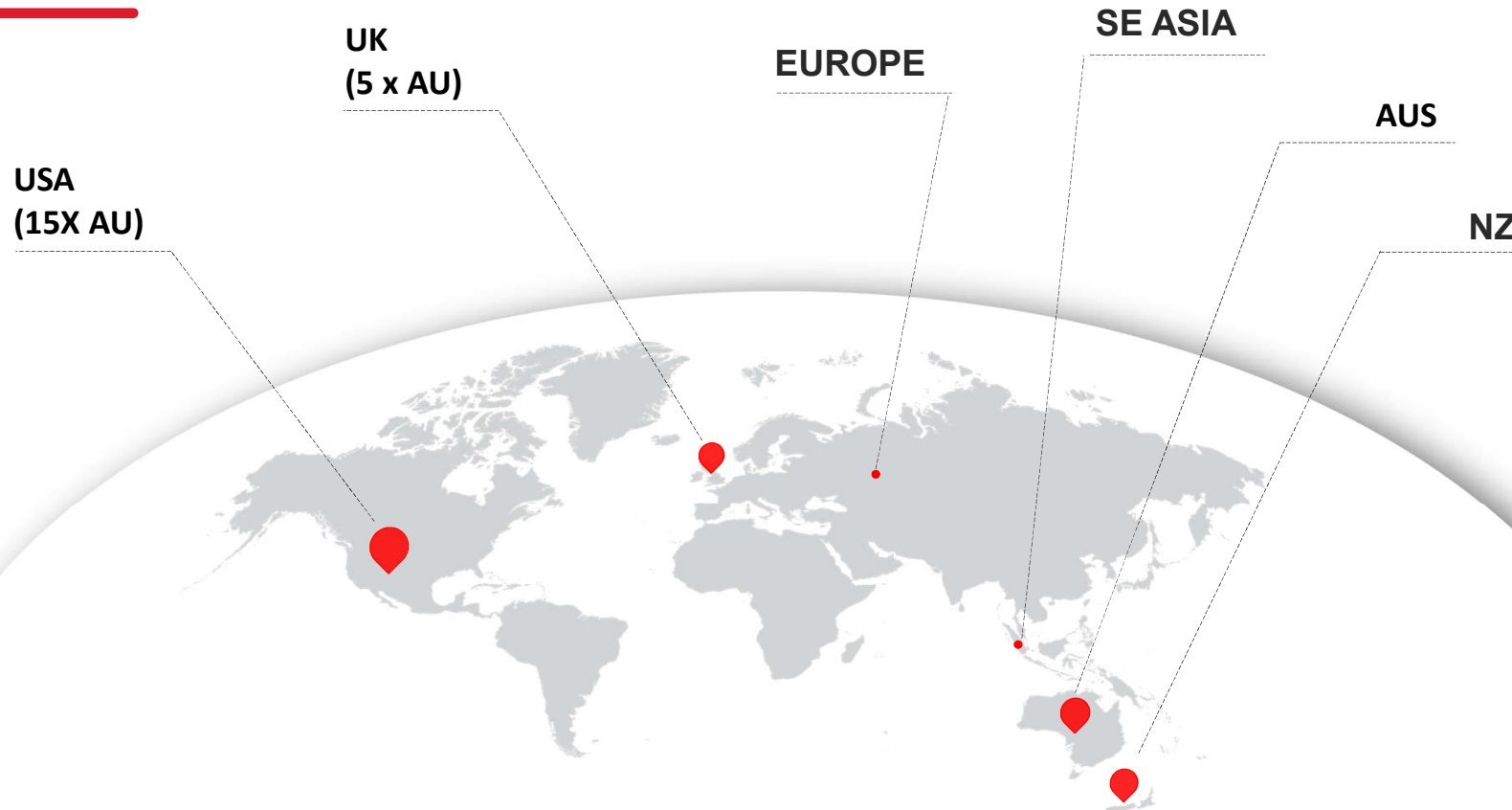
Bid Energy **“Full Service”** to multi-site enterprise our core focus

“As A Service” utilises our core IP, to;

- Parse bills to help Energy retailers compare their rates,
- Validate Energy retailer bills prior to customer receipt;
- Build customer portals for Energy retailers to access our suite of analytics and reports; and
- Work with Facilities Managers (FM) companies to power up their own capabilities (white label).

