



**Q3 2023 EARNINGS CALL PRESENTATION**

**November 02, 2023**

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**Figures shown in this presentation are unaudited.**



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# Q3 2023 AT A GLANCE

## ONGOING PROFITABILITY IMPROVEMENT

### TOTAL SALES DOWN -16% BUT STRONG FULL-BIKE SALES (+26%)

-  Ongoing double-digit sales growth in both full-bike segments pushing sales share to 21%, up from 14% in Q3 2022

### ROBUST SALES GROWTH IN LOCALIZED MARKETS

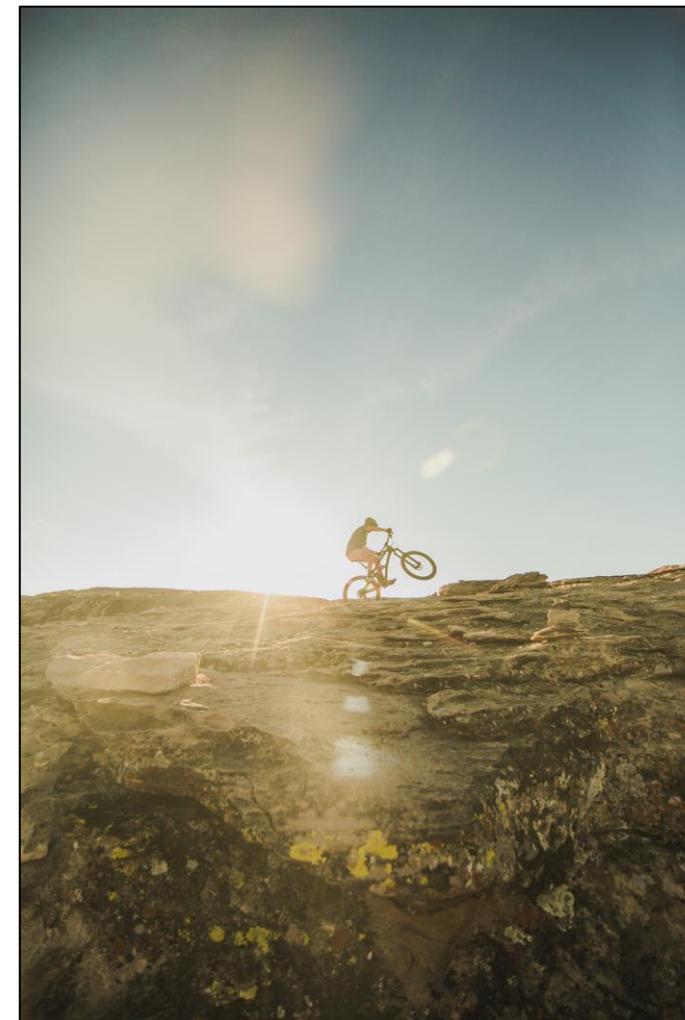
-  Sales in the six localized countries grow on average +9%, mainly due to continuously **exceptional sales growth in Benelux (+76%)**

### Q3 ADJ. EBITDA MARGIN WITH 3.9% ABOVE PRIOR YEAR LEVEL

-  Adj. EBITDA margin improved both sequentially and versus prior year (Q3 2022: 3.3%) **due to significant gross margin improvements (+2.3pp)**

### IMPROVED INVENTORY AND CASH POSITIONS

-  Inventory was reduced by EUR 5m versus 06 2023 and by EUR 11m versus 09 2022 **to EUR 85m** while **cash position increased to EUR 17m**





