



WE KEEP YOU RIDING

QUARTERLY STATEMENT Q3

SEPTEMBER 30, 2023



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At a glance	Q3	9M
Group Revenues ¹	- 15.8 % EUR 61.1 m	- 11.0 % EUR 179.3 m
Adjusted EBITDA Margin ¹	+ 0.6 pp 3.9 %	- 5.5 pp 0.2 %
Free Cash Flow ¹	+ 150.1 % EUR 4.1 m	+ 82.2 % EUR - 3.4 m
Cash and Cash Equivalents ²	-	- 24.4 % EUR 16.9 m
Active Customers ³	-	+ 4.0 % 950,893
Average Shopping Basket Size	- 1.4 % EUR 136	- 3.9 % EUR 137
Number of Orders	- 18.0 % 432,650	- 8.6 % 1,296,379
Repeat Orders	+ 1.3 pp 69.7 %	- 1.3 pp 70.0 %

¹ Compared to September 30, 2022

² Compared to December 31, 2022

³ Last twelve months

Business Performance

The challenging macroeconomic environment and persistently subdued consumer sentiment continued in the third quarter of 2023. In addition, the first companies in the cycling industry had to file for insolvency on both the manufacturer and retailer sides in recent months, which is unlikely to improve the current situation in the market in the short term.

As of the reporting date September 30, 2023, the number of active customers amounted to 951 thousand, an increase of 4.0% compared with the prior-year reporting date. In the rolling twelve-month period, the average number of orders per active customer as of the reporting date was 1.8 (previous year: 2.0), while the average order volume per active customer was 252 euros, compared with 284 euros in the previous year. The number of orders decreased by 9% to 1,296 thousand in the reporting period, with 70.0% (9M 2022: 71.3%) of orders coming from recurring customers.

The return rate fell again slightly to 17.0%, compared with 17.5% in the first nine months of the previous year.



Revenue and Earnings Situation

Bike24 Holding AG generated revenues of EUR 179.3 million in the first nine months of 2023. This 11.0 % decline in sales compared to the same period of the previous year (9M 2022: EUR 201.4 million) is due to the continued subdued consumer sentiment. Nevertheless, sales in the full-bike segment increased by 24.5 % to EUR 32.7 million due to improved availability in this strategic product area. Cost of sales also decreased by 7.8 % to EUR 134.6 million (9M 2022: EUR 145.9 million), this corresponds to a gross margin of 24.9% (9M 2022: 27.5%). Due to the adjusted pricing policy in the third quarter, the gross margin increased by 2.3 percentage points (pp) to 27.1%, compared with 24.8% in the third quarter of the previous year.

At EUR 19.6 million, personnel expenses are slightly below the level of the previous year (2022: EUR 20.0 million).

Other operating expenses increased to EUR 27.2 million (2022: EUR 26.0 million). This increase is due, among other things, to a significant rise in consultancy costs, which relate not only to the implementation of the new ERP system but also to the extension of the syndicated loan agreement.

Earnings before interest, taxes, depreciation and amortization (EBITDA) decreased by EUR 11.7 million to EUR -2.4 million (9M 2022: EUR 9.2 million). Adjusted for extraordinary expenses of EUR 2.8 million, which mainly comprise expenses for the extension of the syndicated loan agreement and consulting costs for a planned IT system changeover, earnings before interest, taxes, depreciation and amortization (adjusted EBITDA) amounted to EUR 0.4 million compared to EUR 11.5 million in the same period of the previous year. This corresponds to an adjusted EBITDA margin of 0.2% (2022: 5.7%). The (unadjusted) operating result (EBIT) was EUR -14.2 million compared to EUR -2.0 million in 2022.

After the deduction of interest and taxes, the Group posted a net loss of EUR -15.0 million, compared to EUR -2.5 million in the first nine months of 2022.



Net Assets and Financial Position

Net assets

The Group's total assets decreased by 5.0% to EUR 322.8 million as of September 30, 2023 after EUR 339.9 million as of December 31, 2022.

Non-current assets decreased by 3.0% to EUR 212.8 million compared to December 31, 2022 (EUR 219.3 million) due to depreciation. Investments in non-current assets, which mainly relate to intangible assets, amounted to EUR 1.1 million, compared to depreciation and amortization of EUR 3.9 million.

Current assets decreased by 8.8% from EUR 120.6 million to EUR 110.0 million in the first nine months of 2023. Within current assets, other assets decreased by 28.9% from EUR 8.7 million to EUR 6.2 million, mainly due to reimbursements of sales tax receivables. At EUR 16.9 million, cash and cash equivalents were below the level of EUR 22.4 million at the comparative reporting date of December 31, 2022. Due to the proactive restructuring of the company's procurement policy, inventories were increased by 36.8% in the growth area of bicycles and reduced by 6.2% in the area of parts, accessories and clothing compared to the reference date of December 31, 2022. Overall, Inventories of EUR 84.8 million are just above the comparative reporting date (December 31, 2022: EUR 84.3 million), but were significantly reduced compared to September 30, 2022 (EUR 96.1 million).

