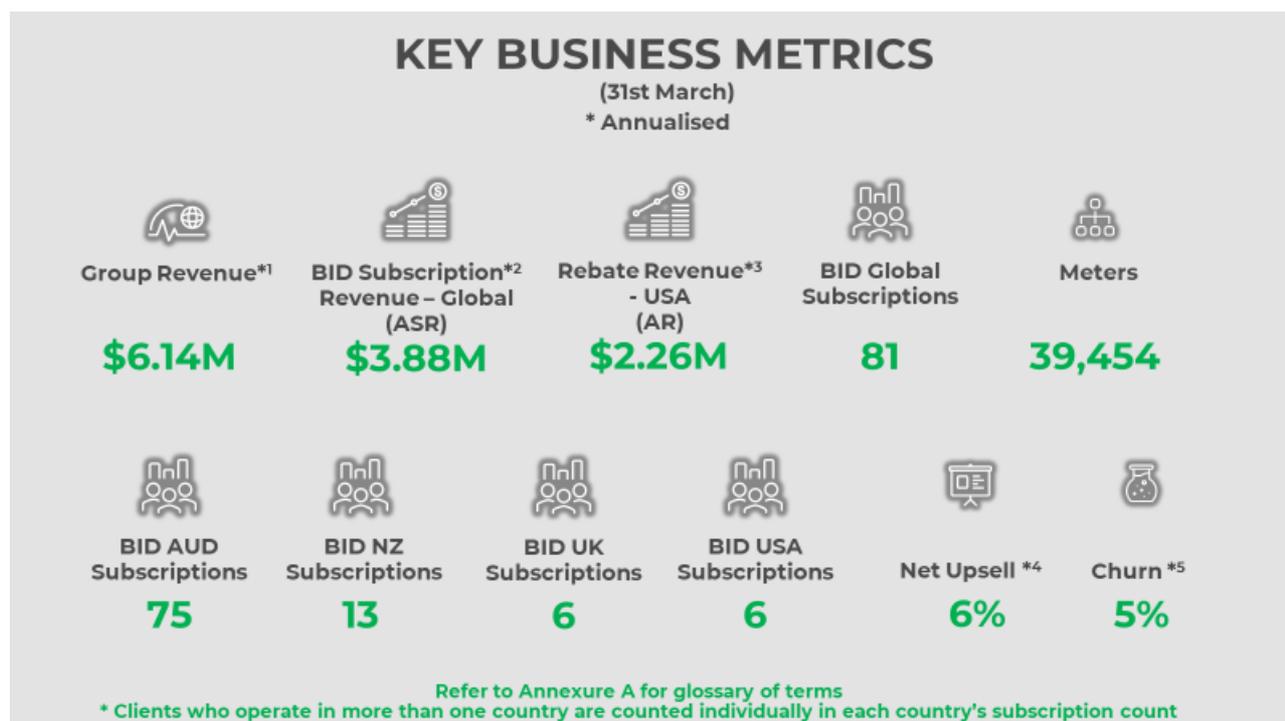


BIDENERGY OPERATING REPORT AND MAR-19 APPENDIX 4C

ASX Release

29 April 2019

BidEnergy Limited (ASX: BID) (“BidEnergy” or “the Company”), is pleased to provide its quarterly cashflow report and operations update for the quarter ended 31 March 2019.



Highlights for the Quarter

Underlying revenue (unaudited) of \$1.2 million for the March 2019 quarter, up from \$0.8 million compared to the previous corresponding quarter (March 2018), comprised of:

- \$0.8 million in BidEnergy subscription revenue (March 2018 quarter revenue of \$0.5 million); and
- \$0.4 million in BidEnergy USA rebate capture revenue (March 2018 quarter revenue of \$0.3 million).