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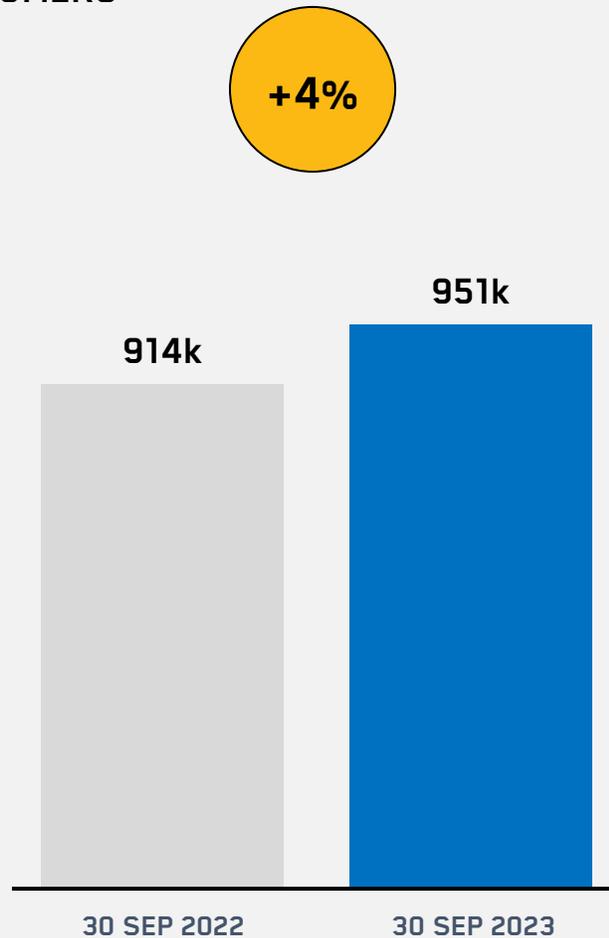
# ACTIVE CUSTOMER BASE AT 951 THOUSAND



DRIVEN BY NEW CUSTOMERS IN BELGIUM AND THE NETHERLANDS

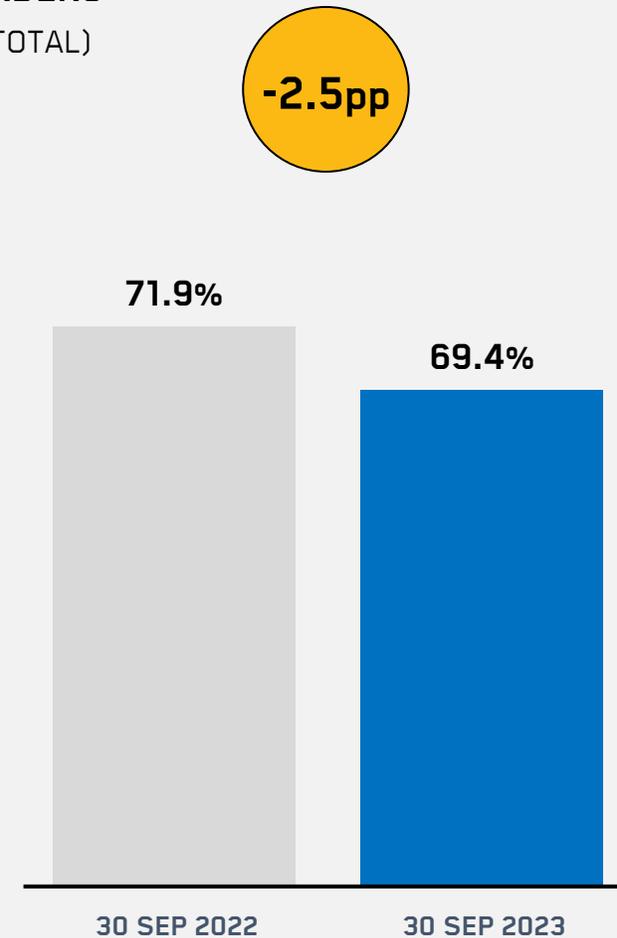
## ACTIVE CUSTOMERS<sup>1)</sup>

(# IN K)



## REPEAT ORDERS<sup>2)</sup>

(LTM % OF TOTAL)