On March 24, 2023, the existing syndicated loan agreement was extended until December 31, 2024 with adjusted terms. Quarterly regular repayments are to be made on the loan from December 31, 2023 onward. Therefore, as of September 30, 2023, EUR 8.0 million are recognized as a current loan liability, the remaining loan amount is presented as a non-current liability. As a result, non-current liabilities increased by EUR 27.6 million to EUR 84.2 million (December 31, 2022: EUR 56.5 million).

In the area of current liabilities, trade payables of EUR 7.5 million are slightly above the level of EUR 7.2 million at the comparative reporting date of December 31, 2022.

Other financial liabilities remained constant at EUR 1.8 million. As a result of the reclassification of loan liabilities to non-current liabilities, current liabilities were EUR 30.0 million lower overall than at the comparative reporting date and amounted to EUR 35.6 million as of September 30, 2023.

Equity decreased by 6.8% to EUR 203.0 million compared to EUR 217.8 million as of December 31, 2022. This decrease also resulted in a lower equity ratio as of the reporting date of 62.9% compared to 64.1% as of December 31, 2022.

Net Assets and Financial Position

Financial Position

Bike24 Holding AG generated a positive cash flow from operating activities of EUR 1.1 million in the first nine months of 2023, compared to EUR - 18.2 million in the same period of the previous year. The increase mainly resulted from lower inventory intake and tax refunds.

At EUR 5.2 million, the cash flow from investing activities was below the prior-year figure of EUR 9.1 million. Investments in the first nine months of 2023 mainly relate to the logistics center in Spain and, in the area of intangible assets, to own work capitalized for the webshop and other software.

The company recorded a negative cash flow from financing activities of EUR 1.3 million after a cash inflow of EUR 38.2 million in the prior-year period. The cash inflow in the prior year relates to the utilization of a loan in the amount of EUR 39.0 million. The cash outflow relates exclusively to the payment of lease liabilities.

As of the balance sheet date, cash and cash equivalents amounted to EUR 16.9 million, compared with EUR 20.9 million at the prior-year reporting date of September 30, 2022, so that sufficient solvency is ensured. Furthermore, the company has a credit line with a total volume of EUR 50.0 million, which was used in the amount of EUR 40.0 million as of September 30, 2023. A further EUR 1.5 million is reserved under a guarantee.



Forecast

The cycling market and the entire industry remain in an unprecedented situation. Initial insolvencies by competitors and consolidations throughout the industry may therefore lead to overcapacities for longer than originally planned. Furthermore, the current macroeconomic challenges are leading to uncertainty among consumers, as evidenced by a reluctance to buy discretionary-type products.

As the expected easing of the market is expected to be delayed further, the Management Board of Bike24 Holding AG has adjusted the revenue forecast for the fiscal year 2023. Instead of a decline in sales of -10 to -5 percent, a development of -16 to -11 percent is now expected. Despite the adjusted revenue expectations, the initiatives to increase profitability will continue to be driven forward, so that the Management Board maintained the forecast for the adjusted EBITDA margin (-1 to 1 percent).

Dresden, 1 November, 2023

Andrés Martin-Birner
Board of Directors

Timm Armbrust
Board of Directors



CONSOLIDATED FINANCIAL STATEMENTS

JANUARY 1, 2023 –
SEPTEMBER 30, 2023

IN ACCORDANCE WITH
INTERNATIONAL FINANCIAL REPORTING STANDARDS (IFRS),
AS ADOPTED BY THE EUROPEAN UNION FOR THE
BIKE24 HOLDING AG



I. Condensed consolidated interim statements of profit or loss and other comprehensive income or loss

In EUR k, unaudited	Jan. 1, 2023 - Sept. 30, 2023	Jan. 1, 2022 - Sept. 30, 2022	July 1, 2023 - Sept. 30, 2023	July 1, 2022 - Sept. 30, 2022
Revenue and other income				
Revenue	179,282	201,380	61,118	72,616
Other income	111	176	36	26
Total income	179,393	201,555	61,154	72,642
Operating expenses				
Personnel expenses	- 19,628	- 19,994	- 6,248	- 6,811
Expenses for merchandise, consumables and supplies	- 134,600	- 145,948	- 44,554	- 54,633
Impairment loss on trade receivables	- 387	- 378	- 143	- 209
Other expenses	- 27,213	- 26,006	- 8,378	- 9,487
Depreciation and amortization	- 11,777	- 11,271	- 3,945	- 3,835
Total expenses	- 193,604	- 203,598	- 63,268	- 74,976
Earnings before interest and taxes (EBIT)	- 14,211	- 2,042	- 2,114	- 2,335
Finance income and expense				
Finance income	-	0	-	-
Finance expense	- 5,174	- 1,146	- 1,090	- 415
Finance expense, net	- 5,174	- 1,146	- 1,090	- 415
Loss/Profit before tax	- 19,386	- 3,188	- 3,204	- 2,749
Income tax income (expense)	4,375	684	1,008	649
Result for the period	- 15,011	- 2,505	- 2,196	- 2,100
Other comprehensive result	-	-	-	-
Total comprehensive result	- 15,011	- 2,505	- 2,196	- 2,100

