

15 March 2024

VOLUNTARY DELISTING FROM ASX

BikeExchange Ltd (**BikeExchange** or the **Company**) is pleased to announce that it has lodged a formal request with the Australian Securities Exchange (**ASX**) to be removed from the official list of the ASX (**Official List**). The request follows the receipt of ASX in-principle approval to delist under Listing Rule 17.11, which has been given subject to the satisfaction following conditions:

1. BikeExchange's removal from the Official List is approved by a special resolution of shareholders.
2. The Notice of Meeting (**NOM**) seeking security holder approval must include:
 - a timetable of key dates, including the time and date at which the Company will be removed from ASX, if that approval is given;
 - a statement to the effect that if Shareholders wish to sell their securities on ASX, they will need to do so before the Company is removed from the Official List of ASX, and if they do not, details of the processes that will exist after the Company is removed from the Official List to allow holders to dispose of their holdings and how they can access those processes; and
 - to ASX's satisfaction, all other information prescribed in section 2.11 of ASX Guidance Note 33.
3. The removal of the Company from the Official List must not take place any earlier than one month after Shareholder approval has been obtained so that Shareholders have at least that period to sell their securities on ASX should they wish to do so.
4. The Company must apply for its securities to be suspended from quotation at least two business days before its proposed removal date.
5. The Company releases the full terms of ASX's decision to the market upon making a formal application to ASX to remove the Company from the official list of the ASX.

Reasons for Delisting

Following a detailed review, the Board of BikeExchange (**Board**) has determined that the delisting is in the best interests of shareholders for the following reasons:

1. Limited Trading and Liquidity

Notwithstanding the Company's ASX listing, trading in the Company's shares has been relatively illiquid which has contributed to a low share price. The Board believes that the current spread of shareholders does not maintain an orderly and liquid market for trading in BEX shares.

The volume and dollar value of BEX shares traded on the ASX for the last 4 calendar months were as set out below:

Month	Actual Days Traded	Monthly Volume	% Issued Capital	Average Daily Volume	Average Daily Value
November 2023	22	211,342	1.41%	9,606	\$5,975
December 2023	19	18,919	0.13%	10,234	\$6,256
January 2024	21	10,535	0.07%	502	\$307



Month	Actual Days Traded	Monthly Volume	% Issued Capital	Average Daily Volume	Average Daily Value
February 2024	21	12,881	0.09%	613	\$374

As the table indicates, BEX shares are thinly traded on the ASX. The limited liquidity means that trading can have a disproportionate impact on the share price. In addition, the percentage of BEX's issued capital held by the Top 20 shareholders is 73% with the current Top 4 holding 52%. This represents a large concentration of shareholdings in only a few shareholders.

The Board is of the view that the low trading volumes have had an adverse impact on the share price. The Board is confident that the Company's valuation has a greater prospect of growing towards the Board's assessment of fair value as an unlisted company. In addition, the removal of daily "mark to market" pricing of BEX shares would assist those shareholders for whom daily pricing is not relevant or causes unnecessary fluctuations in their portfolio valuations.

2. Company Valuation

The Board is of the view that the low trading volumes have had an adverse impact on the share price. The Board is confident that the Company's valuation has a greater prospect of growing towards the Board's assessment of fair value as an unlisted company. In addition, the removal of daily "mark to market" pricing of BEX shares would assist those shareholders for whom daily pricing is not relevant or causes unnecessary fluctuations in their portfolio valuations.

3. Capital Raising

As a listed Company, the Board has less control over the price at which capital raises are undertaken. If the Company remains listed and the share price remains low, then there is a risk that any further capital raising that is undertaken to support growth will be highly dilutive and further reduce the share price.

4. Cost Savings

The Board believes that the ongoing administrative, compliance and direct costs associated with the Company's ASX listing are disproportionate to the benefits of remaining listed. In addition, as the business is still loss making the Company has been having to raise capital to fund these costs, which is further contributing to the dilutionary impact on shareholders from being listed. The expected annual savings from delisting are as follows:

Expense	Amount
Listing fees	\$40,000
Accounting and design fees	\$72,000
Other costs	\$252,000
Total Costs	\$364,000

5. Management Time and Effort

A significant portion of the Company's management time is currently being dedicated to time intensive matters relating to the Company's ASX listing. A delisting would allow management to spend more time on other value-add matters for the benefit of the Company and its shareholders.

Consequences of the Delisting

The consequences of BikeExchange's removal from the Official List of the ASX are as follows:

- BikeExchange's shares will no longer be quoted or traded on the ASX;
- The ASX Listing Rules will no longer apply to BikeExchange and shareholder protections contained in the ASX Listing Rules will no longer apply, including certain restrictions on the issue of shares by BikeExchange, certain restrictions in relation to transactions with persons in a position of influence and the requirement to address the ASX Corporate Governance Principles and Recommendations on an annual basis. However, BikeExchange will continue to be subject to, and the Shareholders will still have the benefit of, certain provisions of the *Corporation Act 2001 (Cth)* (**Corporations Act**) applicable to unlisted public companies including, among other things, the related party provisions in Chapter 2E of the Corporations Act, and the Directors will still be bound to act in accordance with the Corporations Act;
- While the Company continues to have in excess of 100 shareholders, BikeExchange will be an 'unlisted disclosing entity' for the purposes of the Corporations Act, and will therefore remain subject to the continuous disclosure provisions in section 675 of the Corporations Act, which require an entity to lodge certain material information with the Australian Securities and Investments Commission (**ASIC**); and
- The Company will also continue to be subject to obligations to prepare audited annual and half-yearly financial statements under Part 2M.3 of the Corporations Act and will be required to hold an AGM at least once each calendar year and within five months after the end of its financial year in accordance with section 250N of the Corporations Act. Moreover, Shareholders will continue to receive the benefit of the protections under Chapter 6 of the Corporations Act (for so long as the Company has 50 shareholders or more).

If a shareholder of the Company considers the proposed delisting to be contrary to the interests of the shareholders of the Company as a whole or oppressive to, unfairly prejudicial to, or unfairly discriminatory against a shareholder or shareholders, it may apply to the court for an order under Part 2F.1 of the Corporations Act. Under section 233 of the Corporations Act, the court can make any order that it considers appropriate in relation to the Company, including an order that the Company be wound up or an order regulating the conduct of the Company's affairs in the future.

If a shareholder of the Company considers the proposed delisting involves "unacceptable circumstances", it may apply to the Takeovers Panel for a declaration of unacceptable circumstances and other orders under Part 6.10 Division 2 Subdivision B of the Corporations Act (refer also to Guidance Note 1: Unacceptable Circumstances issued by the Takeovers Panel). Under section 657D of the Corporations Act, if the Takeovers Panel has declared circumstances to be unacceptable, it may make any order that it thinks appropriate to protect the rights or interests of any person or group of persons, where the Takeovers Panel is satisfied that those rights or interests are being affected, or will be or are likely to be affected, by the circumstances.

Shareholder Arrangements

The Company expects that its shares will remain listed on ASX for at least one month after the proposed General Meeting of Shareholders, so that security holders have at least that period to sell their securities on

ASX should they wish to do so, assuming that Shareholders approve the delisting of the Company and there remains an active market for those shares.

Indicative Timetable

The proposed delisting is subject to shareholder approval (as a special resolution at a general meeting scheduled for 24 April 2024). Further details relating to the proposed delisting, including potential advantages and disadvantages for shareholders, the consequences of the special resolution not being approved, and further details as to how shareholders can sell their securities prior to the proposed delisting, will be included in the Notice of Meeting. All shareholders will be entitled to vote on the resolution.

The indicative timetable for the proposed delisting is set out below.

Event	Date
General meeting of shareholders	24 April 2024
Voluntary suspension of securities from official quotation	24 May 2024
Expected date of delisting	29 May 2024

Arrangements for Sale of Shares

Prior to the delisting, the Company undertaking a less than marketable parcel buy-back (see further details below), providing the opportunity for the holders of an unmarketable parcel to sell their shares back to the Company. Shareholders that wish to sell their shares may also do so on the ASX prior to removal of the Company from the Official List.

For shareholders who retain their shares after the delisting, the Company will engage a third party private share trading platform service, to facilitate periodic off-market sale and purchase transactions in BikeExchange shares, by matching buyers and sellers who register their interest on the platform. However, there is no assurance that there will be sufficient liquidity on any such private share trading platform to allow shareholders to sell their shares on the platform.

Buy-Back

The Company announced a less than marketable share buy-back on 28 February 2024 at the Company's 5 day VWAP of \$0.62 for shareholders who hold less than a marketable parcel of shares as at the record date of 5.00pm (Melbourne time) on 28 February 2024. Relevant shareholders were notified of the less than marketable share buy-back on 5 March 2024. Under ASX Listing Rules, any shareholding valued at less than \$500 is considered to be a "less than marketable parcel" of shares (**Unmarketable Parcel**).

Shareholders of an Unmarketable Parcel who wish to retain their shares should refer to the instructions contained in the Company's announcement of 28 February 2024.

Entitlement Offer

As announced on 6 March 2024, the retail component of the Entitlement Offer (announced on 28 February 2024) is currently open and is expected to close on 15 March 2024 (unless extended by the Company). Eligible retail shareholders with an address in Australia and New Zealand will be invited to participate at the same offer ratio as the participants in the Institutional Entitlement Offer and will be able to subscribe for 1 New Share for every 3 existing shares in the Company held on the record date, being 5.00pm (AEDT) on 1 March 2024.



Shareholders wishing to participate in the Entitlement Offer should access the Offer Booklet announced by the Company on 6 March 2024.

Authorised for release by the Board.

For more information, please contact:

Mr Dominic O’Hanlon

Non-Executive Chair

Email : dominic@bikeexchange.com.au

Mr Ryan McMillan

Chief Executive Officer

Email: ryan@bikeexchange.de

About BikeExchange

BikeExchange is a publicly listed (ASX:BEX) Australian company and leading operator of global online cycling focused marketplaces that enable a dedicated global audience of consumers to connect and transact with thousands of retailers and brands. Its focus is on e-commerce transactions along with seamless bicycle logistics solutions.