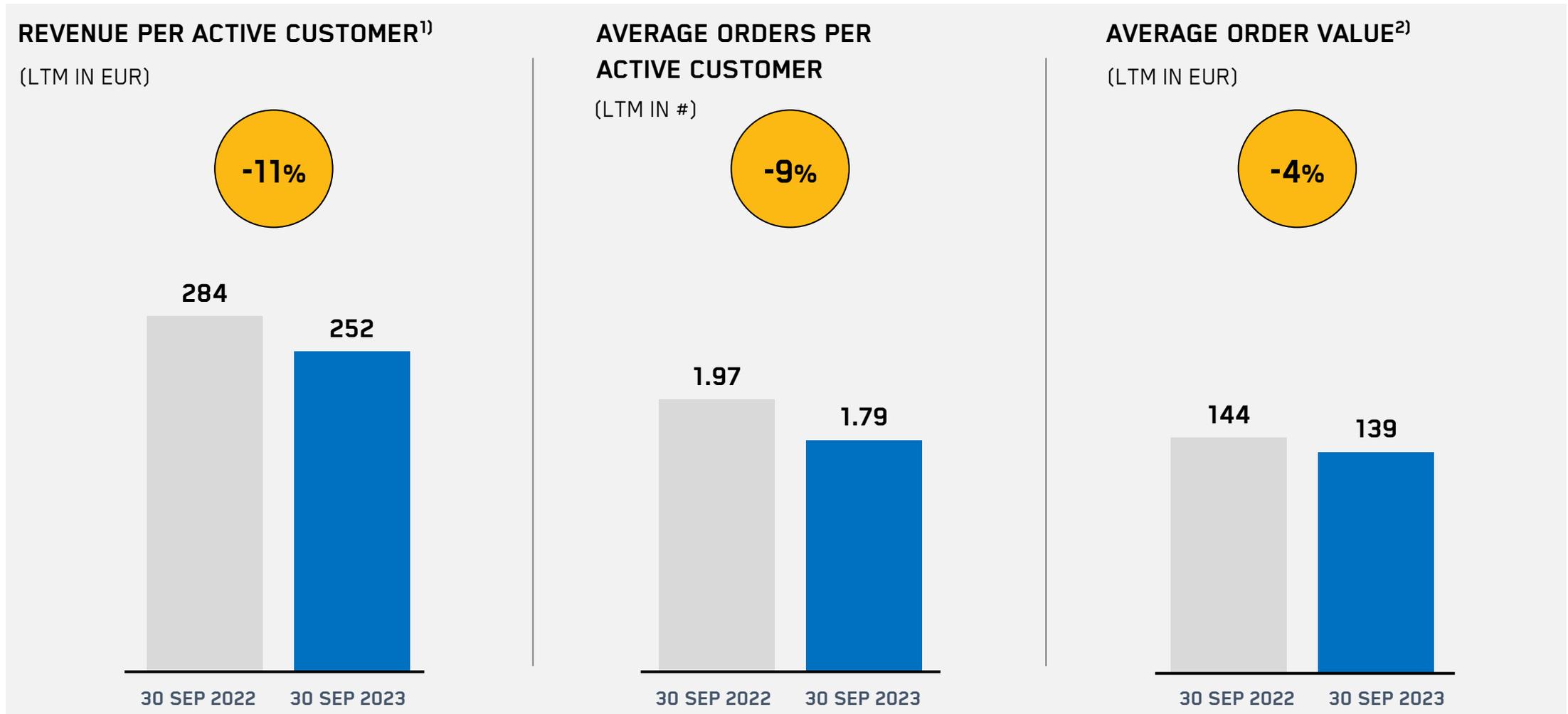
1) Active Customer: Customer who placed at least one order during the last twelve months (LTM)