II. Condensed consolidated interim statements of Financial Position

in EUR k	September 30, 2023 (unaudited)	December 31, 2022 (audited)
Assets		
Intangible assets	120,950	126,461
Goodwill	56,753	56,753
Property, plant and equipment	35,054	36,088
Financial assets	6	6
Total non-current assets	212,762	219,307
Inventories	84,751	84,298
Other assets	6,199	8,724
Income tax receivables	731	2,224
Trade and other receivables	1,418	2,978
Cash and cash equivalents	16,925	22,375
Total current assets	110,024	120,598
Total assets	322,786	339,905
Equity		
Subscribed capital	44,165	44,165
Capital reserves	180,294	180,007
Retained Loss (Earnings)	- 21,421	- 6,410
Total Equity	203,039	217,762
Liabilities		
Liabilities to banks	32,873	-
Other financial liabilities	16,081	17,449
Provisions	412	412
Deferred tax liabilities	34,815	38,681
Total non-current Liabilities	84,182	56,541
Liabilities to banks	9,107	39,503
Other financial liabilities	1,822	1,803
Provisions	1,887	1,492
Other liabilities	15,232	15,590
Trade payables	7,519	7,215
Current liabilities	35,566	65,602
Total liabilities	119,748	122,143
Total equity and liabilities	322,786	339,905

III. Condensed consolidated interim statements of Cash flows

in EUR k unaudited	Jan. 1, 2023 - Sept. 30, 2023	Jan. 1, 2022 - Sept. 30, 2022	July 1, 2023 - Sept. 30, 2023	July 1, 2022 - Sept. 30, 2022
Cash flows from operating activities				
Result for the period	- 15,011	- 2,505	- 2,196	- 2,100
<i>Adjustments for:</i>				
- Depreciation and amortization	11,777	11,271	3,945	3,835
- Losses from the disposal of fixed assets	2	0	1	0
- Write-ups	0	- 2	0	0
- Finance expense	5,174	1,146	1,090	415
- Income tax income (expense)	- 4,375	- 684	- 1,008	- 649
- Share-based compensation expenses	287	1,376	150	575
- Employee stock expenses	-	2	-	0
- Transaction costs	-	21	-	21
Result of the period after adjustments	- 2,145	10,625	1,981	2,097
<i>Changes in:</i>				
- Inventories	- 453	- 27,930	5,729	- 3,735
- Trade and other receivables	1,560	111	399	223
- Other assets	2,599	- 5,160	3,255	- 2,000
- Trade and other payables	304	6,168	- 3,306	- 3,369
- Other liabilities	- 328	2,106	- 2,636	670
- Provisions	395	121	- 54	- 123
Cash generated from operating activities	1,932	- 13,958	5,368	- 6,236
Interest paid	- 2,772	- 714	- 213	- 145
Income taxes refunded (PY: income taxes paid)	1,972	- 3,577	0	- 942
Net cash increase (+)/decrease (-) from operating activities	1,132	- 18,249	5,155	- 7,323
Cash flows from investing activities				
Acquisition of property, plant and equipment	- 2,442	- 5,364	- 377	- 2,294
Acquisition of intangible assets	- 2,792	- 3,693	- 709	- 1,482
Net cash used in investing activities	- 5,234	- 9,057	- 1,086	- 3,776
Cash flows from financing activities				
Payments related to the issue of shares	-	- 21	-	- 21
Proceeds from transactions with owners	-	352	-	-
Proceeds from liabilities to banks	-	39,000	-	-
Payment of lease liabilities	- 1,348	- 1,143	- 452	- 380
Net cash used in/from financing activities	- 1,348	38,188	- 452	- 401
Decrease (increase) in cash and cash equivalents	- 5,450	10,883	3,617	- 11,499
Cash and cash equivalents at the beginning of the period	22,375	10,086	13,307	32,468
Cash and cash equivalents at the end of the period	16,925	20,969	16,925	20,969

IV. Condensed consolidated interim statements of changes in equity

in EUR k unaudited	Subscribed capital	Capital reserve	Retained Earnings	Total equity
Balance as of January 1, 2023	44,165	180,007	- 6,410	217,762
Share-based compensation	-	287	-	287
Acquisition of treasury shares	-	-	-	-
Issue of employee shares	-	-	-	-
Result for the period	-	-	- 15,011	- 15,011
Total comprehensive result	-	-	-	-
Comprehensive result	-	-	- 15,011	- 15,011
Balance as of September 30, 2023	44,165	180,294	- 21,421	203,039
Balance as of January 1, 2022	44,165	178,873	216	223,254
Share-based compensation	-	1,132	-	1,132
Issue of employee shares	0	2	-	2
Result for the period	-	-	- 6,626	- 6,626
Total comprehensive result	-	-	-	-
Comprehensive result	-	-	- 6,626	- 6,626
Balance as of December 31, 2022	44,165	180,007	- 6,410	217,762



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