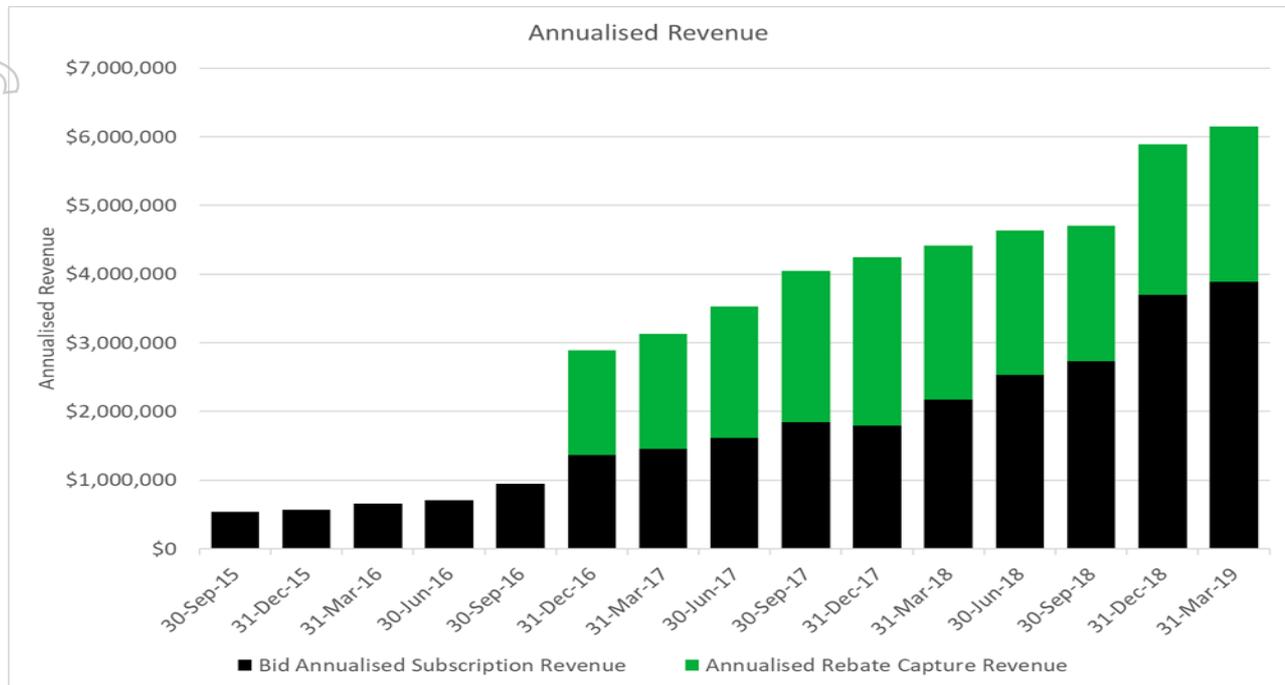
Total expected annualised group revenue from contractual agreements is \$6.14 million, comprised of:

- Platform subscriptions: \$3.88 million of Annualised Subscription Revenue (“ASR”) (+79% increase compared to March 2018 quarter); and
- US Rebate capture: \$2.26 million of Annualised Rebate Revenue (“AR”).



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Cash on hand as 31 March 2019 was \$3.9 million (\$4.1 million as at 31 December 2018), which includes \$1.0 million of cash proceeds resulting from the exercise of company options.



Operational Highlights – March 2019 Quarter

- Nine new client accounts added in the USA & Australia, with adoption in the UK rapidly evolving with a strong forward pipeline. BidEnergy now has 81 clients with 100 unique country-based subscriptions.
- Significant growth of sites managed, with over 39,000 expected meters under management from contracted customers, including those being onboarded from Cushman and Wakefield. Cushman and Wakefield's clients full on-boarding for all partner meters will be complete as at 1 July 2019, at which time we go "live" for all parties.
- Increased momentum winning leading third-party independent brokers ("TPIs") in the UK and the USA, each of which represent multiple clients.
- Continued client and meter growth in the USA led by the client win of Aqua America. The onboarding of Aqua America is now complete, and billing has commenced.
- This month British Petroleum confirmed the renewal of their agreement for a further three years, following the completion of the current three-year agreement in July 2019.
- Significant traction in the "As a Service" channel with BidEnergy in numerous discussions with major energy retailers and energy brokers to implement client value added services, which provides the pathway to rollout BidEnergy's offering to hundreds of thousands of additional meters (bills) over time.



