

3 July 2023

ASX Announcement

BikeExchange completes the sale of subsidiary BICICO S.A.S

- BikeExchange Limited (ASX:BEX) is pleased to announce it has completed the sale of its shares in the wholly owned subsidiary BICICO S.A.S, which operates retail bicycle stores in Colombia, as well the owned goods business operated by BikeExchange Colombia S.A.S, for COP 272m (equivalent to AUD \$99k). A further COP 785m (equivalent to AUD \$286k) became payable by BICICO S.A.S relating to the transfer of BikeExchange Group loans to BICICO S.A.S.

Highlights

- Prior to this transaction, BICICO S.A.S was the 100% owned subsidiary of BikeExchange Colombia S.A.S. BikeExchange Colombia S.A.S, sold owned goods inventory, as well as providing an online marketplace to buy or sell bicycle products in Colombia. Together, BICICO S.A.S and BikeExchange Colombia S.A.S comprised BikeExchange's Colombian operations ("BikeExchange Colombia").
- Following this transaction, BEX will only operate an online marketplace in Colombia.
- BikeExchange Colombia CEO and founder Felipe Arango Giraldo has acquired the shares in BICICO S.A.S for 272m COP. Under the terms of the sale, 785m COP is also payable by BICICO S.A.S relating to the transfer and repayment of BikeExchange Colombia S.A.S's loans to BICICO S.A.S.
- The consideration for the BICICO S.A.S shares is payable in four instalments, with the last instalment due on 30 September 2023.
- BICICO S.A.S has also agreed to pay the 785m COP loans in instalments, with the fourth and final instalment being due on 28 February 2024.
- BEX has also agreed to make a working capital loan of up to 146m COP (\$53k) to BICICO S.A.S.
- The consideration receivable for the sale of BICICO shares is secured over 10,312,102 BEX shares controlled by Felipe Arango Giraldo, while the repayment of the loans is secured by both the above mentioned 10,312,102 BEX shares as well as the inventory assets owned by BICICO S.A.S.

BikeExchange's Global CEO Ryan McMillan said: "BikeExchange remains focused on accelerating the path to profitability. Our Colombian retail store and owned goods operations have experienced difficult trading conditions. The sale of the shares in BICICO S.A.S will reduce working capital requirements and enable BikeExchange to focus on our core eCommerce operations in regions with the greatest opportunity for profitable growth"

The sale was completed effective 30 June 2023 (GMT-5), and there are no further conditions to be satisfied for completion.

This announcement has been approved by the Board of Directors.

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