2) Repeat Orders: Orders that are not the first order of a customer at BIKE24

# KPIs IMPACTED BY NEGATIVE CONSUMER SENTIMENT



LESS DISCRETIONARY SPENDING AND DOWNTRADING IMPACTING CONSUMER KPIs



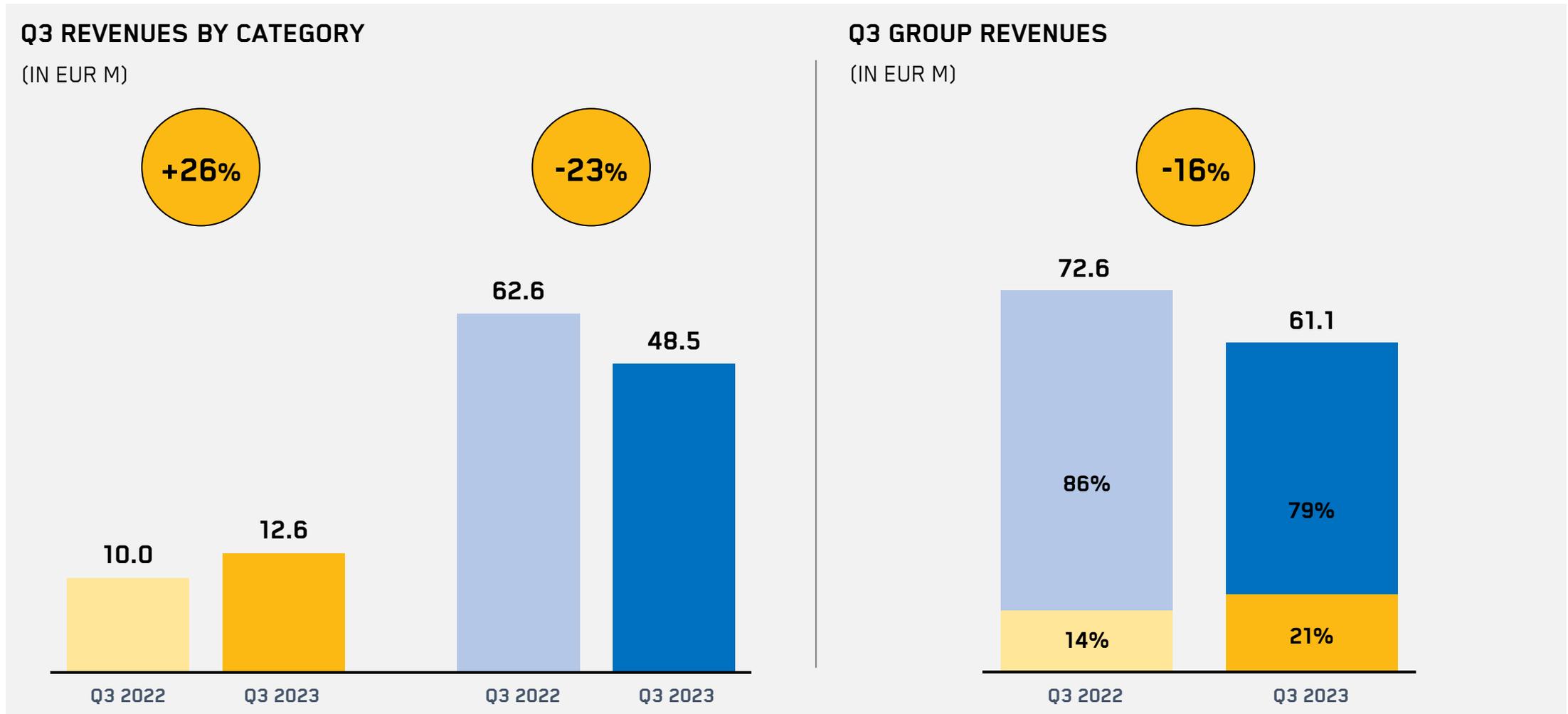
1) Defined as revenue divided by number of active customers

2) Defined as revenue divided by the number of orders

# FULL-BIKE SALES UP +26%



FULL-BIKE SHARE OF TOTAL SALES IS NOW AT 21% DUE TO STRATEGIC INITIATIVES



# LOCALIZED MARKETS CONTINUE TO GROW

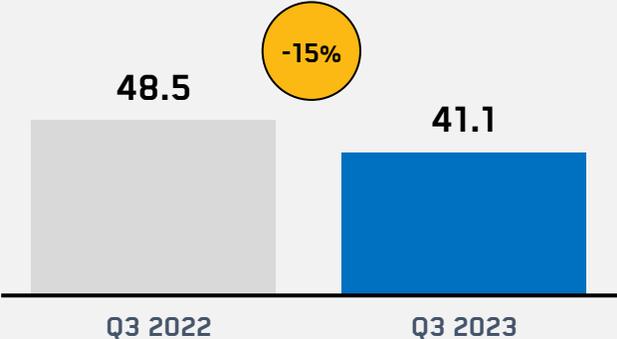


## GROWTH DRIVEN BY BELGIUM AND THE NETHERLANDS

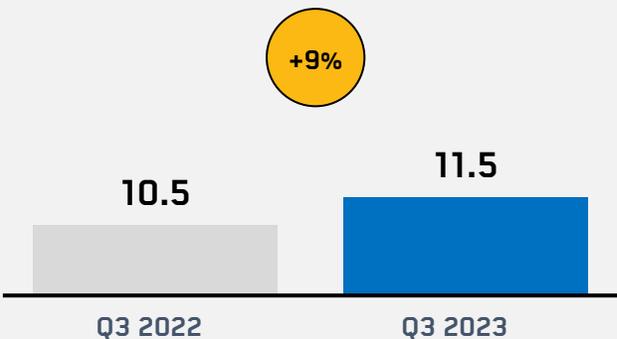
### Q3 REVENUE BY GEOGRAPHY

(IN EUR M)

