



BIKEEXCHANGE (ASX: BEX)

FY24 Q1 Business Update

30th October 2023





Agenda

BEX QUARTERLY BUSINESS UPDATE

01

Overview BEX

02

Q1 Performance

03

FY24 The Pathway Forward



Ryan McMillan

Chief Executive Officer



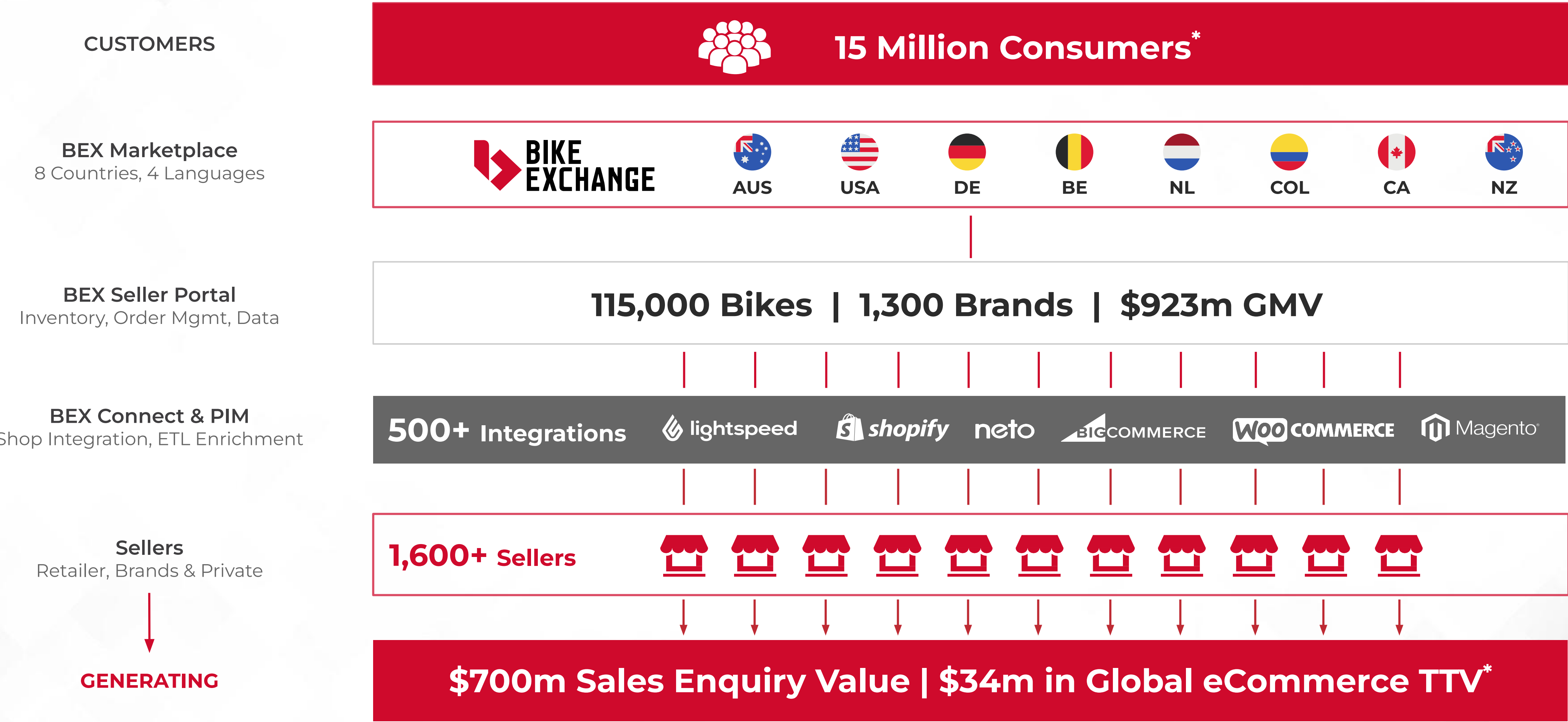
Dominic O'Hanlon

Non-Executive Chair



BEX Overview

HOW THE BEX ECOSYSTEM WORKS





BIKEEXCHANGE (ASX: BEX)

