



WHERE THE WORLD RIDES™

BIKEEXCHANGE (ASX:BEX)
BUSINESS UPDATE

FEBRUARY 2021



Disclaimer

IMPORTANT NOTICE

The material in this presentation has been prepared by BikeExchange Limited (ASX: BEX) ABN 24 625 305 240 ("BikeExchange or the Company") and is general background information about BikeExchange's activities current as at the date of this presentation. The information is given in summary form and does not purport to be complete in every aspect. In particular you are cautioned not to place undue reliance on any forward looking statements regarding our belief, intent or expectations with respect to BikeExchange's businesses, market conditions and/or results of operations, as although due care has been used in the preparation of such statements, actual results may vary in a material manner. Information in this presentation, including forecast financial information, should not be considered advice or a recommendation to investors or potential investors in relation to holding, purchasing or selling securities in the Company. Before acting on any information you should consider the appropriateness of the information having regard to these matters, any relevant offer document and in particular, you should seek independent financial advice.

The financial information should be read in conjunction with the basis of preparation set out in the Appendix on page 22.

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.

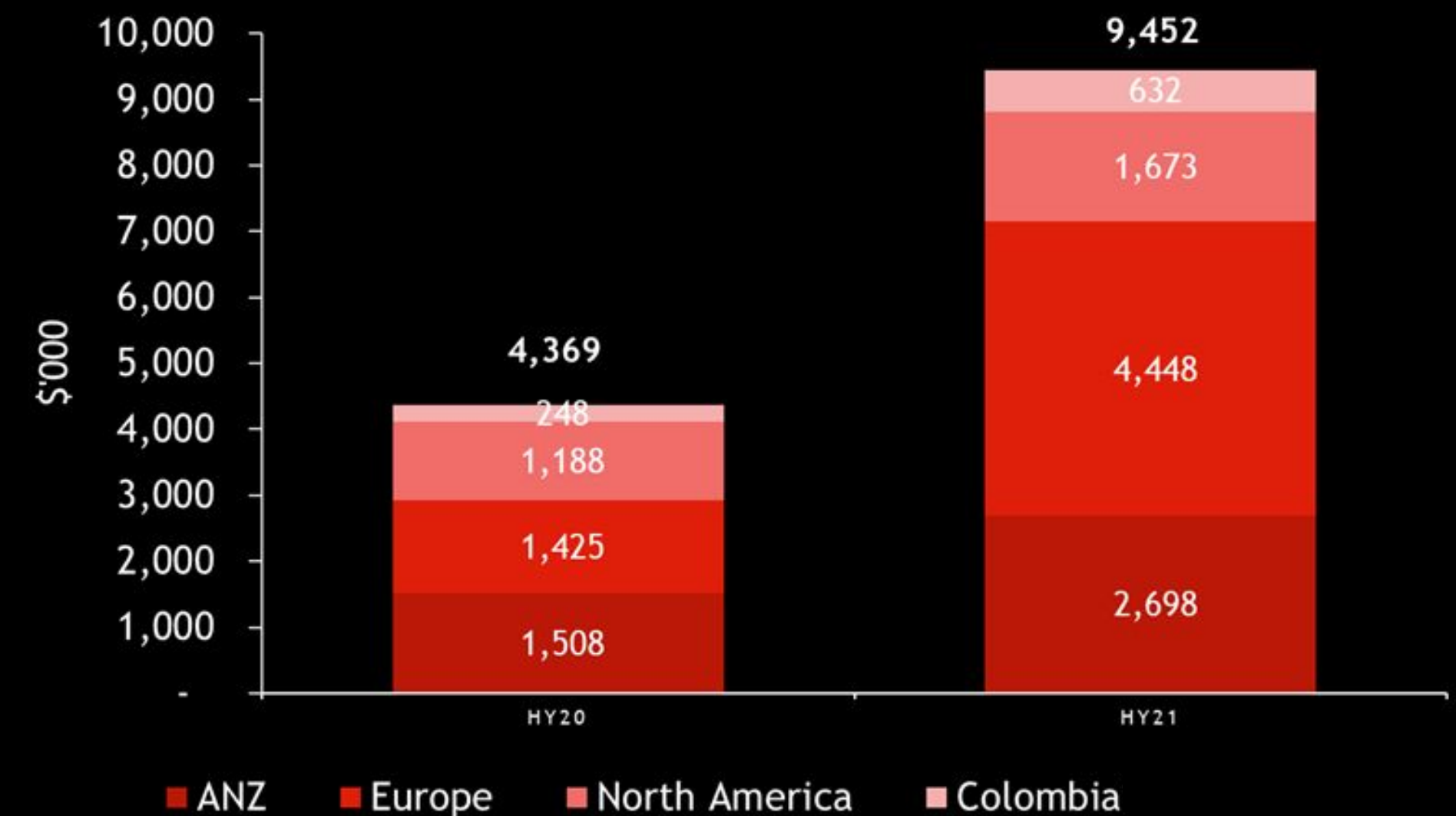
BikeExchange overview

WORLD'S LEADING BICYCLE MARKETPLACE

- **BikeExchange** is one of the world's largest online cycling marketplaces.
- IPO completed for BikeExchange (ASX:BEX) 9th Feb 2021 with \$20m capital raise to deploy for growth and no debt.
- A network of brands, retailers and distributors to connect via a single destination marketplace.
- The solution that enables and brings together the fragmented global cycling industry to trade and scale.
- Operations across 8 countries in 4 hubs - ANZ, North America, Europe (Germany, Belgium and Netherlands), Latin America (Colombia) with over 40 employees.
- BikeExchange generated over \$750 million in sales leads² in HY21, up nearly 100% on pcp.
- Growth and global expansion to date has been achieved with limited capital.

1. All countries are 100% owned except for Colombia (50% Joint Venture). Head Office – Australia (Melbourne)
2. Sales leads represent the total number of enquiries across email, phone and address
3. Lookthrough Total Transaction Value includes 50% of the Colombian Joint Venture's TTV.

LOOKTHROUGH TOTAL TRANSACTION VALUE³ BY GEOGRAPHY



GLOBAL OPERATIONS¹



BEX HY21 highlights



Record TTV achieved with growth accelerating

- 116% lookthrough TTV¹ growth in HY21 on pcp.
- Strong growth across all geographic markets with Europe the standout.



Consumer demand remains strong

- Traffic sessions of 14.5 million (including Colombia) for HY21, up 77% on pcp.
- Enquiry value of over \$750m in the half (up 99% on pcp), accelerating on H2 FY20, with conversion initiatives being rolled out to improve monetisation.



E-commerce revenues outperformed

- Lookthrough e-commerce commissions revenue grew 325% in HY21 on pcp.
- Supported by strong e-commerce transaction growth of 154% on pcp and improvements in average commission rates achieved.
- Total Active Retail Accounts of 1,449 at 31 December 2020 with average number of monthly e-commerce sellers continuing to rise.



Strategic capital investments commenced

- Digital marketing programme to drive e-commerce conversion launched in Q2 with promising results to date and further optimisations to come.
- Key hires made across the business with new Global CFO, Head of Customer and Product and Concierge resources.
- Strategic technology development such as app redevelopment and data underway.



