



**Invest in a sales automation platform that  
makes it easy to buy new cars online**



# Vehiko is like Airbnb for New Cars



## Better Tech to Match Buyers and Dealers

Our SaaS goes way beyond lead gen to automate dealers' sales pipelines. AI powers all sales processes and conversions. Add-ons include aftersales support and market intelligence.



## Find the Right Car

Buyers search make, model, color, accessories, warranty and location. Dealers can select available inventory to sell.

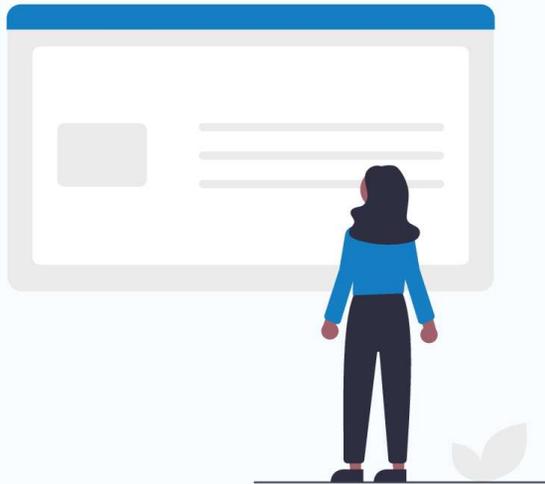


## Guaranteed Sale

Vehiko only matches serious buyers and sellers only. Prices including taxes, and can include ready-to-sign finance and insurance agreed on platform

**Bottom line:** we know how the new car business works. We're not trying to disrupt it. We streamline it to make dealer tasks easier, faster and more profitable.

# Buying a new car online is complex and time consuming



**Consumers don't get the best price because they don't know what the best price is**



**Existing online marketplaces offer little choice of who to buy from and where**



**Personal information is sold from lead gen sites to third parties who hassle consumers**

# Dealers know this but it's hard to make tech to digitize new car sales

- 17K Franchised Dealers
- Individual dealer pricing for all of them
- OEM incentive programs
- 13.5K Makes & Models
- Millions of configurations make, model, exterior color, interior color, trim, engine, transmission
- 7,500 Regions
- 86 Financial Regions
- 558 Credit Tiers
- 51,335 Zip Codes for Consumer Incentives
- Federal, State, City, Municipality Taxes & License Fees