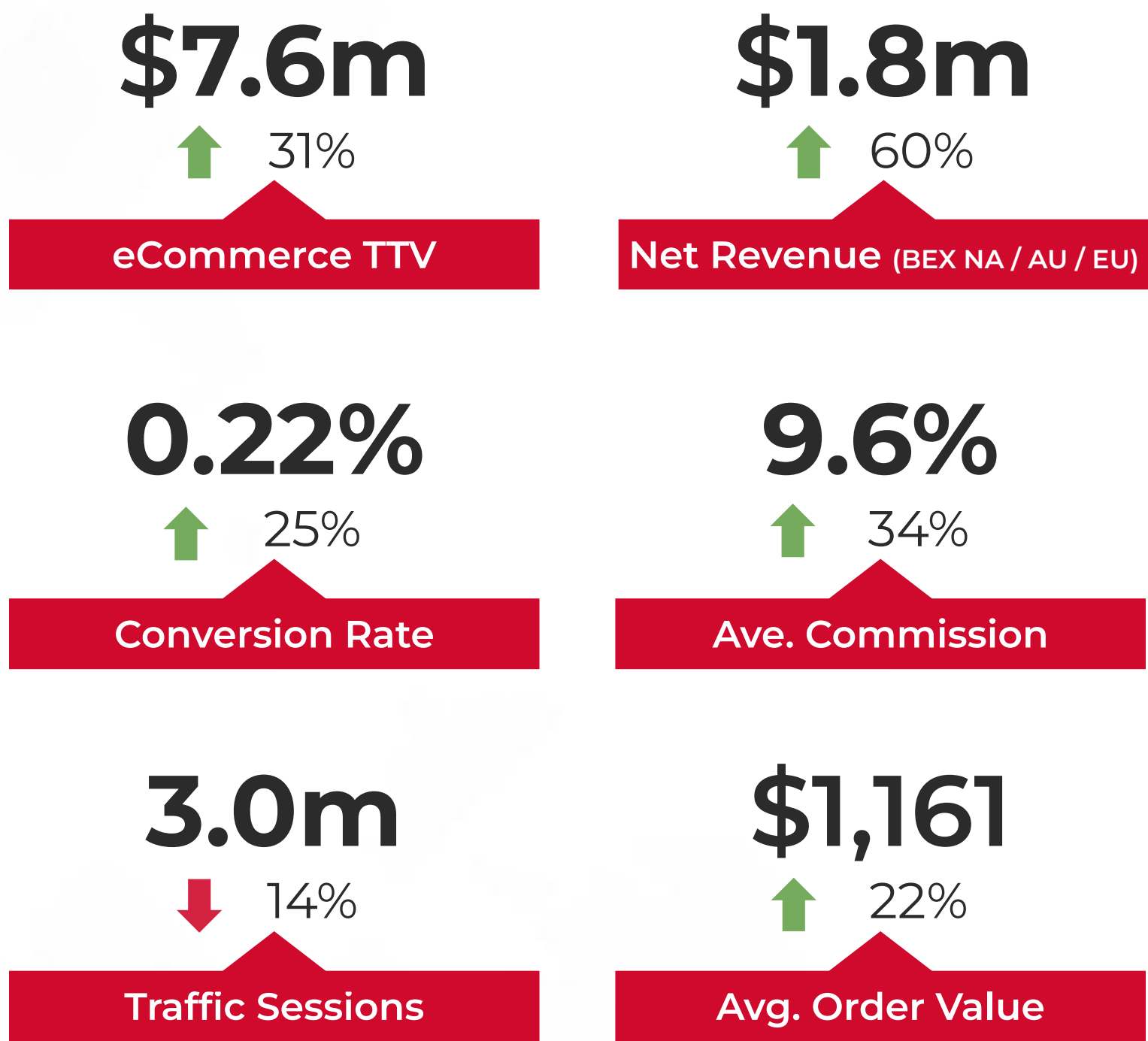
Q1 Performance



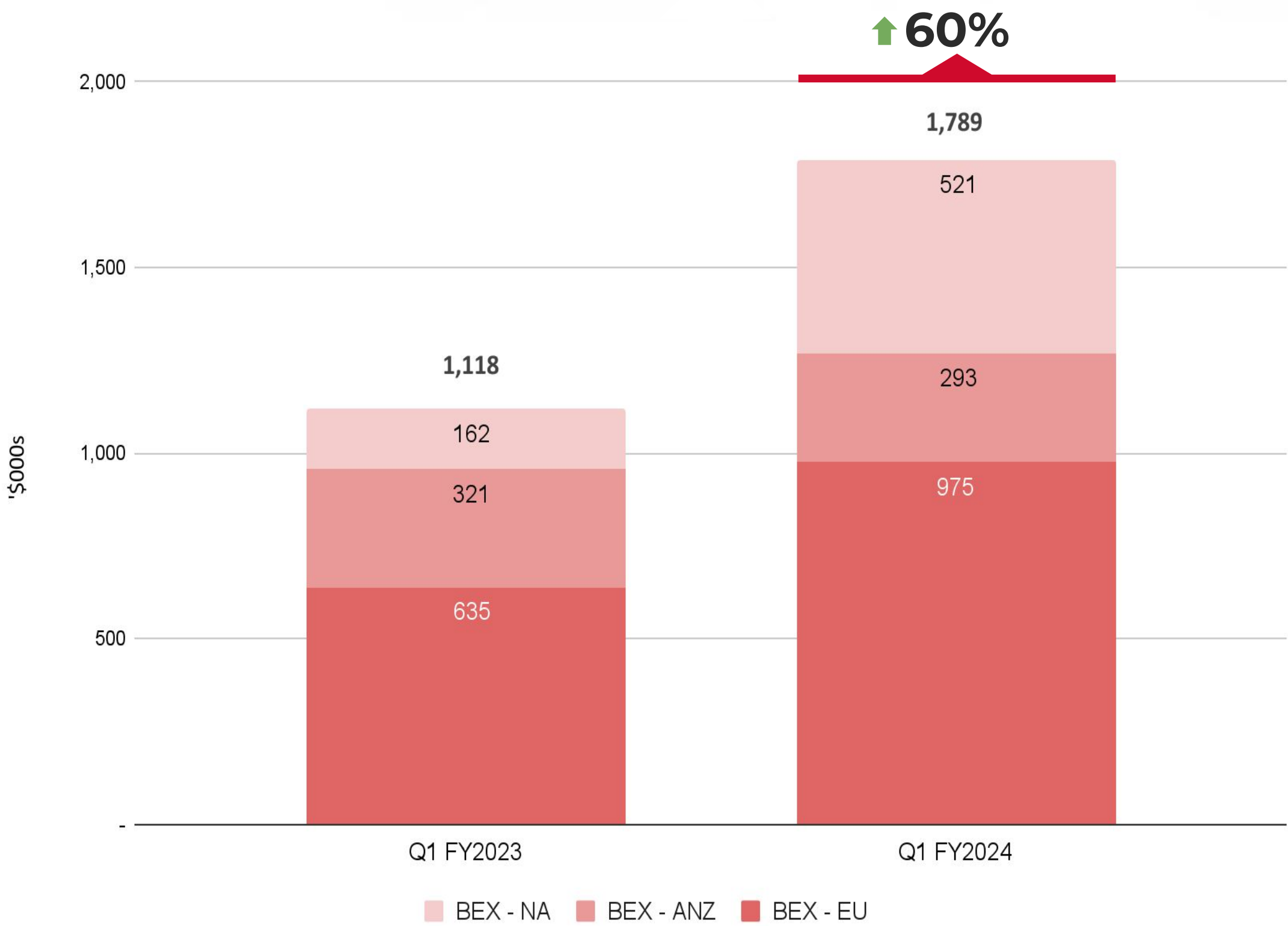
Solid Revenue Growth & Marketplace Health in Core Business

FOUNDATION SET FOR PROFITABLE GROWTH VIA NEW FRONT-END

Key Q1 2024 vs 2023 Highlights



+60% Net Revenue Growth in Core Business*



*Core Business represents continuing operations and excludes KZ Door Deliveries and BEX Colombia