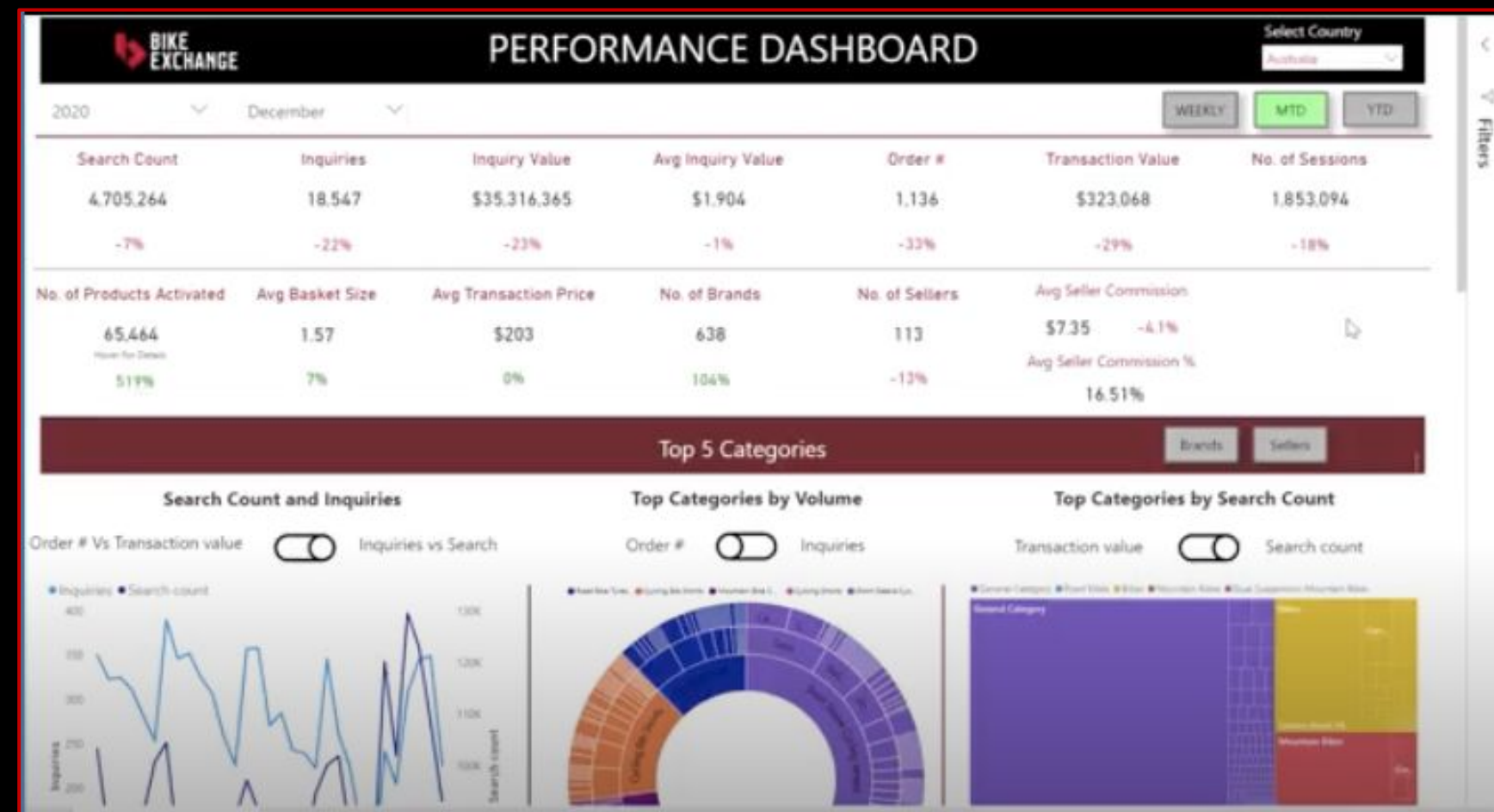
Strong balance sheet

- IPO completed with \$20m capital raise and no debt
- Flexibility to invest and accelerate growth.
- Key hires made and reconstructed Board in place.

1. Lookthrough Total Transaction Value includes 50% of the Colombian Joint Venture's TTV.

2. All metrics are presented excluding Colombia unless otherwise stated or defined as lookthrough. See definitions set out on page 22.

HY21 Business Activity Update



- BikeExchange Sponsorship Of the GreenEDGE Pro Cycling Team – Team BikeExchange.
- Key Partnership Contracts Signed:
 - Trek USA Partnership signed in Q2 enables the Trek dealer network of 1,500 cycling stores to come onto the BikeExchange platform and sell specific model lines in the USA. Over 40 retailers already onboarded onto the platform. This is expected to gather momentum in Q3 & Q4.
 - CycleSoftware Europe (a leading cycle retailer POS provider) partnership contract signed in Q2 and seeing strong uptake from retailers with 50+ signed up in the first 2 months.
- Global Performance marketing trial through Q2. Focus on converting existing audience.
- Significant resources added to the Global team, including:
 - Global CFO and Head of Customer and Product, both with significant ASX listed marketplace experience;
 - Belgium/Netherlands team expansion to support significant market opportunity; and
 - Sales and concierge resources to commence in H2 across all regions.
- Data and insights products to be launched in Q3 initially comprising of:
 - Performance dashboard for internal usage / better optimisation of activity;
 - Brand & Industry dashboard to launch in ANZ first, with Global roll out to follow; and
 - Single customer view – Ability to segment our consumer audience and increase personalisation.
- Finance product (ANZ) near completion with a soft-launch anticipated in Q3.

LatAm Strategic Partnership

- Strategic partnership with Auteco Group following an investment in BEX to help scale LatAm region.
- Auteco Group is the leading Colombian motorcycle assembler and electric vehicle distributor, founded in 1941.
- Strong experience in the electric vehicle category with 80+ % market share of electric 2 wheeled vehicles. ~\$600m revenues across the group.
- Auteco has a large footprint and network of exclusive dealers with over 550+ and key global brand partnerships.
- Auteco Group consists of **Auteco**, from the motorcycle and electric vehicle business, **PSL** a software business for factory services and **CrediOrbe**, a consumer finance business.
- Partnership will help BikeExchange scale across LatAm through the network, experience and category knowledge in the region.