- BidEnergy has entered into a memorandum of understanding (MOU) with a major Australian brand to explore the possibility to white label the BidBilly solution for both residential and small business customers.
- BidEnergy launches full energy procurement activities in the USA with new partner apollo Edison.

Operational Update

- BidEnergy released an investor presentation on 4 February 2019 which outlined its growth strategy, comprising three channels; the “Full Service”, “As a Service”, and “Self Service” product and sales channels. An update on each channel is provided below.

“Full Service” Update

- During the March quarter the Full-Service channel continued its strong growth.
- For the March quarter, BidEnergy have contracted with nine new clients to provide energy spend management (“**ESM**”) services:
 - Aqua America (USA)
 - Pacific Smiles (AUS)
 - Hurley Hotel Group (AUS)
 - Banyule Council (AUS)
 - Sodexo (AUS)
 - Country Meadows (USA)
 - ISS Facility Services Australia (AUS)
 - Pacific National (AUS)
 - a large Australian global packaging company
- Cushman and Wakefield are set to launch on time in July 2019, at which time it is expected services will commence for all of their 17 major Australian enterprise clients. Once implemented, our full monthly revenue earn from Cushman and Wakefield will commence.
- As announced in December 2018, Catalyst Commercial (a leading UK TPI) successfully completed onboarding of the first batch of customers for electric, gas and water for which billing has commenced. BidEnergy now expects to onboard the remaining 4,000 meters in short order.
- This month British Petroleum confirmed the renewal of their agreement for a further three years, following the completion of the current three-year agreement in July 2019.

“As a service” Update

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- “As a Service” does not provide bespoke solutions to clients, but provides solutions that allow BidEnergy to expand globally, and rapidly add significant scale utilising our core capabilities and IP.
- Energy retailers and energy brokers (TPIs) globally have expressed considerable interest in refining their customer experience through value added service portals.
- BidEnergy’s IP can provide a cost effective and almost immediate solution for many of these energy retailers.
- During the March quarter, BidEnergy has made significant traction in the “As a Service” channel.
- BidEnergy is currently in numerous discussions with major energy retailers and energy brokers in three continents. These arrangements once completed provide BidEnergy the opportunity to provide bill validation and management services to hundreds of thousands of meters (bills) each month.
- **Correlate USA** - BidEnergy has entered into a long-term agreement to provide a white label wholesale solution to Correlate’s existing and new customers in the United States. Based in California, Correlate is a well-respected energy optimisation company with an innovative new business model designed to scale energy management services.
 - The arrangement between BidEnergy and Correlate will initially target the deregulated US energy markets, and incorporate national opportunities.
 - Together, the two companies will co-fund a specialist team, targeting small to medium enterprise customers, retail energy partners, as well as utilities with BidEnergy’s “As a Service” business model. This approach provides BidEnergy with two strong teams targeting business opportunities - 13 BidEnergy staff in Philadelphia on the east coast and Correlate’s team on the west coast and Texas.
 - Correlate and BidEnergy are in the process of on-boarding 12 initial mid-market, regional brand clients, that are not included in our client count.
 - Furthermore, Correlate is also in discussions with an energy retailer to provide a white label portal service for its brokers and clients
- **Bellrock Facilities and Property Management UK** - a UK-based, technology-driven facilities and property business. BidEnergy are initially working with Bellrock across their portfolio, which comprises more than 50 utility supplies. Following this initial work, BidEnergy will focus on delivering additional value to Bellrock’s customer base and integration into their Concerto system.
- **LG Energy UK** - a leading UK TPI. BidEnergy has entered into a “heads of terms” with LG Energy Group. The “heads of terms” set forth the high-level parameters of the proposed contract, with the view that LGE will utilise the Bid platform from November 1st 2019.