We Cut Headcount, But invested it in Technology

AND DELIVERED BEX's LARGEST EVER TECHNOLOGY UNDERTAKING

Investment in Scalable Technology

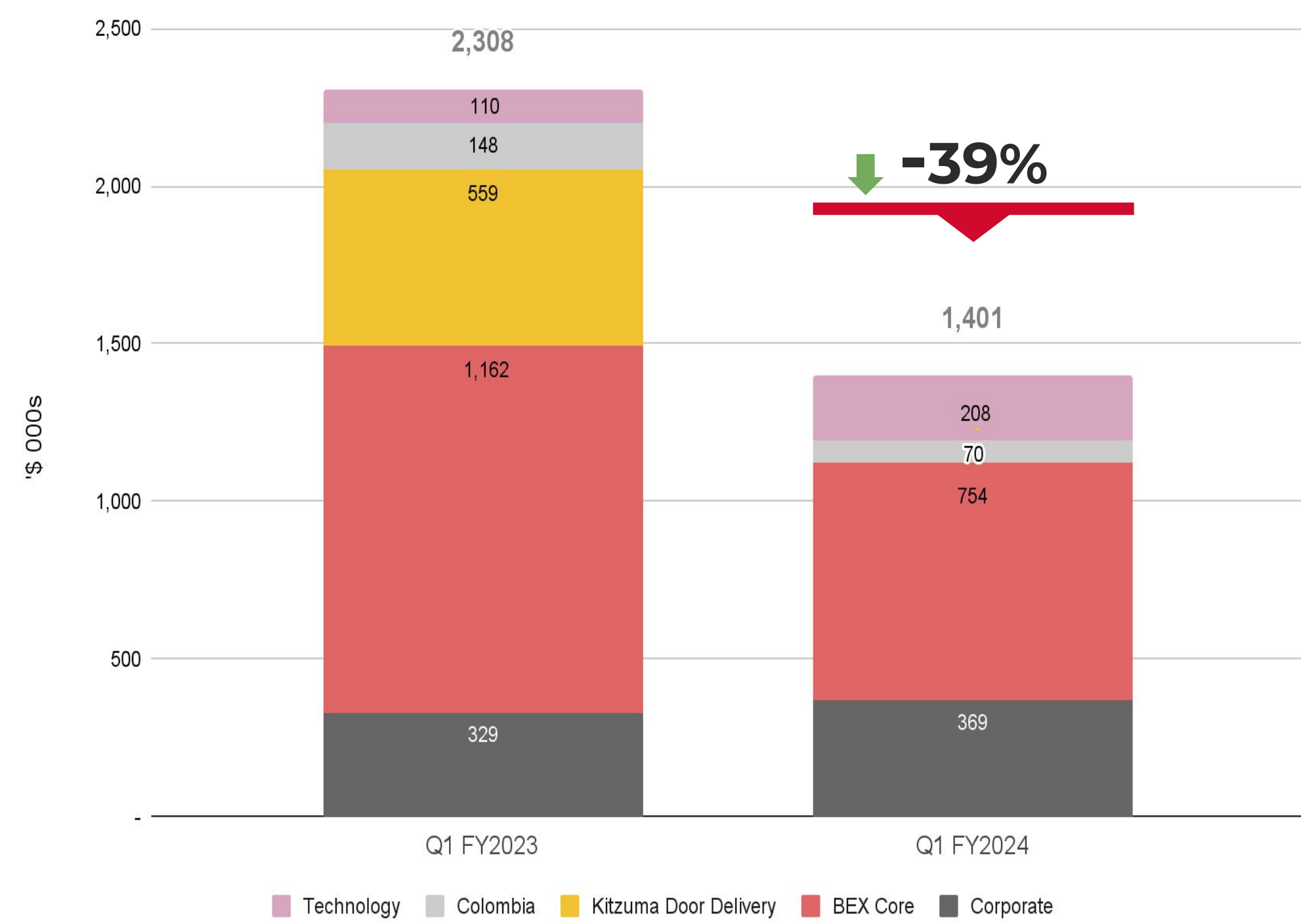
Investment: Development of Tech IP

BEX delivered its largest ever technology project in Q1, its new Consumer Marketplace and has invested in Product & Technology resources, who are responsible for the development and maintenance of technology related IP assets that BEX will scale its operation with in 2024 and beyond.

Reduced Employee Expenditure

BEX has simultaneously reduced headcount across all markets to run efficient marketplace operations teams in all countries, supported by central functions across ecommerce, marketing and content.

39% Employment Cost Reduction Q1 FY24 vs FY23





Other Highlights

KEY STEPS FORWARD, ALIGNED TO OUR PLAN

1

Improved EBITDA Loss / Normalised EBITDA Loss Position

BEX consolidated EBITDA loss reduced by 63% to \$1.2m in Q1, FY24 (\$3.3m in PCP), with Normalised EBITDA Loss from Continuing Operations reducing to \$0.8m after allowing for non recurring costs and share based payments

2

Strong Growth in Largest Market Europe

Europe increased net e-commerce revenues by 101% to \$0.6m, with the EU marketplace again leading the group vs Q1, FY23 across all health metrics: Conversion Rate +45%, Order numbers +32%, and Commission Rate Earned per Transaction +42%

3

North America* Transforms, Generates Breakeven EBITDA

North America switched its service offering to: Marketplace, 3PL & boxed shipping services, steering the business from EBITDA loss of \$1.4m (Q1FY23) to largely breakeven (\$0.01m loss) in in Q1FY24

4

Launched New Consumer Platform

BEX has successfully launched its new Marketplace platform in its largest market Germany, with the rollout to remaining markets planned over the next 4 months.

5

Successfully settled Tribike Legal Case (North America), Shutdown Colombian Marketplace

BEX settled the Tribike case, leaving BEX free to operate without restriction and avoiding further legal costs and disruption. BEX also announced it's shutdown of its Colombian marketplace, with the close to be completed in Nov.

* North America operations include all operations in the region including BikeExchange Inc and Kitsuma Corp. Q1FY23 EBITDA loss included discontinued operations (Kitsuma delivery business and BikeExchange Canada Inc which was dissolved in May 2023).



FY24, Q1 EBITDA LOSS

Q1 FY24 EBITDA LOSS & NORMALIZED EBITDA LOSS FROM CONTINUING OPERATIONS

\$A Thousands	Q1 FY2024	Q1 FY2023	Variance	Variance %
Group TTV	8,787	7,937	849	11%
Revenue	1,810	2,314	(504)	-22%
Other Income	48	53	(5)	-9%
Cost of sales	(188)	(1,486)	1,298	-87%
Employment costs	(1,598)	(2,413)	815	-34%
Marketing Costs	(330)	(515)	185	-36%
Other Operating Costs	(963)	(1,273)	310	-24%
Total Costs	(3,079)	(5,687)	2,608	-46%
EBITDA (all operations)*	(1,221)	(3,320)	2,099	-63%