Key Metrics – HY21

ARPA

\$1,582
↑6%

Active Retail Accounts

1,449
as at 31 December 2020

Traffic sessions

14,546,000
↑77%

e-commerce Transactions

24,585
↑154%

Average Order Value

\$472
↑29%

Average Commission Rate

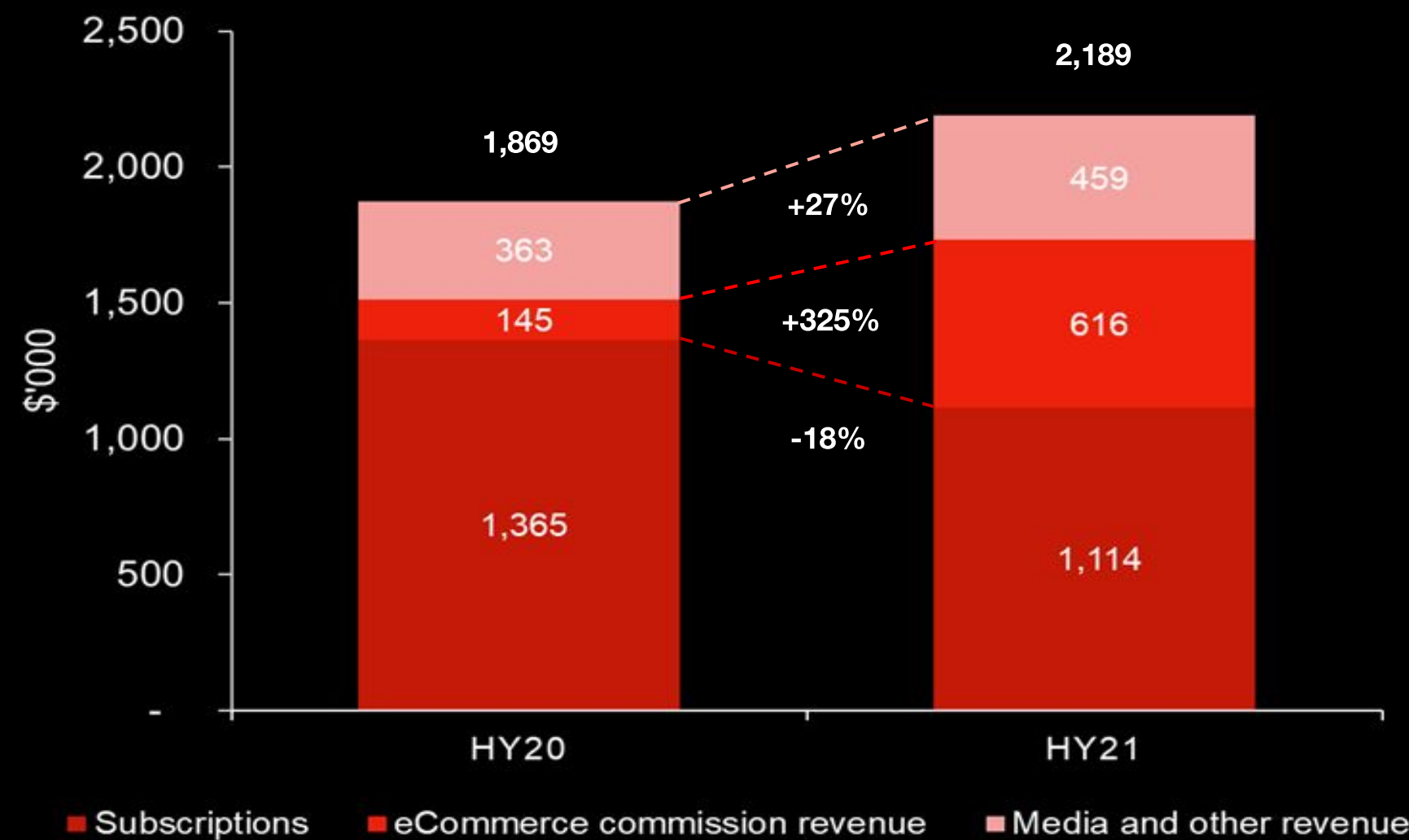
7.8%
↑ from 5.5%

- Average Revenue Per Account (ARPA) improved in HY21 reflecting move to quality e-commerce enabled retailers across FY19 and FY20 improving the subscriber mix and increases in Brand Multistore numbers.
- Strong traffic growth of 77% on pcp reflects the high quality of the consumer proposition.
- Traffic growth and conversion improvements supported significant uplift in transaction volumes and focus on quality retailer products grew Average Order Value (AOV).

All metrics for the 6 month period to 31 December 2020 vs the comparable period in 2019 unless otherwise stated and aside from traffic sessions exclude Colombian Joint Venture. Refer to basis of preparation of page 22 for metric definitions.

BikeExchange TTV and revenue performance - HY21

LOOKTHROUGH REVENUE BY CATEGORY



COMMENTARY

- Strong lookthrough TTV growth across all regions in HY21 with Europe a standout.
- E-commerce was the largest contributor to lookthrough TTV growth with significant uplift in transaction volume and average order value on pcp.
- Europe's e-commerce generates more bike transactions and higher AOV. Other regions achieve more transactions with parts, accessories, apparel. All regions showed good transaction volume growth across the period.
- The Group's platform has helped navigate the stock shortages felt in market in 2020, driven by consumer demand, through our breadth of choice.
- Lookthrough e-commerce revenues were up 325% on pcp with average commission rates increasing from 5.5% to 7.8% in the half compared to pcp. The commission rate uplift reflects improvements in retailer mix and improved operational processes.
- Lookthrough subscription revenues declined 18% on pcp (principally in NA with ANZ to a smaller extent) reflecting the transition towards quality eC ommerce enabled retailers and products undertaken in FY19 and FY20.
- ANZ seeing strong contribution from mix shift towards premium subscriptions (including Multistores). Overall positive run rate going into Q3 for Group subscription revenues.
- Lookthrough Media and Other Services revenues increased by 27% on pcp. Reflects increased contribution from BikeExchange COL leveraging the platform through industry partnerships / procurement contacts.
- EBITDA (excluding IPO related costs) consistent with expectations reflecting increased investment in marketing and team headcount to support growth.

HY21 in \$ thousands	Australia and New Zealand	Europe	North America	Colombia ¹	Total
Lookthrough TTV	2,698	4,448	1,673	632	9,452
<i>Growth on pcp</i>	79%	212%	41%	155%	116%
Lookthrough Revenue	749	904	352	184	2,189
<i>Growth on pcp</i>	(1%)	92%	(42%)	400%	17%

1. Lookthrough TTV and revenue includes 50% of the Colombian Joint Venture's TTV and revenue respectively. Refer to basis of preparation on page 22.

FY21 Outlook

- H2 FY21 trading has commenced well with January 2021 e-commerce transactions showing strong growth on pcp.
- Overall expect H2 FY21 to demonstrate meaningful TTV and revenue growth on H1 FY21.
- Subscription revenues run rate positive entering Q3 – with increases in Multistores, Trek retailer and CycleSoftware retailer sign-ups providing an increasing contribution in H2, supported by additional sales headcount.
- Working closely (across initiatives) with our retailer and brand customer base to assist and enable them further with conversion, consumer engagement and organic growth.
- Expect continued strong growth in e-commerce on pcp and improvements in conversion rates and commission rates with the benefits of the investment in concierge and performance marketing.
- Revitalised media partnerships expected to contribute uplift to media revenues from Q4.
- Launch of new products expected to be positive for the next financial year.