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- **apollo Edison USA** - A major step towards the evolution of a competitive full-service offering in the US market, BidEnergy has signed a partnership agreement with respected outsourced energy management firm apollo Edison. The agreement for end-customer Energy spend management and auction platform solutions fast tracks BidEnergy's US market entry and leverages apollo Edison's portfolio of America's most recognised brands in the commercial, industrial and governmental sectors across major digitised energy markets such as California (CAISO), Mid-Atlantic (PJM), New England (NEISO), New York (NYISO), and Texas (ERCOT).

In Australia 70% of our customer base engage in auctions, and it is often a key entry point for new customers. Therefore, in the USA the combination of ESM, Rebate Admin and now US Supply capabilities will allow for expansion into larger enterprise and governmental entities to better manage the flow and value opportunities associated with energy billing and data management. BidEnergy's leading suite of RPA-driven energy data solutions will drive smarter decisions for various energy services that apollo Edison provides to customers as well as a configurable, intuitive US Supply Auction solution. This agreement will see the initial auctions commence in May, and immediately available cross-selling opportunities into ESM and rebate capture for major enterprise customers.

“Self Service” Update

- BidEnergy's “Self Service” channel continued to gain traction during the March quarter.
- BidBilly (bidbilly.com) now supports online applications for small businesses nationally, and we have been running a number of franchise opportunities through the platform with great success.
- BidEnergy has entered into a memorandum of understanding (MOU) with a major Australian brand to explore the possibility to white label the BidBilly solution for both residential and small business customers.

USA Rebate Revenue Update

- BidEnergy's USA rebate capture business recorded a number of clients wins:
 - Ulta Beauty
 - Sonesta International Hotels
 - CarMax
 - O'Reilly Auto Parts

Financial Highlights

- Cash on hand at 31 March 2019 was \$3.9 million, down \$0.2M from previous quarter
- \$1.0M was received from exercise of company options.

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- Gross cash operating costs for the March 2019 quarter were \$2.52 million (compared to \$2.64 million forecast in the December 2018 Appendix 4C). Gross cash operating costs forecast for the June 2019 quarter are \$2.9 million as the Company invests in sales, operations and development resources in Australia, the USA and the UK to capture energy management opportunities presenting in these markets.
- We remind shareholders that March quarter rebate revenue is seasonally slow which impacted March quarter cash receipts compared to the December quarter. Revenue is traditionally stronger in March through December as companies commence their new US fiscal year capex programs. Several new rebate clients with substantial projects have been won year to date and a strong pipeline of projects is currently being managed by the BidEnergy US team.
- In consideration of the two points above, net cash burn from operations was \$1.2 million. (\$0.9M for previous corresponding period)

Additional Update - UK

- The UK is a very large, real and rapidly evolving opportunity for BidEnergy. In our last update (25 February), we highlighted that Anthony Du Preez will be spending increasing amounts of time in the UK. With the likelihood of expanding into Europe through 2019, and with a significant meter footprint, the UK team will be further expanded. This expansion has begun with the employment of James Chandler as a BDM to support Simon, our Country Manager in the UK.
- The UK market is differentiated from the Australian market in two ways:
 1. The UK market comprises three software platforms that manage bill validation only (in a non-automated fashion). These companies charge a licence and user fee for their services, but require the user to manually input all bill data, and follow up any exceptions. We believe this is a significant opportunity for BidEnergy, as our solution provides automation (in addition to bill validation), which reduces the need for users to manually input and follow up data (as BidEnergy manages all interactions from bill receipt to payment). Major multi-site enterprise clients, who are UK software users, will be specifically targeted for our solution.
 2. Further, these software platforms are used extensively in the third-party independent broker channels (TPIs). Unlike Australia, there are many of these TPIs in the UK market. BidEnergy has already contracted with a key tier-one TPI in that market and whilst there are many of them, isolating these larger leading TPI opportunities, and maximising our growth with them will be key to expanding our meters under

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management in the UK, as they tend to manage thousands of meters on behalf of their clients.