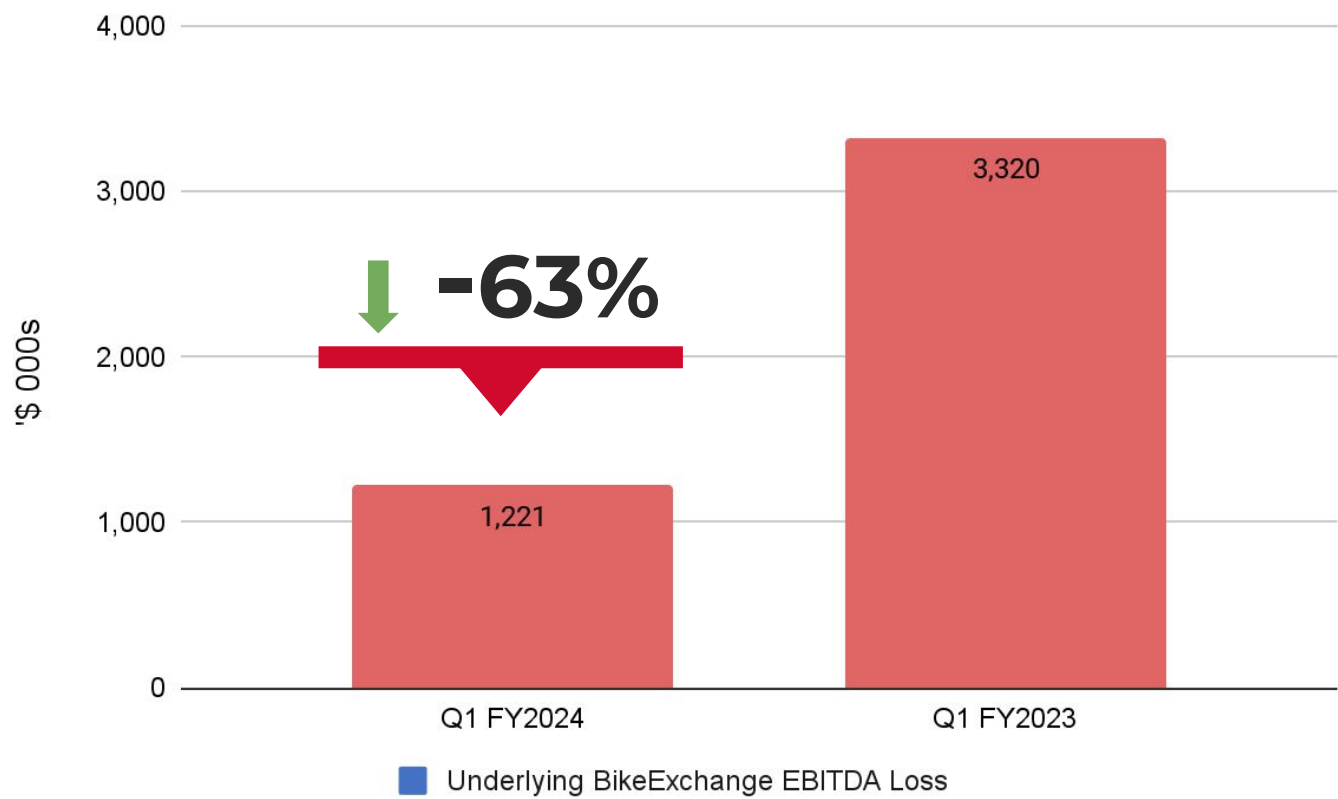
\$A Thousands	Q1 FY2024	Q1 FY2023	Variance	Variance %
EBITDA (all operations)	(1,221)	(3,320)	2,099	-63%
Normalisation adjustments:				
Discontinued Ops & non recurring costs	132	1,729		
Technology build costs	81	0		
Share based payments	197	105		
Total non recurring costs	410	1,834	(1,424)	-78%
Normalised BikeExchange EBITDA*	(811)	(1,486)	675	-45%

* Based on unaudited management accounts for the Quarter ended September 2023

63% reduction in EBITDA* Loss on PCP

BEX operations transformed during the last year with EBITDA improvement of more than \$2m for the quarter from:

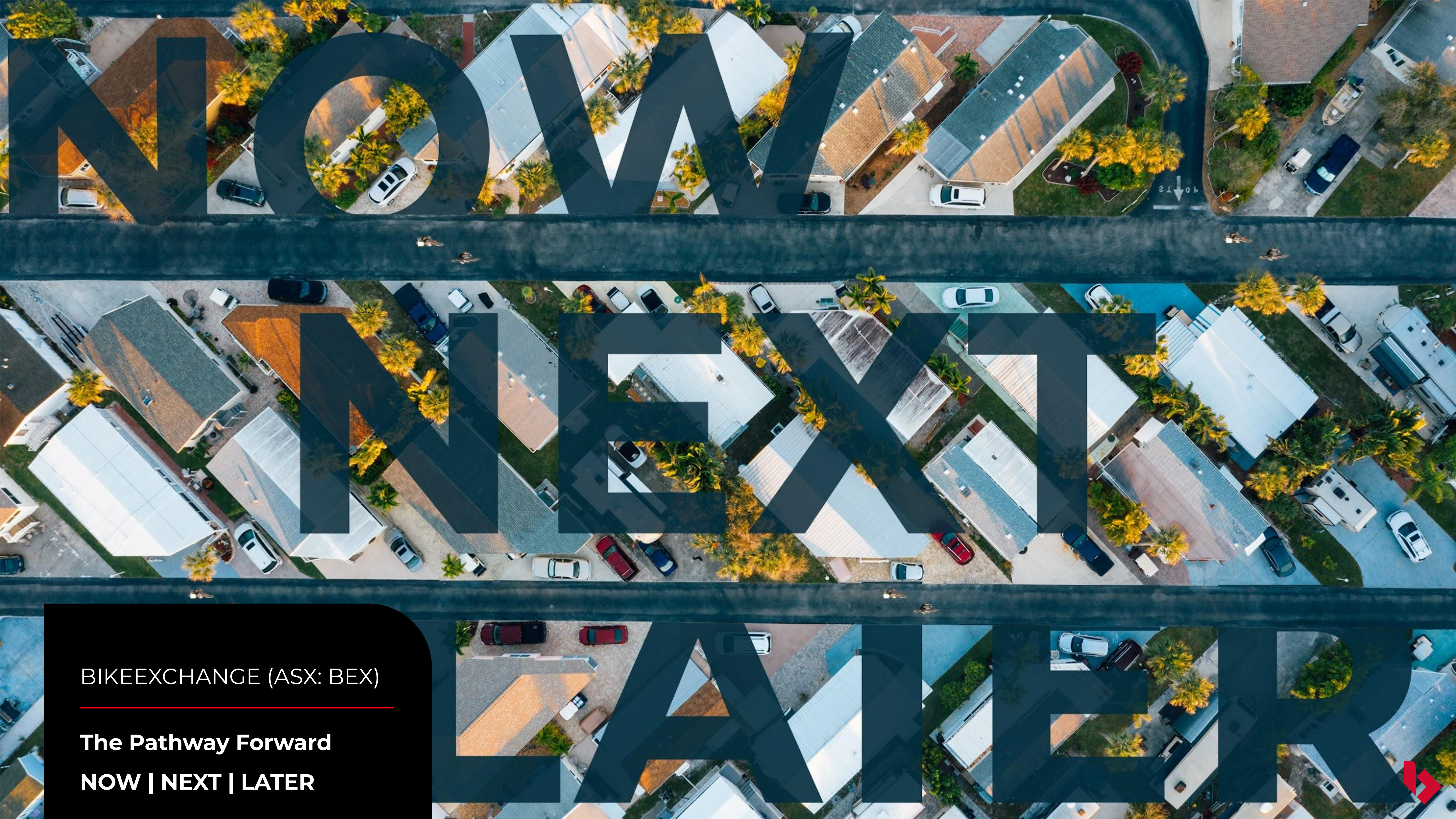
- Restructure of BEX Core operations, cut in headcount and investment in technology
- Exit from loss making Kitsuma door delivery and Colombian Retail businesses
- Reduction of ave. monthly EBITDA loss from \$1.1m in Q1 FY23 to \$0.4m in Q1 FY24