# On the dealer-side, they need tech to streamline sales not just generate leads



**We Automate the Haggling – and everything else!**

-  Solved by most providers
-  Manual process - conducted by or at dealer



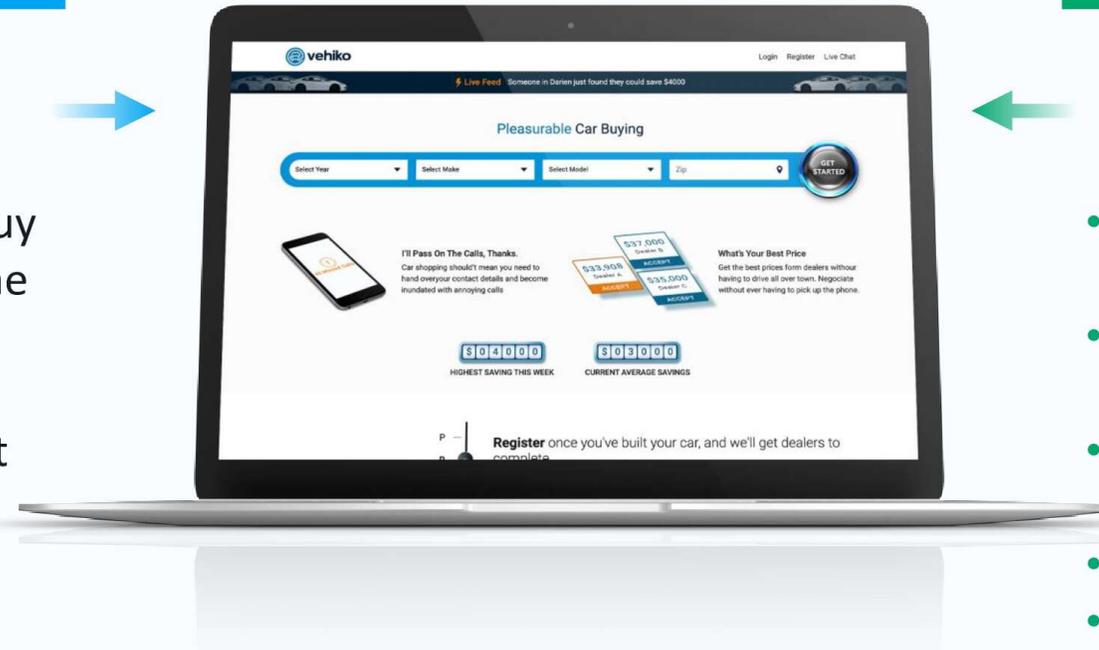
# Buyers and Dealers will both love it



## Buyers

### Skip the Negotiation

- Find the car they want to buy online without the headache or haggling
- Reverse bidding process delivers choice and the best price
- Total anonymity
- Historical pricing data
- Dealer reviews and ratings
- No risk and no obligation



## Dealers

### Skip the Negotiation

- Robo-Bidding to manage sales process
- All the relevant details in one digital space ready to close
- See what other dealers are bidding
- Rich search data
- Serious buyers only
- Cost of marketing reduced

In the future – we can sell our treasure trove of data on all those transactions to OEMs

# For car buyers – Vehiko is the Tesla sales experience they've always wanted



**Choose the  
Perfect Car & Way  
to Pay**

**Dealers Bid to Win  
and Offer their  
Best Price**

**Select the Winning  
Dealership**

**Pay & Pick it Up**



Add-Ons: can include Insurance, Finance, Delivery, Warranty and Aftersales Support

**We reach them through:** ▶ Owned, Earned & Paid Media ▶ Facebook & Google PPC ▶ Dealer Group Channels ▶ Website & SEO

# Vehiko automates all the dealer tasks involved in selling a new car



## Connect

API to dealership inventory, finance and service



## Set Up

Pricing parameters and paperwork templates



## AI-Streamlined

Robo-Bidding based on pre-determined parameters



## Monitor

View search data, regional demand, deal flow and competing bids



## Engage

Receive buyer contact details and review pre-filled paperwork upon win



**Vehiko speeds things up and streamlines workflows – but the seller is always in control.**

Our best customers are nationwide dealer groups selling mid-market cars

We reach them through

 Founder Networks

 Traditional B2B



**AutoNation**  
300 Dealerships



**Penske Cars**  
150 Franchises



**LITHIA Motors Inc.**  
211 Locations



**Sonic Automotive**  
100 Stores

# These are the mission critical functions Vehiko is bringing online

- ✓ Research & choose vehicle anonymously
- ✓ Review current rebates, incentives & special offers
- ✓ Robo-bidding to automate negotiation
- ✓ Get trade in offer
- ✓ Secure credit, financing & choose monthly payment
- ✓ Learn about & select F&I products
- ✓ Learn about and select accessories
- ✓ Review final document & contracts
- ✓ Vehicle delivery
- ✓ Receive vehicle orientation
- ✓ Service pick up & drop off



# Our core economics are based on recurring revenue from HQ and individual locations

|         | Dealer Group License | Participating Location |
|---------|----------------------|------------------------|
| Revenue | \$100K ARR           | \$300 MRR per model    |



## Integration takes 7 days per location

In the future we'll be able to spin our data into a market intelligence product for OEMs and other industry participants