BEX strategy update

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Growth strategy



**Grow business
customer accounts
& Subscriptions**

1



**E-commerce growth
through conversion
of sales leads**

2



**Data & insights
Subscription
product launch**

3



**New product and
revenue streams &
Market Expansion**

4



GROWTH STRATEGY

1. Increase business customer accounts and subscriptions

While continuing organic growth & ARPA of existing accounts

Strategic Partnerships with Brands and Industry

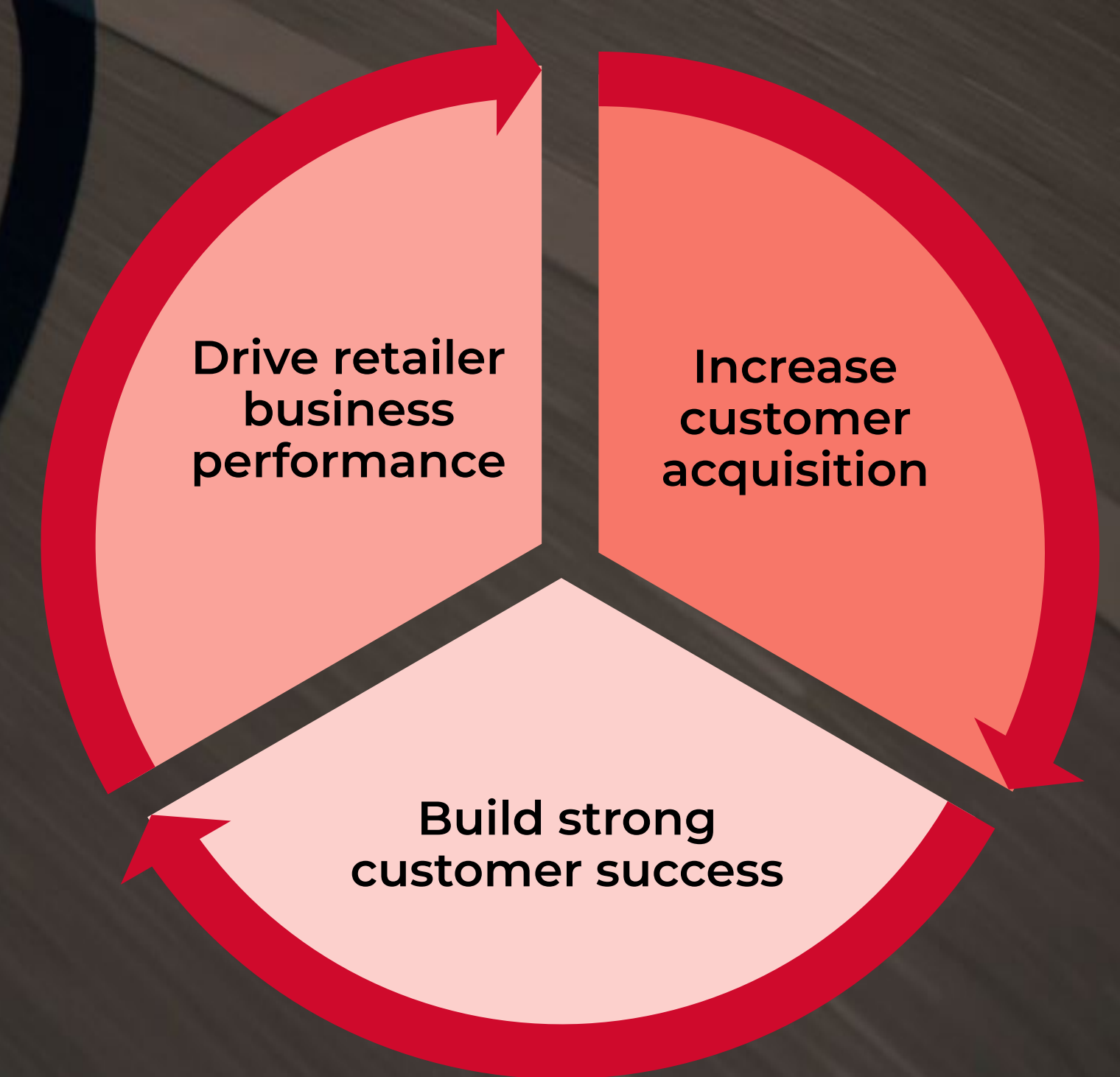
Targeting more industry partnerships that work with brands to help them sell more of their products while mobilising and engaging their retailer network. E.g. Trek USA partnership

Further Growth In Existing Markets

Focus on growing existing markets and regions
Estimated current market penetration of retailers:
AU: ~75%; EU <10%; US <10%

Team growth for Sales, Customer Success / Experience

Headcount growth across key disciplines to drive further growth and adding skill areas that will optimise the customer and consumer experience for further conversion.



Growth strategy - 1



**Grow business
customer accounts
& Subscriptions**

1

PROGRESS IN H1 FY21

- Trek Partnership USA signed ~40 Trek Stores signed up.
- Cycle Software Europe partnership signed ~ 50 stores signed up.
- Brand Multistore subscriptions progressing well (particularly in ANZ)
- Retailer / Stock management - helped navigate the market stock pressures for customers and stores with breadth of choice.

FOCUS AREAS IN H2 FY21

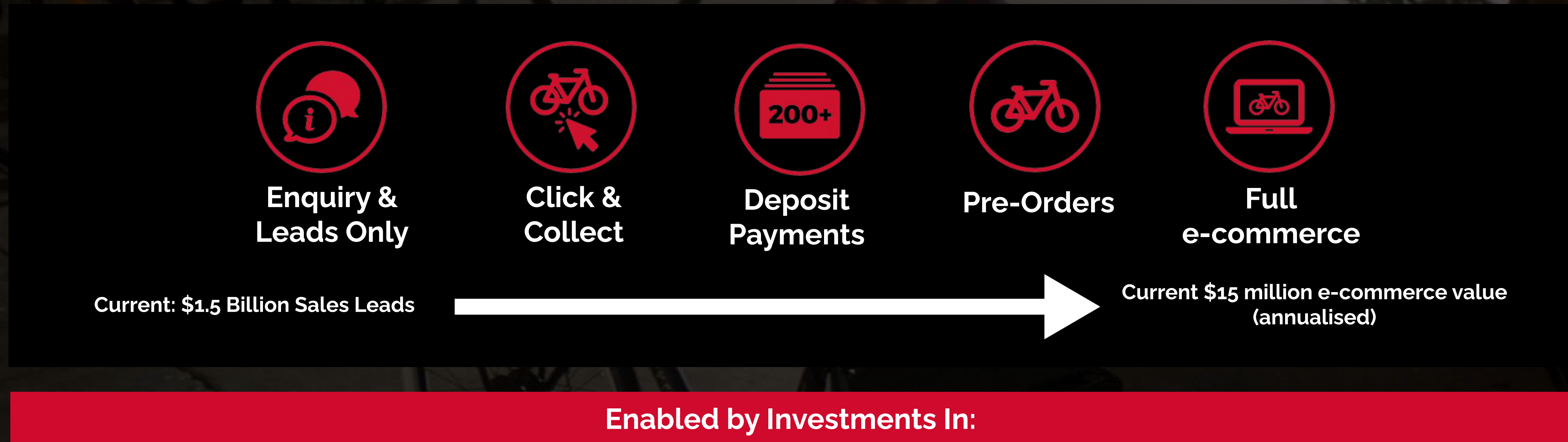
- Working closely with our retailer, brand and industry customer base to help enable them further.
- Leverage sales resource increases in USA & EU – including dedicated Trek resources in the USA.
- Further ARPA improvements through pricing optimisations.
- Further key partnership development.
- Leverage Team BikeExchange sponsorship with brands.
- Relaunched B2B communications activity.