“Self Service” expands our revenue reach into large and high growth revenue markets, previously not envisaged

Large global multi-site market opportunity



As the sole RPA player in the Energy category globally, BidEnergy can capture a massive enterprise multi-site market opportunity

- Australian enterprise market = ~4,000 customers *
- BidEnergy currently has 70 Enterprise customers: 1.8% market share

* Bid Energy internal estimates

Billy

The world's first robotic energy concierge

Fills major gap in the market for SME & Residential

Energy rates in AU are amongst the highest in the world

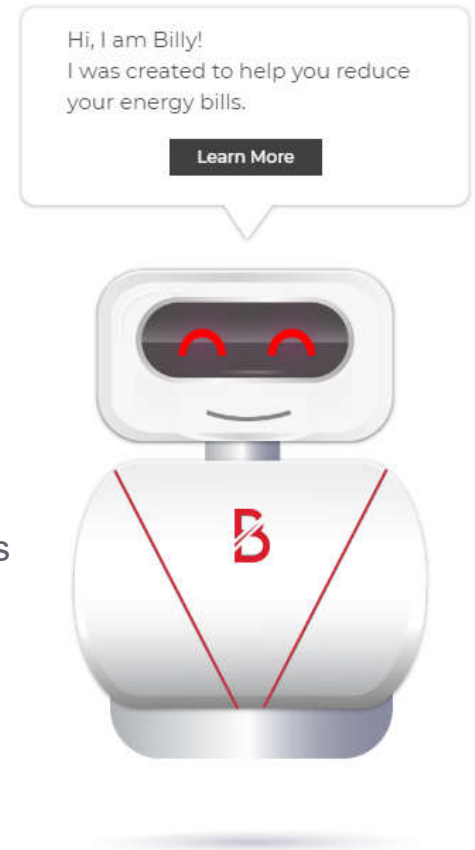
- South Australia third to only Denmark and Germany

Successful pilot launch in South Australia with SATIC Tourism – targeting SMEs

- 65% of participants identified savings opportunities
- Unprecedented access to best offer rates through “Bid Your Bill” live auction process
- Positively received by the seven energy retailers: most customers received multiple bids
- Average saving in excess of \$700

Pilot to progress to December rollout to allow access for SME users across Australia

- Franchise solution imminent with opportunities with large existing customers and new franchise groups readying for launch across a global footprint.
- Progressive residential pilot and rollout 1st quarter CY19, with strong interest from potential partners



What does success look like in 2019?

CY19 is all about growth..

- Ever increasing footprint of marquee AUS brands
- ASR & Site Growth off a strong base to accelerate
- The march to cash flow positive before the 4th Calendar quarter
- Acceleration in the UK off a strong early pipeline, with eyes into Europe
- Growth into South Asia pacific with new and existing Australian customers
- Unlock the Automation potential in the USA, growing the footprint in the North East market, and cross selling rebate customers into Energy spend management
- Growing the gross profit margin through customer growth powered by more and more robots
- Launch BILLY Franchise / Small business / Residential here and overseas

We've reached a tipping point, where doors are open, RPA is on the agenda and Energy spend is a common problem across all walks of life

Thank you
BidEnergy

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 customer 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.

Appendix – Glossary of terms

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.

RealWinWin (RWW) – Rebate Capture Business operating in the USA (Philadelphia based) that manages the process of claiming rebates from Energy retailers for LED lighting changeout for customers on a fee for service basis.

¹ Annualised Subscription Revenue or ASR – refers to the annualised value of active customer contracts under management by BidEnergy, calculated by reference to the monthly fixed fee for BidEnergy's services. To the extent a monthly fee is varied (including by reason of services being added or removed, or the numbers of meters managed under the contracted being increased or decreased) this may impact BidEnergy's ASR. To the extent that BidEnergy's ASR is materially impacted, BidEnergy will provide a market update.

BID Subscriptions – Number of Paying subscribers on BIDs ESM.

² Annualised Revenue or AR – refers to RealWinWin rebate capture revenues, which are project based and are annualised on a rolling basis on the last 12 months of project activity. To the extent that any single month's rebate capture performance may vary, the corresponding AR will be affected and updated quarterly. This allows for seasonality inherent in the RWW business.

BID US/UK Subscriptions – Number of paying subscribers on BIDs ESM internationally. N.B. In the case of BP, they are counted in both Aus. and the UK.

Meters – Number of Energy, Gas and Water meters for our paying subscribers. As our charges vary based on a client's meter portfolio, this is an important data point.

FTE – Number of fulltime equivalent staff, not including contractors.

2Yr Revenue CAGR – reported in the half yearly and full year accounts, our compound annual growth rate over the preceding two years for the combined group.

³ Net Upsell – Calculated as the net revenue improvement for Calendar year 2018 to 31st October.

Churn – Customer loss represented as the net revenue loss of any existing subscriber for Calendar year 2018 to 31st October