# Roadmap



1H 2022

Key Hires

Platform R&D

2H 2022

POC with Launch Partner Dealer Group

2023

Expand into leasing, finance, insurance and used cars

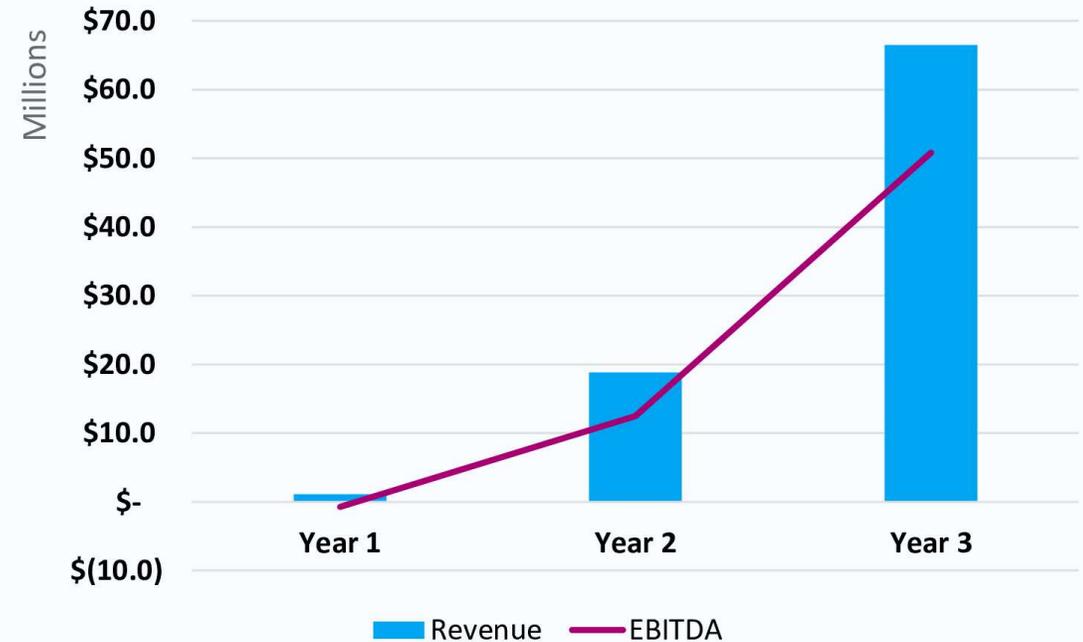
Performance marketing to supercharge user base of buyers

# 2023 KPIs

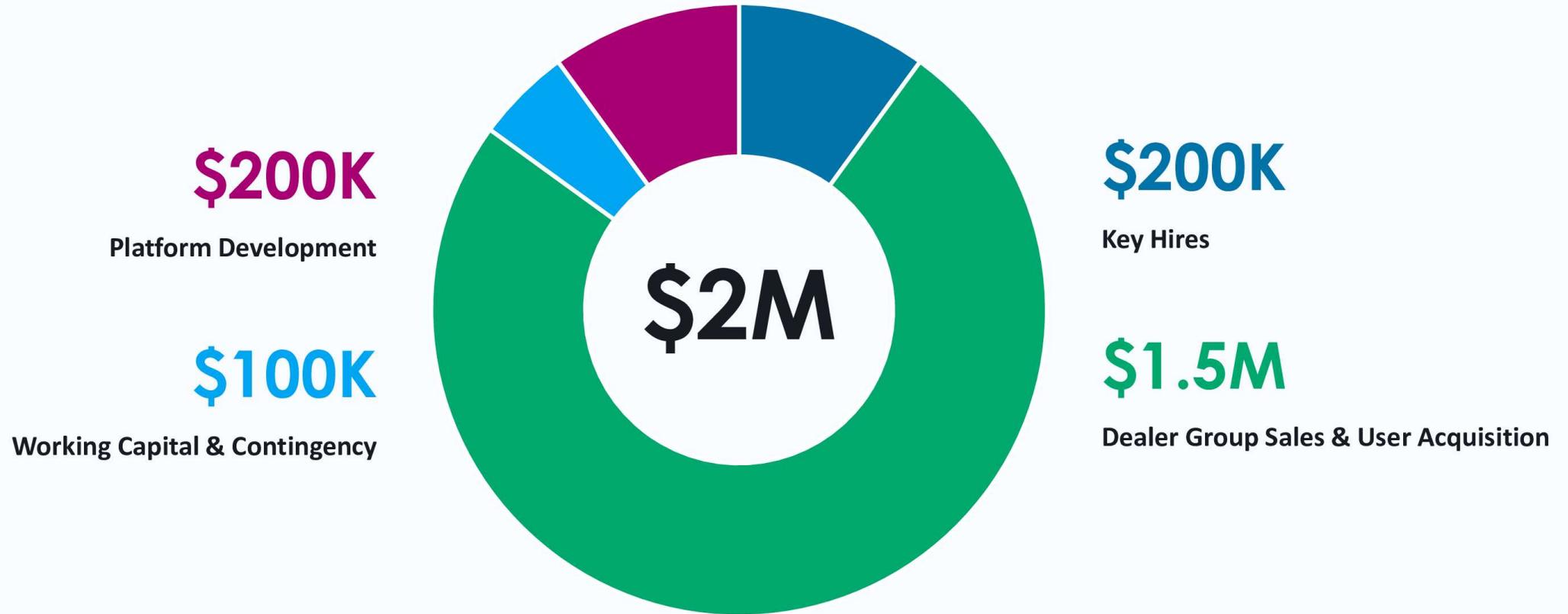


|                           |                         |                        |
|---------------------------|-------------------------|------------------------|
| <b>2</b><br>Dealer Groups | <b>1000</b><br>Rooftops | <b>50</b><br>States    |
| <b>40</b><br>Employees    | <b>\$19M</b><br>Revenue | <b>\$12M</b><br>EBITDA |