GROWTH STRATEGY

2. E-commerce growth through conversion

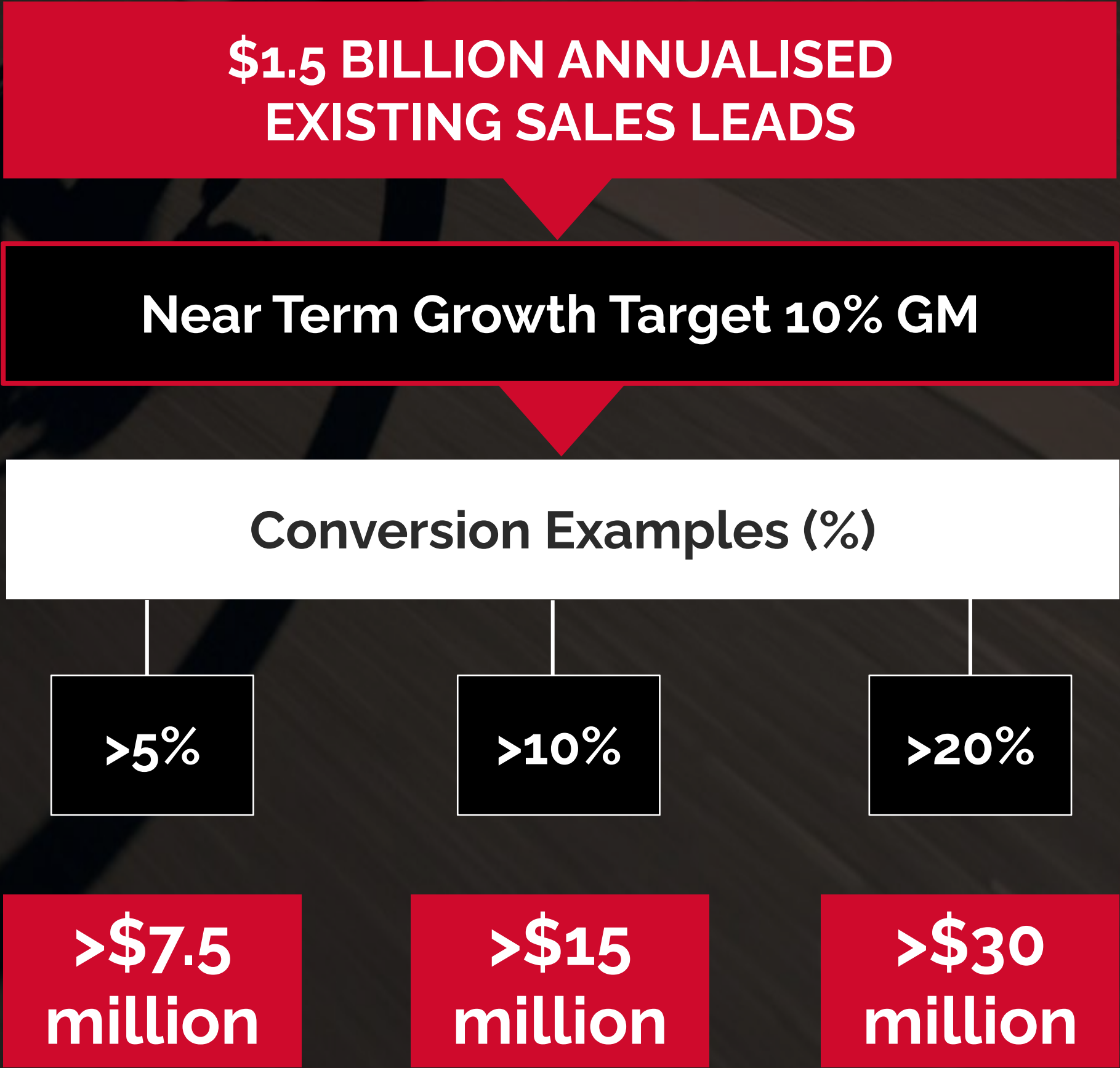
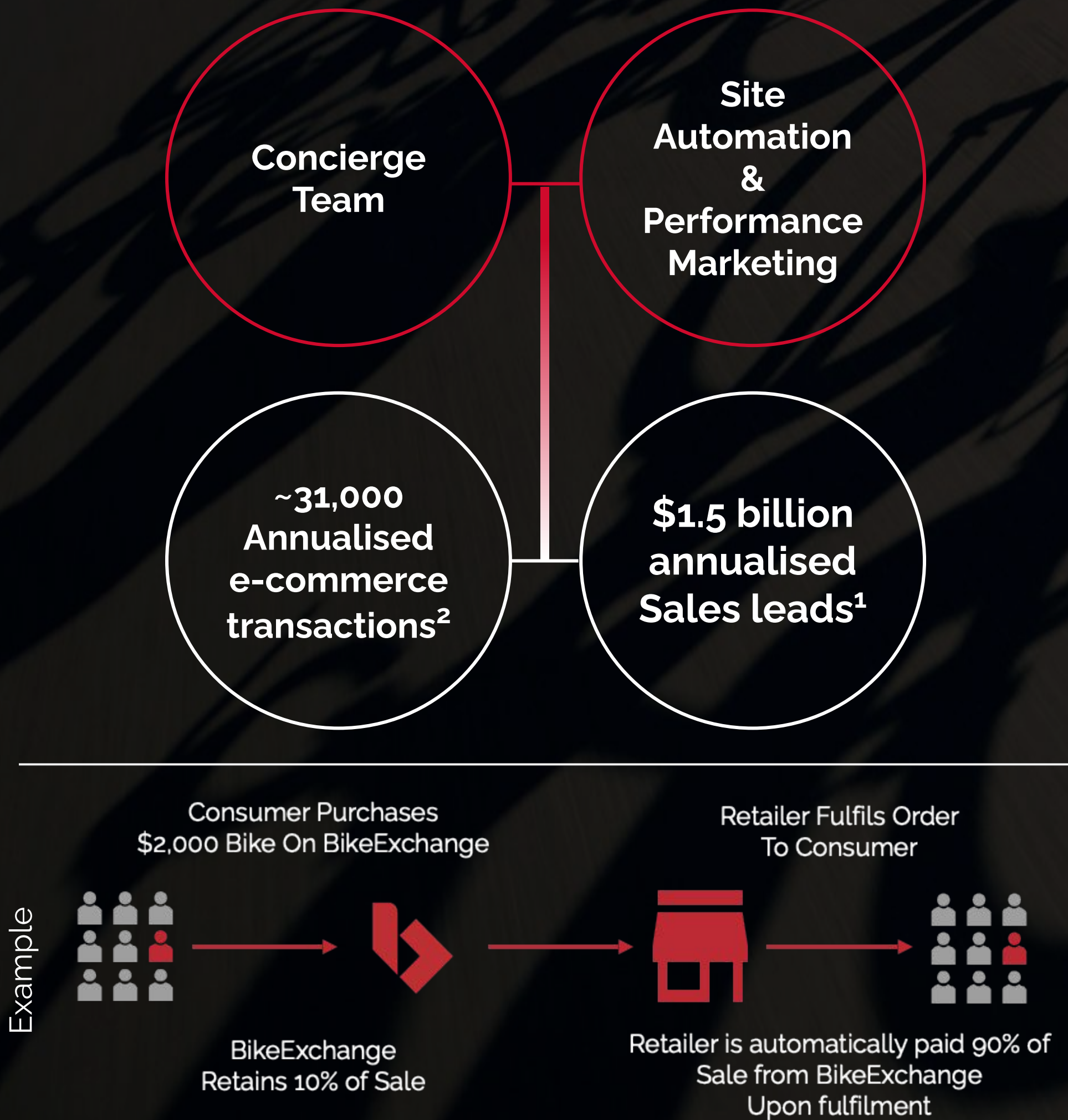
Opportunity to convert the existing sales leads to e-commerce transactions on site



GROWTH STRATEGY

2. Driving conversion of existing sales leads

Target up to 20% sales leads conversions based on trials to date



1. Sales leads represent the total number of enquiries across email, phone and address in HY21 annualised by multiplying by 2
2. Annualised e-commerce transactions are e-commerce orders in HY21 annualised by multiplying by 2.