45% reduction in Normalised EBITDA* Loss on PCP

- After removing EBITDA losses from discontinued operations, share based payments and technology build costs, the normalised loss of BEX reduced by 45% to \$ 811k in Q1
- BEX focus: executing via new consumer storefront & growing revenue of new cost base.





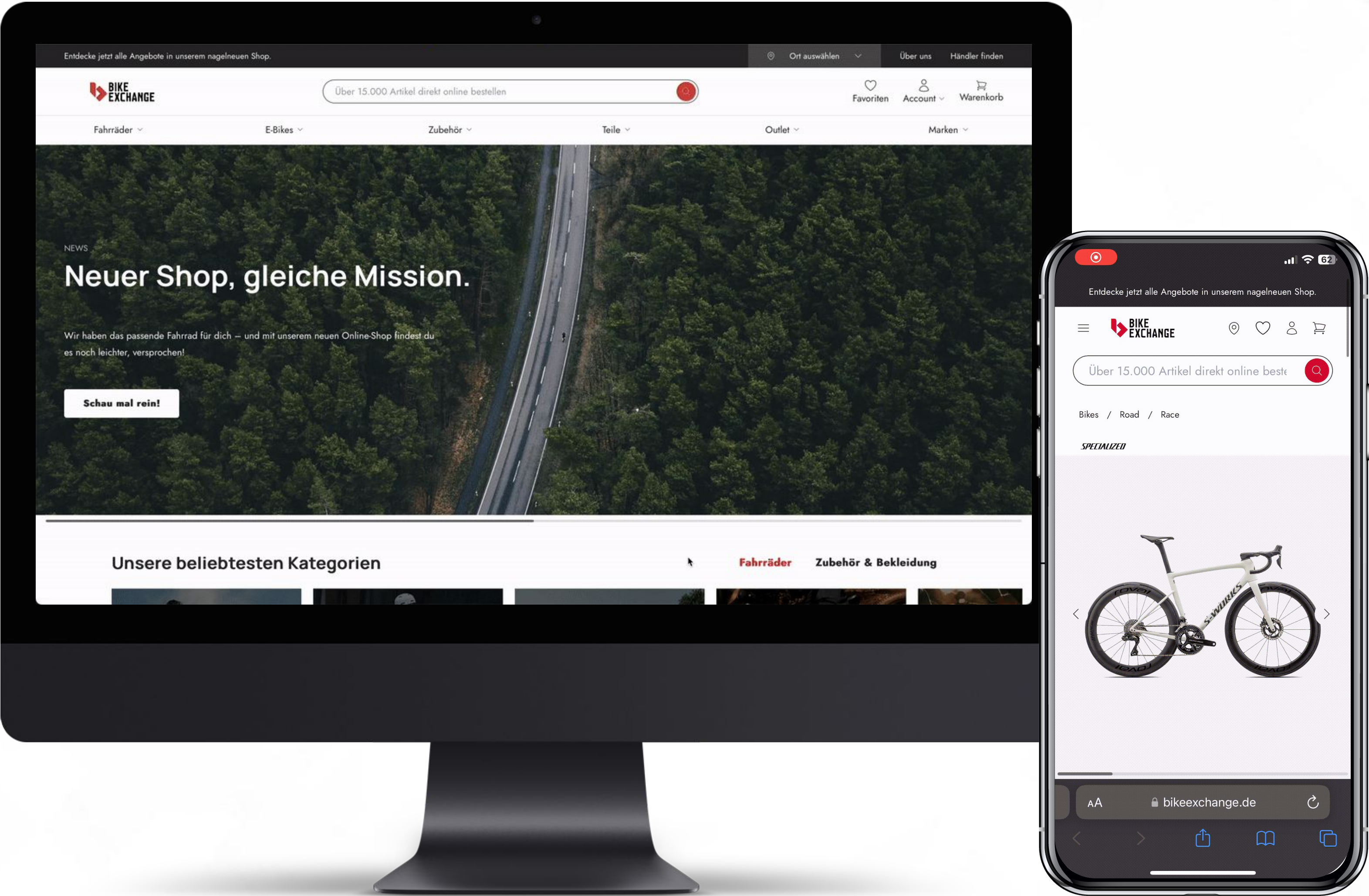
BIKEEXCHANGE (ASX: BEX)