## 3-Year Forecast



# Vehiko prefers seed investors with dealer group networks



Vehiko has bootstrapped to date and is 100% owned by its founder

# Dealership Market Statistics



**16,623**

total new-car dealerships



All dealerships revenue

**\$980B**



Average revenue per dealership

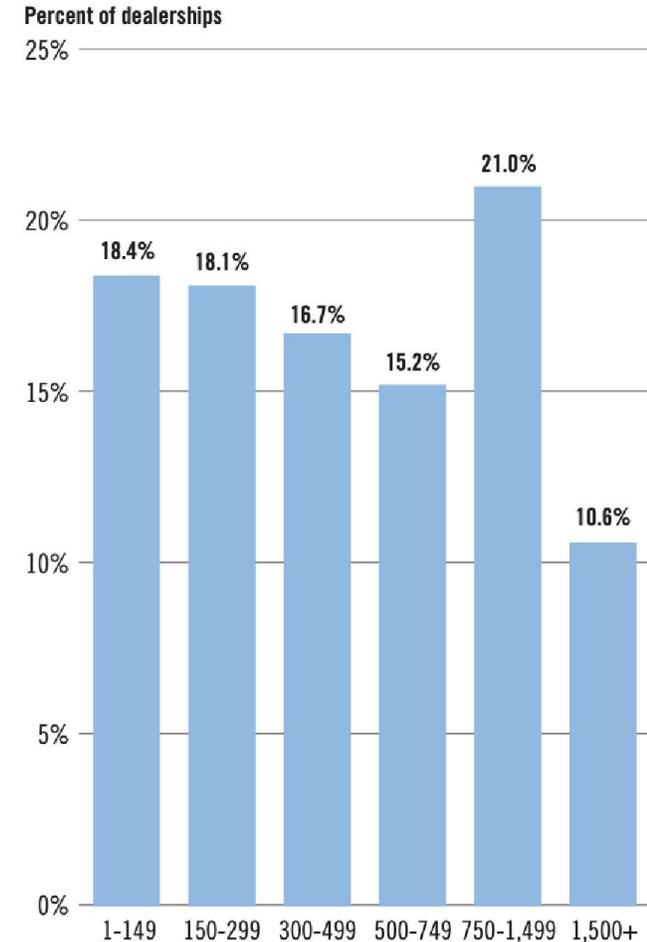
**\$58,969,000**

Average Number of New Vehicles Sold Per Dealership and Selling Price, by Year

| Year | New vehicles sold | Average retail selling price |
|------|-------------------|------------------------------|
| 2013 | 960               | \$32,035                     |
| 2014 | 1,003             | \$32,824                     |
| 2015 | 1,051             | \$33,456                     |
| 2016 | 1,045             | \$34,449                     |
| 2017 | 1,020             | \$34,670                     |
| 2018 | 1,028             | \$35,608                     |
| 2019 | 1,026             | \$36,824                     |
| 2020 | 870               | \$38,961                     |

- In total, dealers spend **\$9.25 Billion** a year on advertising
- **56%** of spend is on online advertising
- **\$268,500** average annual marketing budget

Share of Dealerships by Volume of New-Unit Sales, 2020





## Old Way

- ▶ 5 hours in a dealership
- ▶ Hagglng back and front
- ▶ In dealership trade appraisal
- ▶ F&I in dealership
- ▶ An hour contracting in dealership
- ▶ Pick up car at dealership
- ▶ Drive to dealership to get service
- ▶ Drop off and pick up car at service department



- ▶ Fast & easy online experience with no haggling
- ▶ Upfront, transparent pricing & bidding from multiple dealers on one platform
- ▶ Dealers bid, consumers win
- ▶ Anonymity for consumer
- ▶ eTrade appraisal
- ▶ eF&I
- ▶ eContracting
- ▶ Home delivery
- ▶ Service reminders & online scheduling
- ▶ Pick up and drop off from your home

# Drive Online Sales of New Cars



## Contact

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(203) 554-4098

[demo.vehiko.com](http://demo.vehiko.com)