Growth strategy 2



**E-commerce growth
through conversion
of sales leads**

2

PROGRESS IN H1 FY21

- Record e-commerce order volume and value in the half - demonstrating the value of the platform.
- Performance Marketing Trials launched with good progress, understanding campaign success factors - to be further optimised in H2.
- Concierge programme underway with existing resources helping retain consumer orders in a tighter stock market.

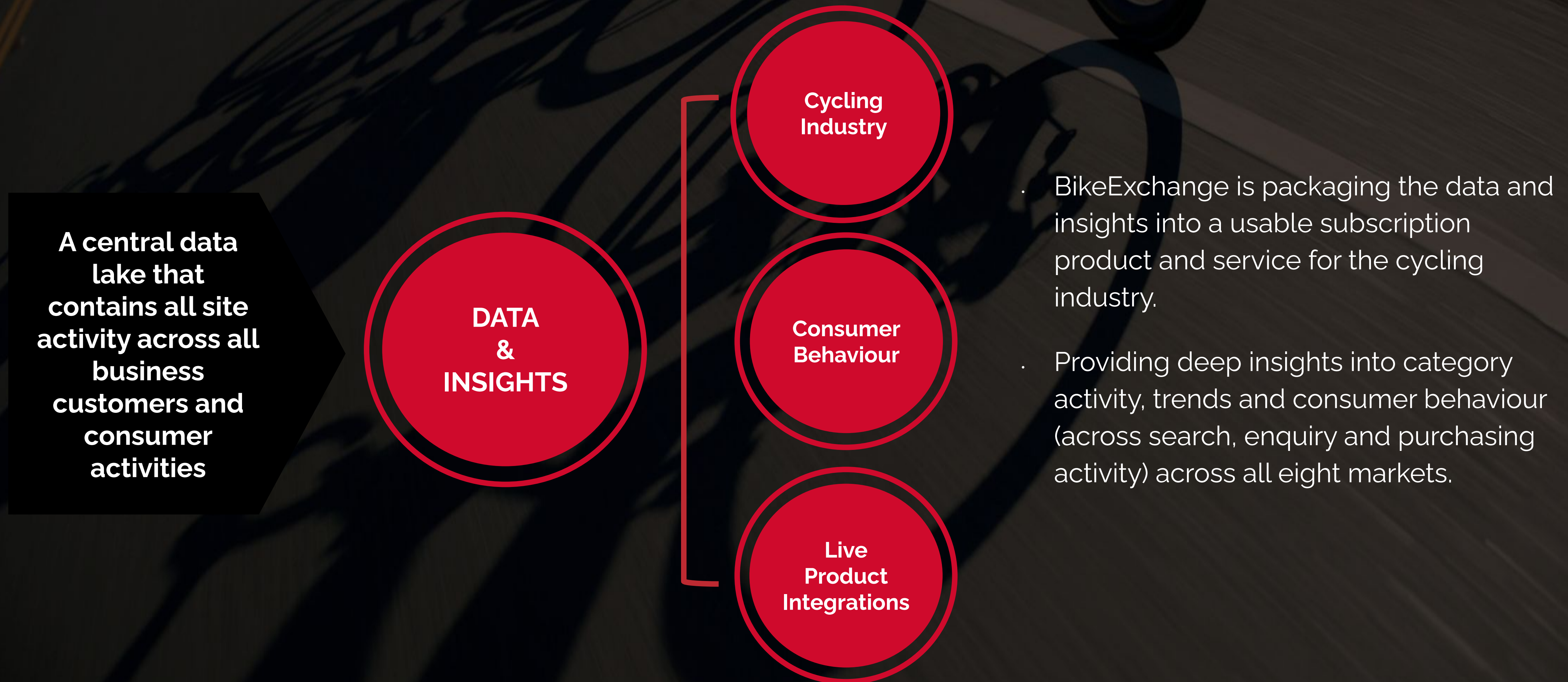
FOCUS AREAS IN H2 FY21

- E-commerce conversion improvements - Head of Customer / Product appointment.
- Leverage concierge team resources added in Q3 across all regions. Evolving process and journey for customer experience.
- Integrations with POS systems making retailers / brands live.
- Reinvigorated customer success teams - Working with existing retailer / brand base to help improve conversion, e-commerce stock mix, trading and availability.
- Deploy updated e-commerce commission module to set commission rates by retailer product type and categories.



GROWTH STRATEGY

3. Data and insights subscription product launch



Growth strategy 3



**Data & insights
Subscription
product launch**

3

PROGRESS IN H1 FY21

- Performance dashboard for internal business usage completed.
- Significant progress on more externally focussed data and insights products made.

FOCUS AREAS IN H2 FY21

- Complete the initial rollout of the following tools:
 - Single customer view - segmentation of audience and dashboard for personalisation / growing customer lifetime value;
 - Brand & Industry data and insights product suite; and
 - Product recommendation tool.
- Complete work on phase 1 commercial bundling and subscription pricing models.



GROWTH STRATEGY

4. New product & revenue streams | market expansion

New Product & Revenue Streams

Product extensions that complement that existing offering e.g. Finance, Membership

Further Country Expansion

Appropriate Country Market Expansion, that in particular builds in the hub regions currently present

Strategic Acquisitions

Appropriate acquisition of key businesses and services that can enhance the BikeExchange proposition, helping both the growth and the customer experience of the Company.



Growth strategy 4



**New product and
revenue streams &
Market Expansion**

4

PROGRESS IN H1 FY21

- Finance product contracts in place and product substantially integrated.
- Pocket Outdoor Media (POM) Partnership phase 1 signed initially focussing on media opportunities in the USA.

FOCUS AREAS IN H2 FY21

- Initial deployment of finance product with selected retailer in ANZ.
- POM agreement phase 2 to cover more regions and more integrated approach to retailer opportunities (subscriptions / e-commerce). Building on programmatic media platform.
- Consumer membership & loyalty programme development to enhance personalisation.
- Continue to assess new opportunities in existing and new markets.
- Build out LatAm strategy off Colombian presence and leveraging the Auteco strategic partnership.





Appendix

 **BIKE
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Basis of preparation

BASIS OF PREPARATION

The information contained in this presentation is based on the aggregated historical financial information (BEX Financial Information) for the BikeExchange Group and should be read in conjunction with the Financial Information section of the Prospectus Document lodged with the ASX (page 61). It has not been reviewed or audited by the Group's auditor, Deloitte Touche Tohmatsu.

The BEX Financial Information in this presentation is that of the BikeExchange Holdings Pty Ltd Group Aggregated Entities which is made up of an aggregation of the entities set out on page 63 of the Prospectus. The purpose of the BEX Financial Information is to show certain financial results of the Aggregated Entities for the 6 month financial periods ending 31 December 2020 (H1 FY21 or HY21) and 31 December 2019 (H1 FY20 or HY20) respectively, as if it had been one combined aggregated group for the entirety of these financial periods. This BEX Financial Information aggregates certain historical financial information of those entities as if they had been acquired by BikeExchange Holdings Pty Ltd as at 31 December 2020. The BEX Financial Information does not include the results of BikeExchange Ltd (previously RPro Holdings Ltd) as they are not relevant to the understand of the trading performance of the underlying BikeExchange Group for the periods presented.

