

BikeExchange completes the full acquisition of BikeExchange Colombia

3rd March, 2022

BikeExchange Limited (ASX:BEX) is pleased to announce it has completed the acquisition of the remaining 50% of the share capital of BikeExchange Colombia S.A.S ("BECOL") for AUD\$1.24 million in a majority equity transaction.

This follows the announcement in January 2022 that BikeExchange had signed a non-binding indicative offer to acquire the remaining 50% of BECOL it did not already own. BikeExchange has operated BECOL as a joint venture since its inception four years ago. The acquisition will see the entity 100% owned by BikeExchange Limited.

The acquisition allows BikeExchange to capture the growing interest in bikes from Colombians in a market worth over AUD\$300m annually and fully develop the strategic partnership announced last year with the leading distributor of bikes and electric vehicles in Colombia, Auteco. It also provides a platform to expand into other LatAm regions, including Mexico and Chile, which the Company expects to progress later in 2022.

BikeExchange's Global CEO Mark Watkin said: "The acquisition of the remaining 50% of BECOL cements our presence in Colombia and provides exciting opportunities for growth in the LatAm region, building on our established Auteco partnership there. This reinforces our truly global network and we look forward to capitalising on the growing interest in cycling in the South America region."

The acquisition will be funded through the issuance of 6.6m BEX shares and \$0.2m in cash and has been completed in line with previous time frames during Q3 FY22.

Highlights

- BikeExchange Colombia S.A.S is the Colombian-based arm of BikeExchange, offering customers an online marketplace to buy or sell all things bike
- Includes four retail stores in Colombia, providing opportunities for the brand, industry relationships and customer experiences
- Provides opportunity to scale quickly in LatAm
- Over 175 retailers active on the BECOL marketplace and strong representation of global bicycle brands
- 20 Employees of BECOL will join the BikeExchange global team
- Acquisition of remaining 50% of business for AU\$1.24 million as of 2 March 2022.
- Majority of the consideration is paid via equity with a \$0.2m upfront cash payment.

Consideration for Acquisition

The majority of the consideration for the BECOL acquisition is equity funded. The consideration comprises of \$1,040,000 satisfied in BEX shares at an issue price of \$0.157 per share (totaling 6,624,204 shares - representing 84% of the acquisition price) and a cash component of AUD\$200,000 (16% of the acquisition price - paid on completion out of existing cash reserves.) The BEX shares will be subject to a voluntary escrow with 50% of the BEX shares escrowed until 12 months after completion, and the remaining 50% escrowed for 24 months after completion. An Appendix 2A in relation to the BEX shares will be lodged today.

The acquisition has completed today, and there are no further conditions to be satisfied for completion.

ENDS

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ABOUT BIKEEXCHANGE

BikeExchange Limited (ASX: BEX) is a leading operator of global online cycling focussed marketplaces that enable a dedicated and growing global audience of consumers to connect and transact with thousands of retailers and brands. The Company was founded in Melbourne in 2007, with the aim of bringing together the fragmented global cycling industry to trade and scale. BikeExchange listed on the Australian Stock Exchange (ASX) in February, 2021. Today, it hosts over 1500 brands, 1650+ retailers and 900,000+ products globally, with an annual audience of 28+ million consumers.

AUTHORISED BY BikeExchange Ltd Board of Directors.

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