The Pathway Forward
NOW | NEXT | LATER



New Consumer Marketplace - Germany

BEX's MOST VISIBLE ASSET

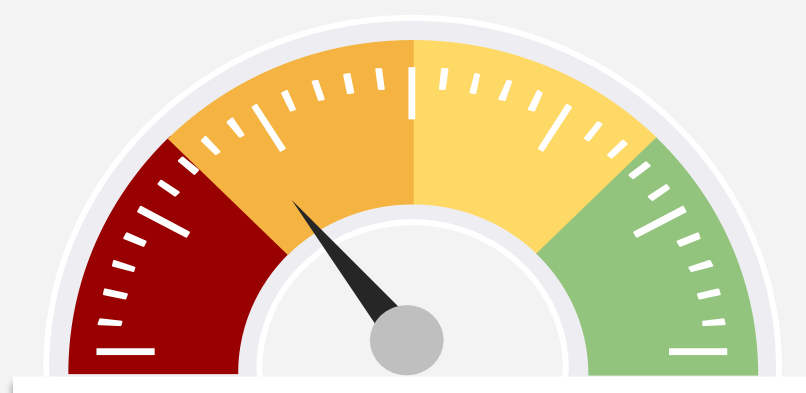


Site Performance - First Results

Page Speed



(NEW FE) BEX - Germany **85%**



BEX - Australia **31%**



BEX - USA **33%**

KPIs

85%

↑ 175%

Pagespeed

5:18m

↑ 66%

Time on Page

↑ **79%**

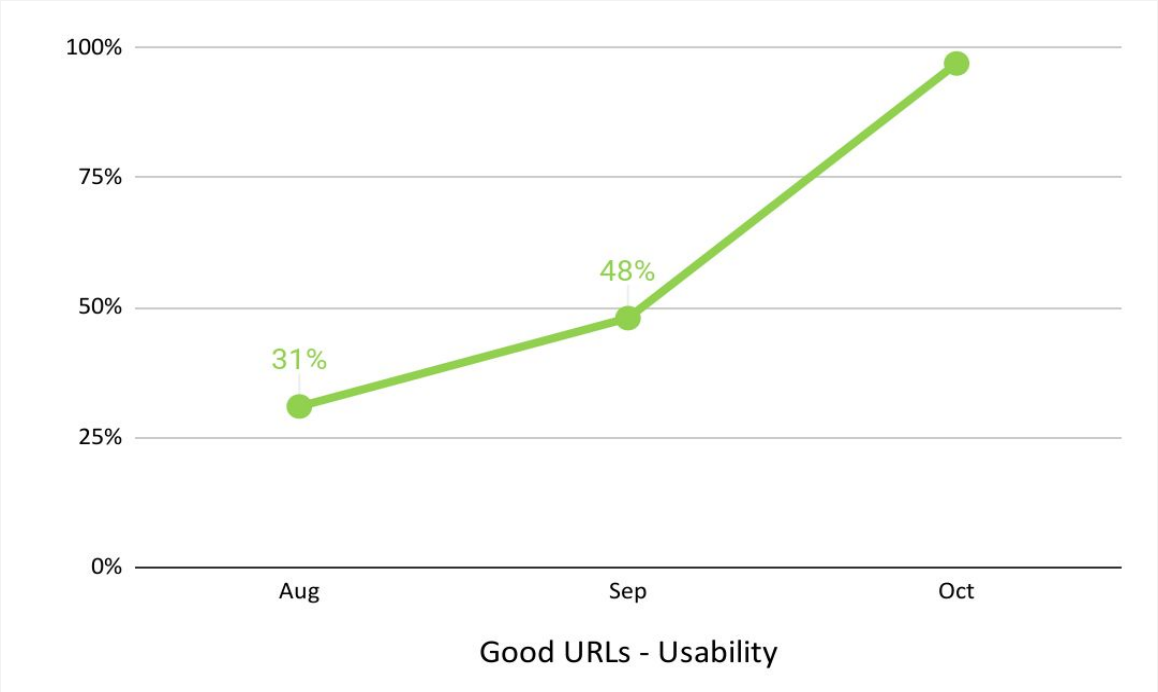
Avg. Pages / Session

Usability

USABILITY INDEX - GOOGLE
FROM 31% TO 97% GOOD URLS

- Good URL's increased +213%
- Includes Mobile Usability Index

↑ **213%**

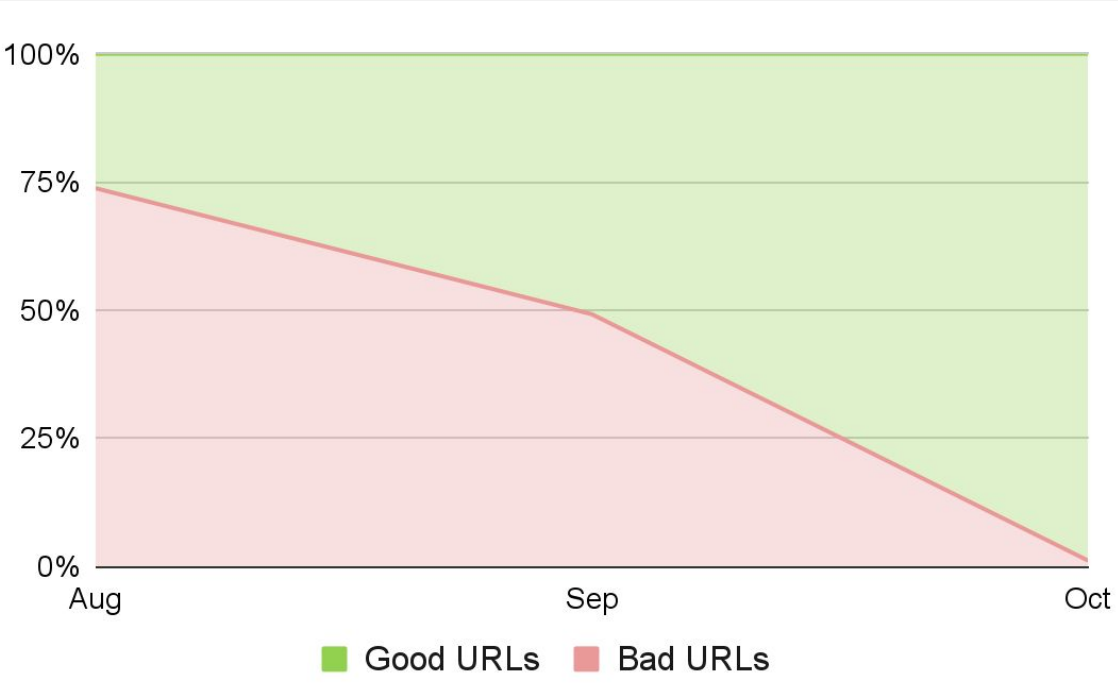


Performance

CORE WEB VITALS - GOOGLE
FROM 4,500 BAD URLS TO 27

- Web Vitals +99%
- Measures loading performance, site responsiveness, visual stability