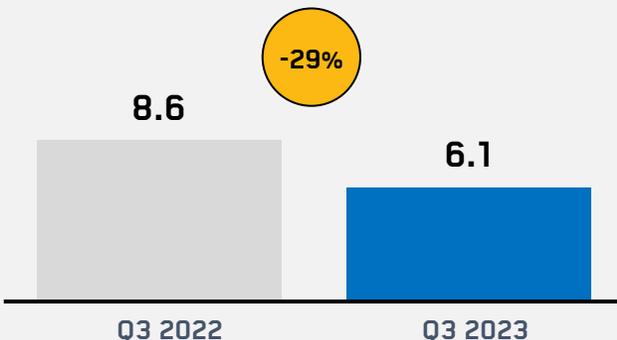
#### DACH



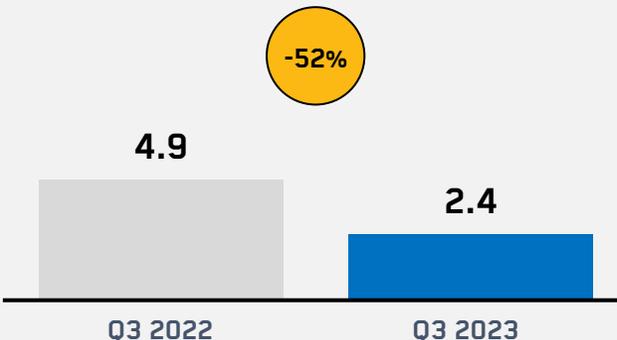
#### LOCALIZED MARKETS (SPAIN, ITALY, FRANCE & BeNeLux)



#### REST OF EEA



#### REST OF WORLD



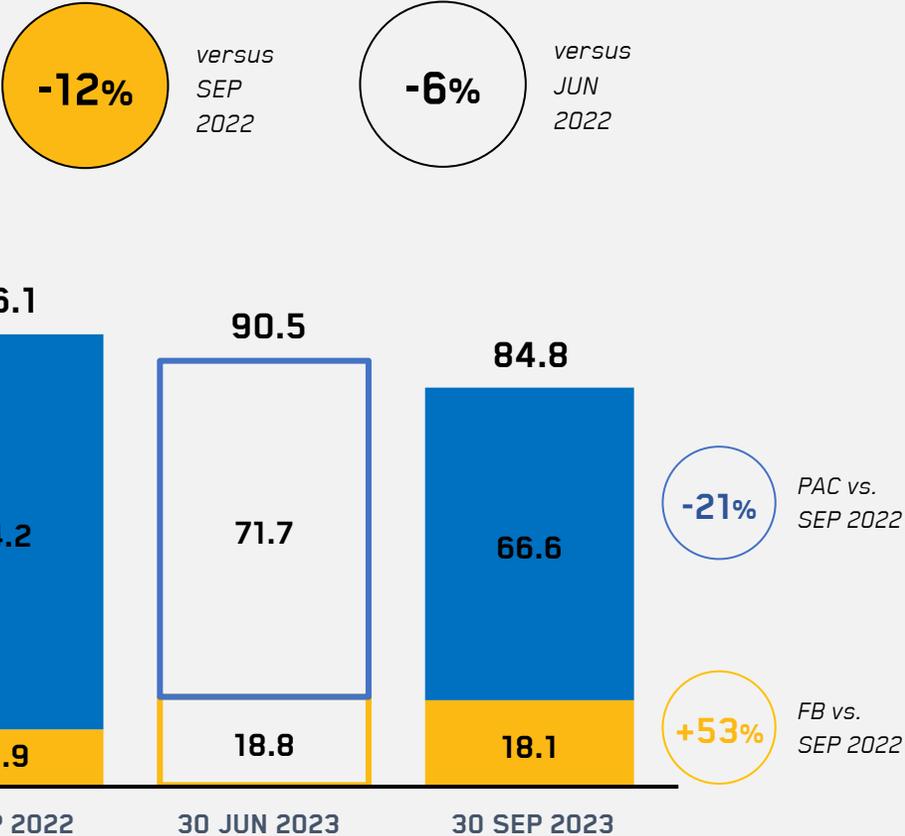
# SUCCESSFUL REDUCTION OF INVENTORIES



## REDUCING INVENTORIES WHILE INCREASING GROSS MARGINS

### INVENTORY

(IN EUR M)