The Aggregated Historical Financial Information has been prepared and presented in accordance with the recognition and measurement principles of Australian Accounting Standards (AAS) issued by the AASB, which are consistent with IFRS and interpretations issued by the IASB, except for the requirements of the AAS listed below:

- AASB 3 – Business Combinations
- AASB 10 – Consolidated Financial Statements
- AASB 133 – Earnings Per Share

The Significant Accounting Policies (SAP) adopted in the preparation of the historical financial information are set out in Appendix A of the Prospectus and have been consistently applied throughout the financial periods presented in this document unless stated otherwise. The Financial Information is presented in an abbreviated form insofar as it does not include all the presentation and disclosures required by the AAS and other mandatory professional reporting requirements applicable to general purpose financial reports prepared in accordance with the Corporations Act. This information is prepared on the same basis as the Historical Financial Information in the Prospectus and no pro forma adjustments have been made in respect of expected public company costs etc. One-off costs incurred in the periods in respect of the BEX IPO are also excluded unless otherwise stated.

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** 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.

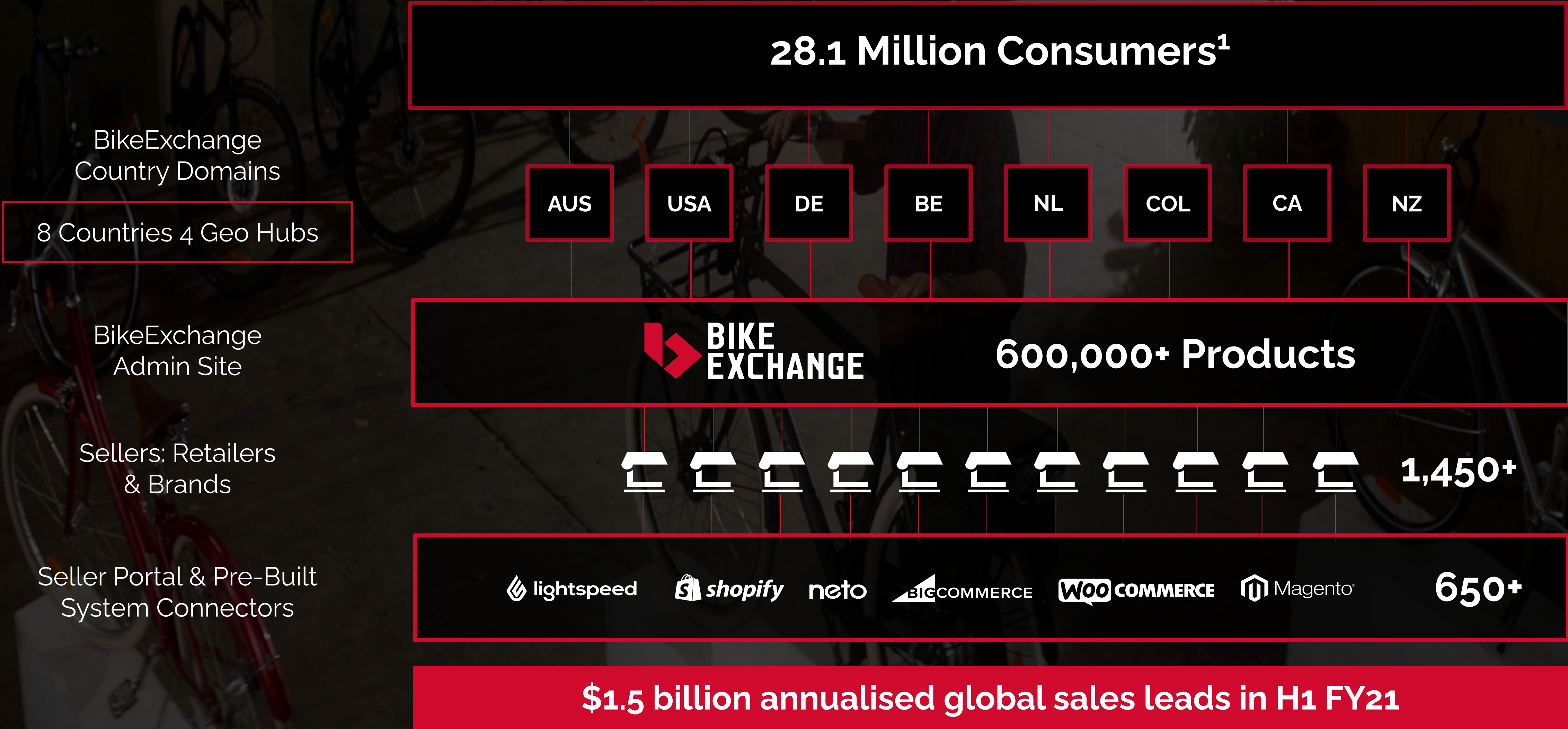
Global brand campaign and Team BikeExchange Naming Rights



Corporate history



How BikeExchange works



1. Group Annual traffic for the 12 months ended 31 December 2020 including Colombia

1,500+ Brands | 1,450+ Retailers | 600,000+ Products

cannondale cervélo SPECIALIZED TREK RIDLEY POC

GHOST SHIMANO GIANT GIRO FOCUS LIV

POLYGON SCOTT KONA GT BICYCLES GOODYEAR 3T

COLNAGO ARGON 18 BERGAMONT BONTRAGER BASIL® spread the cycling joy hamax

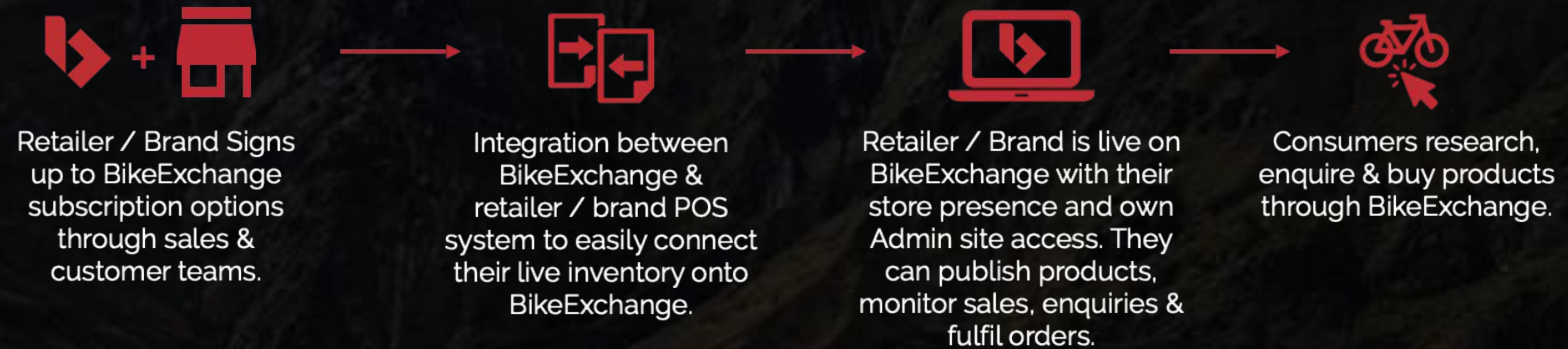
CONWAY CUBE SRAM STEVENS MERIDA GM

KALKHOFF PURE FREEDOM W H Y T E PERFORMANCE BY DESIGN Santini eddy merckx EVOC PROTECTIVE SPORTS PACKS BBB

ROCKY MOUNTAIN NORTHWAVE+ STROMER- FACTOR TIME LOOK

The BikeExchange revenue model

1 Subscriptions



2 E-commerce transactions



3 Media & Other

- Including but not limited to the programmatic display media platform, direct media sales, private classifieds, and ancillary services