↑ **99%**



Growth Underpinned by Technology

FY24 - EXECUTE ON NEW CUSTOMER STOREFRONT

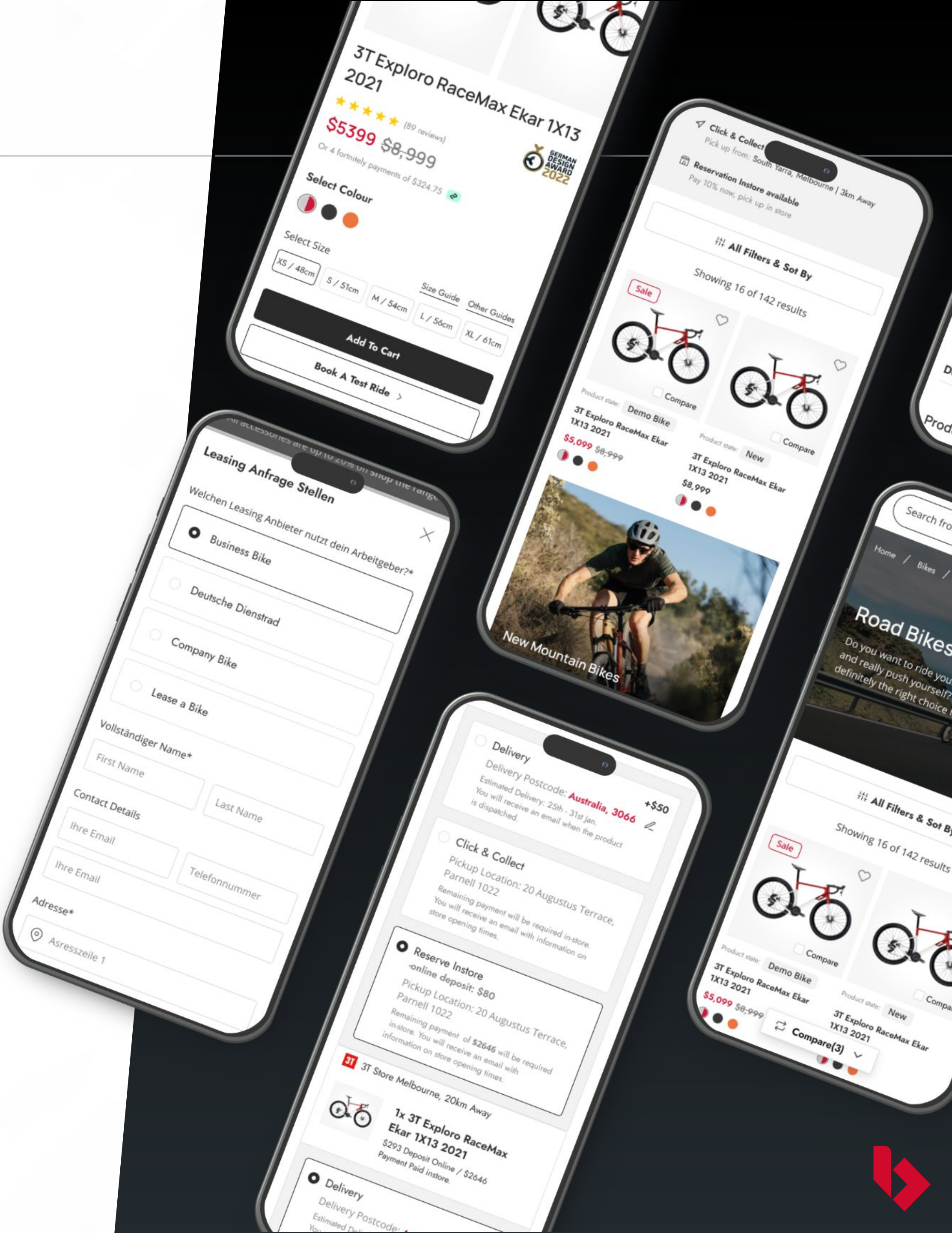
Technology Execution

LAUNCH, ITERATE & OPTIMISE
ONPAGE CONVERSION
SCALE



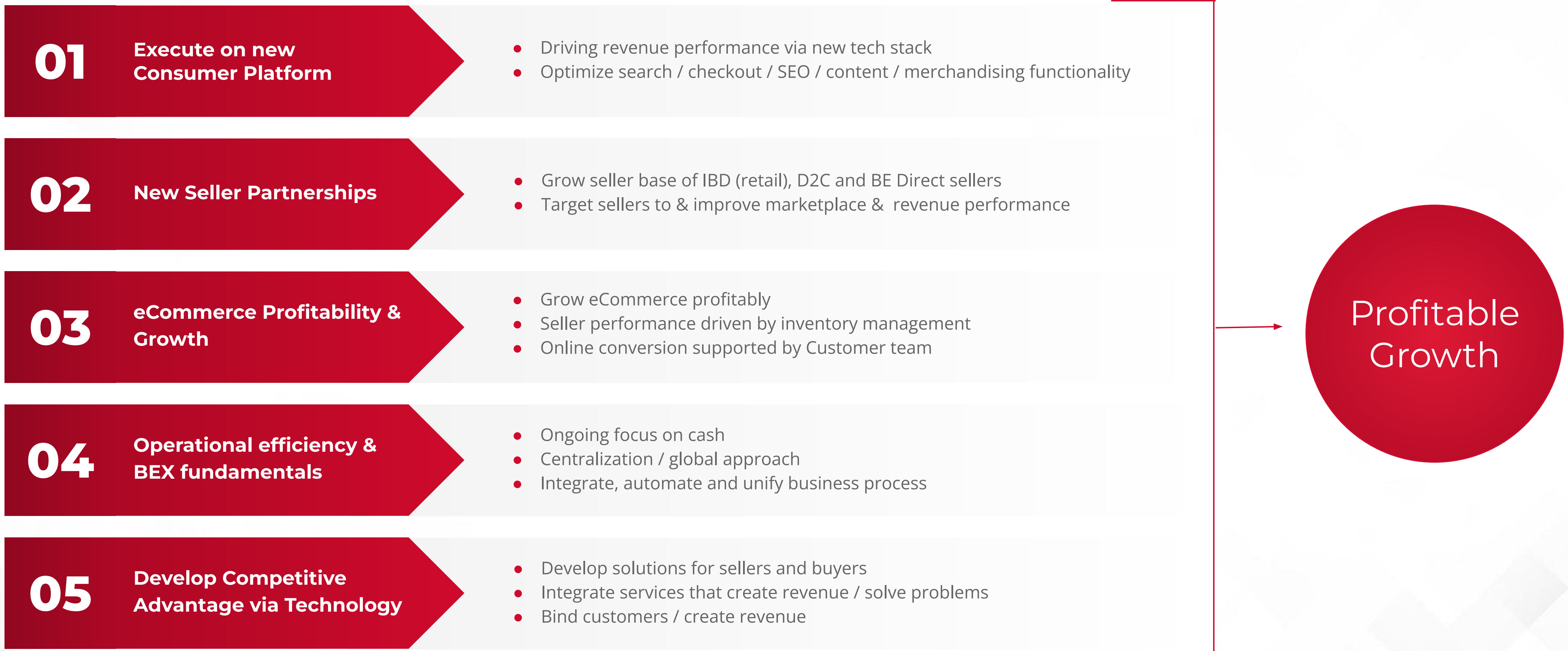
Marketplace Execution

RIGHT SELLERS
RIGHT PRODUCTS & PRICES
MARKETPLACE HEALTH METRICS



FY24: Profitable Growth Underpinned by Technology

5 STRATEGIC PILLARS TOWARDS PROFITABLE GROWTH





Other Corporate Developments

1

New CFO Appointment - Kyle Ferreira

- **Mr Kyle Ferreira** appointed as Chief Financial Officer, commencing **1st Nov**. Kyle worked closely with BEX Chairman Dominic O'Hanlon at **ASX Listed rhipe Limited** and brings a wealth of experience in **technology driven high growth environments** as well as strategic planning, financial modelling and mergers & acquisitions.
- Kyle is a member of the Institute of Chartered Accountants in Australia and holds a Bachelor of Commerce, Accounting & Finance from Macquarie University and a Master of Cyber Security from the University of New South Wales.

2

BEX Share Consolidation

- Plan to consolidate **1 Share to every 100 Shares** held announced on 26 October 2023, subject to approval at AGM. The Price per Share to increase proportionately i.e. to a price per Share of ca. \$0.60 (60 cents) as compared to the BEX share price on 20 October of \$0.006 (0.6 cents).
- The share consolidation is intended to support the share price, which has been vulnerable to negative market fluctuations due to low trading volumes, resulting in a **more appropriate and effective capital structure** for the Company and a **more appealing share price** to a wider range of investors.

3

BEX Capital Plan and pathway to profitability

- BEX completed a **\$1.39m BEX share placement in September 2023**, with additional funding via \$460k investment from Directors subject to AGM approval.
- BEX achieved a **63% Improvement in Q1 FY23 EBITDA** from all operations from **\$3.3m to \$1.2m** (Q1 FY24). Further improvement to operating results and reduction of cash outflows expected, assuming revenue uplift from new platform is achieved.
- **Proforma cash as at 30 Sep is A\$3.15m** (incl. additional funding & planned R&D Tax refund of A\$302k).



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.

No representation or warranty, express or implied, is made as to the accuracy, completeness, reliability or fairness of the information, opinions and conclusions contained in this presentation. Any information in this presentation is made only at the date of this presentation, and opinions expressed reflect the Company’s position at the date of this presentation, and are subject to change. The Company is under no obligation to update this presentation. Neither the Company, its related bodies corporate, shareholders or affiliates, nor any of their officers, directors, employees, affiliates, agents, contractors, advisers or any other associated persons (collectively, “Associated Persons”) represents or warrants in any way, express or implied, that the information, opinions, conclusions or other information contained in this presentation, any of which may change without notice, is fair, accurate, complete, reliable, up to date or correct. The Company does not represent or warrant that this presentation is complete or that it contains all material information about the Company or which a prospective investor or purchaser may require in evaluating a possible investment in the Company or an acquisition or other dealing in the Company’s shares. To the maximum extent permitted by law, the Company and its Associated Persons each expressly disclaims and excludes all direct, indirect, consequential or contingent loss, damage or liability (including, without limitation, any liability arising from fault or negligence) that may arise from, or is connected to, this presentation, or the use of this presentation, or any other written or oral information provided by or on behalf of the Company.