- The emerging pipeline in the UK market involves significant scale, with TPIs joining with thousands of meters at a time, and large opportunities in the facilities management and energy retailer sector. It is management's view that scale will rapidly evolve in the UK.

Management Commentary

Commenting on BidEnergy's progress to date, Managing Director Guy Maine said:

"It has been an exciting quarter seeing our global opportunities being realised, especially the acceptance of our platform in the UK market within leading TPI's, who represent thousands of meters across multiple partners. Furthermore, the US strategy is coming alive with our large new utility client in Aqua America and recent addition Country Meadows, together with the added capability to run national energy procurement services with our new partner apollo Edison, adding to our rebate and ESM capability. Finally, our deal with Correlate USA provides an "East and West" capability with added experienced energy sales resources immediately in market. The UK and the USA are set now to grow and expand.

Discussions with major energy market players to utilise components of our platform and core IP continue, which broadens our revenue opportunities in the near term. We will provide further updates to the market as these opportunities progress.

Our unified and motivated team remain focused on the years ahead."

Further information:

Guy Maine
Managing Director



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About BidEnergy

BidEnergy is an Australian-based technology company with additional offices overseas in the USA and UK. BidEnergy's cloud-based platform simplifies the complex energy spend management process by using automation, enabling organisations to have complete control over their energy spend. Unlike manual consulting and business services, the platform automates the management of every component of the process for multi-site companies. By automatically capturing and validating invoices and meter data, BidEnergy clients can streamline their accounting and payments processes, go to market at short notice to optimise their supply contracts and reduce billing charges using sophisticated analytics and reporting.

BidEnergy's innovative Robotic Process Automation ("RPA") platform gives small to large enterprises greater control over the full energy spend lifecycle, particularly where there is a national multi-site configuration. Further, under these agreements, BidEnergy's RPA platform will be utilised to automatically capture and validate invoices, automating the payable function, discovering cost reduction opportunities and providing real-time Energy information and accurate financial capabilities at the touch of a button, as and when they need it.

Disclaimer

This announcement may contain forward-looking statements which may be identified by words such as 'believes', 'estimates', 'expects', 'intends', 'may', 'will', 'would', 'could', or 'should' and other similar words that involve risks and uncertainties. From time to time, the Company may also use industry-specific terminology such as "Annualised Subscription revenue" which refers to the annualised value of active client contracts under management by BidEnergy at a particular point in time and should not be interpreted as a financial forecast. Such statements are based on an assessment of present economic and operating conditions, and on a number of assumptions regarding future events and actions that, as at the date of this Announcement, are expected to take place.

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 Directors and management of the Company.

The Company has no 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 Announcement, except where required by law.

The Company cannot and does not give assurances that any results, performance or achievements expressed or implied in any forward-looking statements contained in this Announcement will actually occur and investors are cautioned not to place undue reliance on these forward-looking statements.



Annexure A: Glossary of Terms

¹ **Annualised Group Revenue** - refers to the total of Annualised Subscription Revenue (ASR) in addition to Annualised Rebate Revenue (AR) all of which are active contracts.

² **Annualised Subscription Revenue or ASR** - refers to the annualised value of active client contracts under management by BidEnergy, calculated by reference to the expected monthly fee for BidEnergy's Energy Spend Management Platform. To the extent a monthly fee is varied (including by reason of services being added or removed, or the numbers of meters managed under the contracted being increased or decreased) this may impact BidEnergy's ASR. To the extent that BidEnergy's ASR is materially impacted, BidEnergy will provide a market update.

³ **Annualised Rebate Revenue or AR** - refers to BidEnergy USA rebate capture revenues, which are project based and are annualised on a rolling basis on the last 12 months of project activity. To the extent that any single month's rebate capture performance may vary, the corresponding AR will be affected and updated quarterly. This allows for seasonality inherent in the Rebate business.