- Achieved sequential and yoy decrease in inventories with a strong focus on PAC reduction
  - Full-bike inventory was intentionally increased to reflect ongoing double-digit sales growth in this segment
  - Increased cash position (EUR ~17m) offers flexibility for additional operational sourcing in case of improving trends
- On the right path to achieve year-end inventory target of below EUR 80m

# INCOME STATEMENT DETAILS



## 9M & Q3 AT A GLANCE

in % of Revenues	9M 2022	9M 2023	Change	Q3 2022	Q3 2023	Change
<b>Gross Margin</b>	27.5%	<b>24.9%</b>	<i>(2.6pp)</i>	24.8%	<b>27.1%</b>	<i>+2.3pp</i>
Performance Marketing	(1.3%)	(1.4%)	<i>(0.1pp)</i>	(1.2%)	(1.4%)	<i>(0.2pp)</i>
Selling Costs	(8.5%)	(9.3%)	<i>(0.9pp)</i>	(8.9%)	(8.8%)	<i>+0.1pp</i>
<b>Contribution Margin</b>	17.8%	<b>14.2%</b>	<i>(3.6pp)</i>	14.7%	<b>16.8%</b>	<i>+2.2pp</i>
Personnel Expenses <sup>1</sup>	(9.4%)	(10.5%)	<i>(1.1pp)</i>	(8.7%)	(9.7%)	<i>(1.0pp)</i>
Miscellaneous Expenses <sup>1</sup>	(3.2%)	(3.5%)	<i>(0.3pp)</i>	(2.9%)	(3.2%)	<i>(0.3pp)</i>
<b>Adj. EBITDA Margin<sup>1</sup></b>	5.7%	<b>0.2%</b>	<i>(5.5pp)</i>	3.3%	<b>3.9%</b>	<i>+0.6pp</i>

Significant gross margin improvements due to fewer promotional activities

Overall FTEs were reduced by -14% but savings more than offset by significantly higher general salary costs

<sup>1</sup>Adjustments of € 573k for Q3 2023 (Q3 2022: € 885k) and € 2,837k for 9M 2023 (9M 2022: € 2,275k) are mainly share option-based bonuses and SAP implementation costs, of which € 295k for Q3 2023 (Q3 2022: € 473k) are adjusted for personnel expenses and € 277k for Q3 2023 (Q3 2022: € 262k) are adjusted for miscellaneous expenses. Rounding differences may apply.



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# UPDATED FY 2023 GUIDANCE



## REVENUE GUIDANCE UPDATED TO REFLECT CURRENT INDUSTRY UNCERTAINTIES

	2023
<b>REVISED<sup>1</sup> REVENUE GROWTH (YOY)</b>	<b>-16 TO -11%</b>
<b>CONFIRMED ADJ. EBITDA MARGIN</b>	<b>-1 TO 1%</b>

- **Macroeconomic challenges** and consolidations across the industry are expected to **lead to longer inventory overcapacities than originally planned**
- **PAC segment** is rather consumption-driven and **disproportionately affected by the current market situation**
- Adj. EBITDA margin guidance can be maintained given **strict cost control and higher gross margins**

1) As communicated per ad-hoc report on October 25, 2023. Previous revenue guidance was -10 to -5% revenue growth.

# LOOKING AHEAD: CLEAR FOCUS ON MARGINS



## FURTHER CASH GENERATION THROUGH IMPROVED MARGINS



### **FURTHER GROSS MARGIN IMPROVEMENTS DESPITE INDUSTRY UNCERTAINTY**

High focus on full-price sell-through despite highly promotional quarter (Black Week, end-of-season sale) and industry consolidations



### **STRICT COST CONTROL**

Full top-down cost center evaluation to eliminate recurring non-value-adding cost drivers



### **COMFORTABLE YEAR-END BALANCE SHEET**

Continuing with the success from the third quarter: Ongoing improvements in inventory, cash position and operating cash flow generation





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# IMPORTANT DATES 2023



EVENT	DATE
<i>Deutsches Eigenkapitalforum (Frankfurt)</i>	<i>November 27-29, 2023</i>
<i>Berenberg European Conference (London)</i>	<i>December 4, 2023</i>