# Annex

# 90% of customers aren't satisfied with the current process for buying a new car



**83%**  
of customers want to shop online to save time



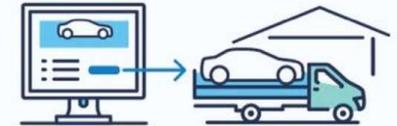
Buyers spend **3+ hours** in the showroom when the negotiations, trade-in, paperwork, F&I and after market sales are handled at the dealership



**80%** of buyers use third-party sites when buying a car



**58%** of car buyers are unsatisfied with how long the process took



**43%** of auto shoppers want to do the entire transaction online without ever visiting a dealer (Pre-COVID-19)

**16M new autos were sold in 2020**  
**That's a lot of unhappy customers**



# New car dealers are faced with regulatory and technological barriers to creating the frictionless sales experience customers expect



State and Federal Advertising Laws



Franchise Rules



OEM Brand Compliance Requirements



3<sup>rd</sup> Party Finance & Aftermarket Services



Edward Agabs knows how to build and scale tech that streamlines operations and explodes sales for companies selling big-ticket items



Edward Agabs  
Founder & CEO



He built  - marketplace for yacht sales. **50% of all yacht brokers were clients** and it ranked **#3**. Acquired by Active Interest Media.

Edward grew sales of rent payment platform  sales **450%** and sold it to



He build the systems and processes for  that supported **\$180M in AUM** and **\$1.5B** in underwritten loans. Then he helped sell it to



At FCC Edward took charge of  an abandoned and unclaimed property services company that had fallen into bankruptcy, and orchestrated a turnaround strategy that culminated in acquisition by 

# Competitors can't be bothered with the fiddly work that's required to set up new car sales – and dealers can't be bothered paying CPA for weak leads

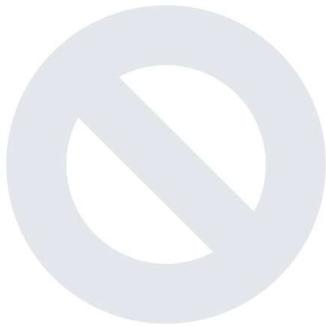
- ▶ Today, dealers spend **\$9.25 Billion** a year on advertising
- ▶ **\$268,500** average annual marketing budget
- ▶ **56%** on advertising online
- ▶ **\$50M** sales per dealership



## TOP COMPETITORS

### Do Nothing

Dealers have to employ lots of people to deal with lukewarm tire-kickers



### Third Party Lead Gen

**TrueCar**

- Used cars are easy to sell online. But the new car buying experience isn't dynamic and personalized enough. And it's still just lead gen.
- They give consumers a single lead from a single dealer.

**CarSaver**  
at Walmart

- Dealers don't bid against each other and they don't underbid each other to drive prices down. It's just like going from dealer to dealer to get their best price.
- There is no anonymity before the sale is confirmed.

# Profit & Loss Projection



| Profit & Loss                         | Year 1           | Year 2            | Year 3            |
|---------------------------------------|------------------|-------------------|-------------------|
| Net Revenue                           | 1,072,000        | 18,841,440        | 66,523,200        |
| Direct Costs                          | (12,500)         | (125,969)         | (355,614)         |
| <b>Gross Profit</b>                   | <b>1,059,500</b> | <b>18,715,471</b> | <b>66,167,586</b> |
| Personnel                             | (1,109,002)      | (3,888,107)       | (6,099,509)       |
| Sales & Marketing                     | (500,000)        | (2,000,000)       | (8,000,000)       |
| General & Administrative              | (169,535)        | (362,700)         | (1,239,013)       |
| <b>EBITDA</b>                         | <b>(719,037)</b> | <b>12,464,664</b> | <b>50,829,065</b> |
| Interest, Depreciation & Amortization | (15,800)         | (31,100)          | (67,200)          |
| <b>Pre-Tax Profit</b>                 | <b>(734,837)</b> | <b>12,433,564</b> | <b>50,761,865</b> |
| Taxes                                 | -                | (2,456,733)       | (10,659,992)      |
| <b>Net Profit / (Loss)</b>            | <b>(734,837)</b> | <b>9,976,831</b>  | <b>40,101,873</b> |

# The Data is Valuable to



Dealers



OEMs



“ [Car buyers] have long asked for a process that is more efficient and requires less time at the dealership.

Dealers, too, are seeing the advantages of a more efficient, streamlined purchasing process ”



**Isabelle Helms**

Cox Automotive Vice President of Research & Market Intelligence