⁴ **Net Upsell** - Calculated as the net revenue improvement for combined contract renewals for the preceding twelve months to date.

⁵ **Churn** - Clients loss represented as the net revenue loss of any existing subscriber for the preceding twelve months to date.

BidEnergy (BID) - Energy Spend Management platform (ESM), utilising Robotic Process automation (RPA) charged on a monthly or annual subscription basis in Australia, NZ, UK and the USA.

BidEnergy Inc. USA (Formerly RWW) - Rebate Capture Business operating in the USA (Philadelphia based) that manages the process of claiming rebates from Energy retailers for energy efficiency programs such as LED lighting changeout for clients on a fee for service basis.

BID Subscriptions - Number of Paying subscribers on BIDs Energy Spend Management platform.

BID US/UK/NZ Subscriptions - Number of paying subscribers on BIDs ESM internationally. N.B. In the case of BP for example, they are counted in both Aus. and the UK and NZ.

Meters - Number of energy, gas and water meters for our paying subscribers. As our charges vary based on a client's meter portfolio, this is an important data point. Where clients are in a rollout phase, we include all expected Meters in this number prior to completion of rollout. The only exception to this rule is "As A Service" client meters which are only included once onboarded, given the extended nature of the rollout.



+Rule 4.7B

Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

BIDENERGY LIMITED

ABN

94 131 445 335

Quarter ended ("current quarter")

31 March 2019

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	1,279	4,095
1.2 Payments for		
(a) research and development	(389)	(996)
(b) product manufacturing and operating costs	-	-
(c) advertising and marketing	(76)	(111)
(d) leased assets	-	-
(e) staff costs	(1,305)	(3,647)
(f) administration and corporate costs	(750)	(2,235)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	12	47
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	474
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(1,229)	(2,373)
2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments (term deposit)	(75)	(75)

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Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.2 Proceeds from disposal of:		
(a) property, plant and equipment	-	-
(b) businesses (see item 10)	-	-
(c) investments (term deposit)	75	75
(d) intellectual property	-	-
(e) other non-current assets	-	-
2.3 Cash flows from loans to other entities	-	-
2.4 Dividends received (see note 3)	-	-
2.5 Other	-	-
2.6 Net cash from / (used in) investing activities	-	-

3. Cash flows from financing activities		
3.1 Proceeds from issues of shares	998	998
3.2 Proceeds from issue of convertible notes	-	-
3.3 Proceeds from exercise of share options	-	-
3.4 Transaction costs related to issues of shares, convertible notes or options	-	-
3.5 Proceeds from borrowings	-	-
3.6 Repayment of borrowings	-	-
3.7 Transaction costs related to loans and borrowings	-	-
3.8 Dividends paid	-	-
3.9 Other (provide details if material)	-	-
3.10 Net cash from / (used in) financing activities	998	998

4. Net increase / (decrease) in cash and cash equivalents for the period		
4.1 Cash and cash equivalents at beginning of quarter/year to date	4,094	5,313
4.2 Net cash from / (used in) operating activities (item 1.9 above)	(1,229)	(2,373)
4.3 Net cash from / (used in) investing activities (item 2.6 above)	998	998
4.4 Net cash from / (used in) financing activities (item 3.10 above)	75	-

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Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	-	-
4.6	Cash and cash equivalents at end of quarter	3,938	3,938

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	1,713	1,744
5.2	Call deposits	-	-
5.3	Bank overdrafts	-	-
5.4	Other (Term deposit)	2,225	2,350
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	3,938	4,094

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

**Current quarter
\$A'000**

265

-

- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Director fees

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3

**Current quarter
\$A'000**

-

-

- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Nil

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8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

Nil

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	(465)
9.2 Product manufacturing and operating costs	-
9.3 Advertising and marketing	(145)
9.4 Leased assets	-
9.5 Staff costs	(1,510)
9.6 Administration and corporate costs	(825)
9.7 Other (Real Win Win final purchase consideration)	-
9.8 Total estimated cash outflows	(2,945)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

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