BikeExchange consumer audience breakdown

WE SEE EVERYONE AS A CYCLIST



230 Million+
Total Searches¹

70% 30%
Male / female Audience

28 Million+
Total Traffic¹

30%
Av. Repeat Audience

YoY Search Growth by Core Category FY19 vs FY20

252% ↑
Kids Bikes

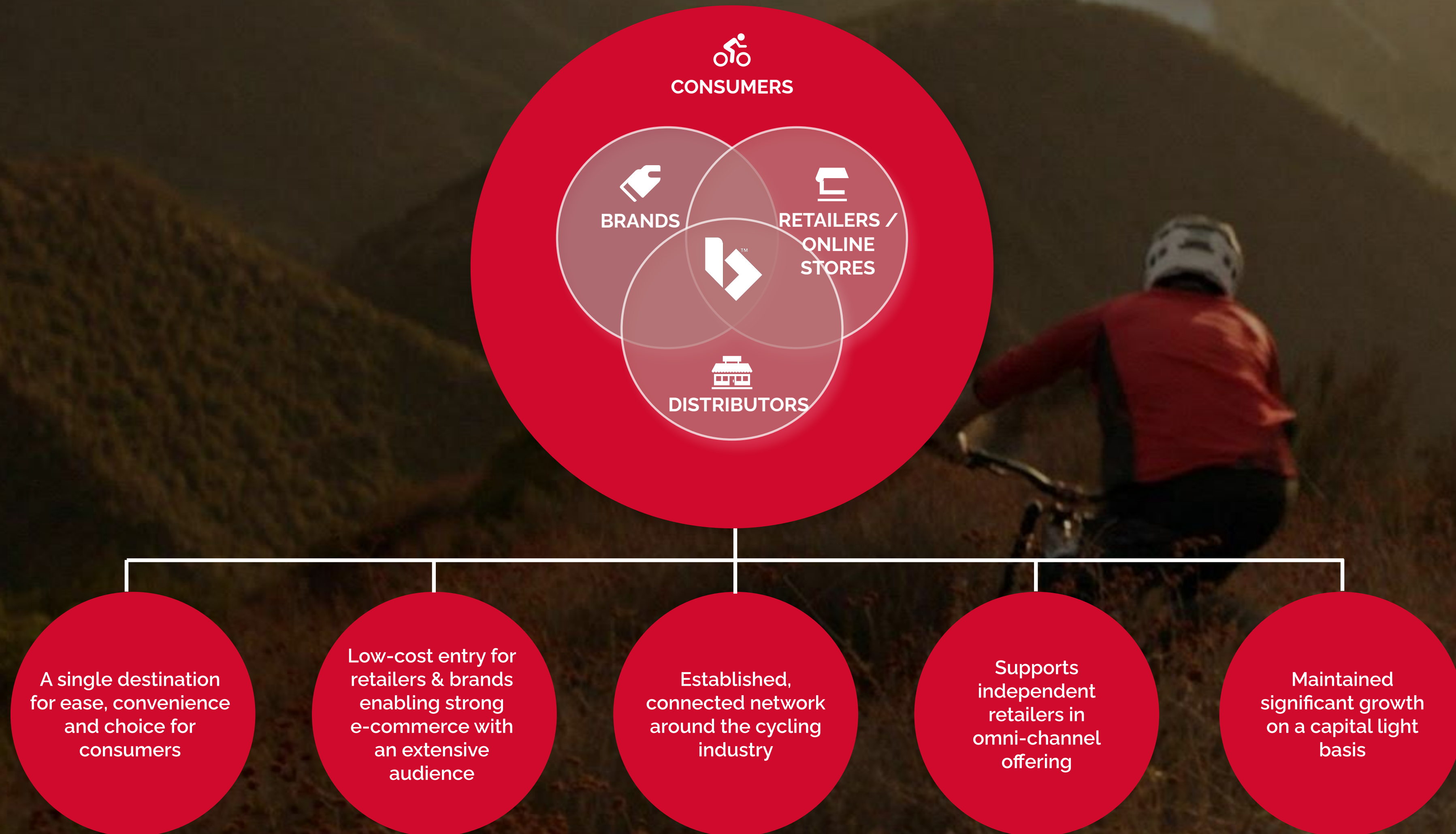
141% ↑
Mountain Bikes

134% ↑
eBikes

175% ↑
Commuting

96% ↑
Road Bikes

Competitive advantage



Competitive landscape

The majority of market value is through specialty retailers, but there are significant regional differences:
EU tends to have higher share of volume through specialty retailers, while the US/Australia volume is through mass market



	MASS MARKET RETAILERS	CHAIN SPORTING GOODS	OUTDOOR SPECIALITY	SPECIALITY BICYCLE
Description	Multi-category mass merchants that sell a wide variety of products, from groceries to clothing to whitegoods	Multi-category stores that cater to a broad range of sporting good	Multi-category stores that focus on outdoor sporting goods	Specialist bicycle retailers that focus on bicycles, with vast majority of sales from cycling (may have scooters)
Average bicycle value	Low / Unbranded	Low / Med	Low / Med	Med / High
Breadth of cycling products (bicycles, P&A)	Low	Low / Med	Low / Med	High / Branded
Examples	Walmart (US) / Kmart/ Big W (AU)	Decathlon (EU, AU) Dick's Sporting Goods (US)	REI (US) Anaconda (AU)	Highly fragmented with many small chain/single stores



BUSINESS MODEL	DESCRIPTION	EXAMPLES
Omni-channel retailers	Omni-channel retailers offer consumers the opportunity to transact through physical store networks as well as online channels. These businesses typically originated as traditional retailers, or "Bricks and Mortar retailers," selling goods predominantly through a physical store footprint and adding a transactional website over time. Omni-channel retailers may also leverage their store footprints as a separate delivery channel for their online operations, offering services such as 'click and collect' and 'ship to store', as well as offering hands-on services (e.g. bicycle servicing).	99 Bikes (AU) Bikeforce (AU) Pushys (AU) ¹ Fahrrad.de (GER) ¹
Online pure-play retailers	International Pure Play Online Retailers which includes leading international online retailers who have entered the Australian market and provide consumers the opportunity to transact predominantly, and in some cases exclusively, through online channels. Australian Pure Play Online Retailers which includes leading Australian retailers that provide customers an array of products predominantly or exclusively online.	BicyclesOnline (AU, US) MyRide (AU) Velogear (ANZ) Wiggle (Multi-region) Chain Reaction (Multiregion) Bikester (EU) ¹ JensonUSA ¹ Bike24 (GER) ¹
Online Marketplaces	Online Marketplaces host online retail market transactions between two or more third parties. Rather than acting as vendor or purchaser of a product, the Online Marketplace connects these parties, in addition to offering adjacent transaction services such as protecting parties against fraud and processing payments. Online Marketplaces earn revenues through taking commissions on the value of transactions hosted. In addition, B2C Online Marketplaces in particular also earn revenues through assisting vendors in advertising their goods within the online marketplace. Operators of Online Marketplaces do not typically control which products are listed on their website, or at which prices.	eBay Amazon



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