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.

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.

The financial information should be read in conjunction with the basis of preparation set out in the Appendix on page 16.

Not financial product advice

This presentation is for information purposes only and it is not financial product nor investment advice (nor tax, accounting or legal advice) nor a recommendation to acquire shares and has been prepared without taking into account the objectives, financial situation or needs of recipients of this presentation. It is not intended that it be relied upon as advice to investors or potential investors, who should make their own enquiries and investigations regarding an investment in the Company and in relation to all information in this presentation (including but not limited to the assumptions, uncertainties and contingencies which may affect the future operations of the Company and the value and the impact that different future outcomes may have on the Company) and before making any investment decisions, should consider the appropriateness of the information having regard to their specific investment objectives, financial situation or particular needs and should seek independent professional advice appropriate to their jurisdiction before making an investment decision. Neither this presentation nor anything contained in it forms the basis of any contract or commitment and no agreement to subscribe for securities will be entered into on the basis of this presentation. The Company is not licensed to provide, and this presentation does not constitute the provision of, investment or financial product advice in respect of the Company’s shares. Cooling off rights do not apply to the acquisition of the Company’s shares.

An investment in the Company’s shares is subject to investment and other known and unknown risks, some of which are beyond the control of the Company. The Company does not guarantee any particular rate of return or the performance of the Company, nor does it guarantee the repayment of capital from the Company or any particular tax treatment.



Basis of preparation

Basis of preparation

The information contained in this presentation is based on the historical financial information (BEX Financial Information) for the BikeExchange Limited Group and should be read in conjunction with the BikeExchange Ltd FY23 Annual Report. 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 BikeExchange Limited Group which is made up of a consolidation of all entities within the Group.

BikeExchange Limited generated no revenues and acts as an investment holding company. The presentation presents the consolidated results of BikeExchange Limited and the BikeExchange Ltd Group for Q1 FY24 as well as comparatives for Q1 FY23, based on the unaudited management accounts for the quarter ended 30 September 2023.

Non-IFRS 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.
- **Average Revenue per account (ARPA)** 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.
- **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.



A scenic mountain landscape with two mountain bikers in the foreground. The bikers are wearing helmets and riding through a field of yellow and purple wildflowers. In the background, there are dense evergreen forests and rugged, rocky mountain peaks under a cloudy sky.

THANK YOU

BikeExchange Limited
investorrelations@bikeexchange.com.au | bikeexchange.com.au | Level 5, 126 Phillip Street, Sydney NSW 2000
AU | BE | CA | CO | DE | NZ | US | Cycling Emporium | Kitzuma

