



## ASX RELEASE

26 February 2019

# 2019 Half Year Results Announcement

## Highlights

- 1H FY19 revenue of \$1.11 million, a 36% increase compared to prior corresponding period
- Revenue growth came from online segment Kyckr.com and also led by geographic diversification from US customer base
- Re-engineered Kyckr platform currently in advanced Beta testing phase with several key clients. Positive feedback from users validate development ahead of a full launch
- Expectation of continued geographic diversification, in addition to increased online penetration via launch of new Kyckr.com website, provide confidence for the second half of FY19

**Kyckr Limited (ASX:KYK)** (Kyckr or the Company), a regulatory technology company, is pleased to announce the release of its financial results for the half year ended 31 December 2018.

Kyckr helps clients manage their regulatory Know Your Customer (KYC) and Anti-Money Laundering (AML) obligations through a range of real-time solutions, facilitating Corporate Know Your Customer Due Diligence (KYC DD) Services, including onboarding new customers and on-going monitoring of customer information.

## Financial Overview

Kyckr experienced 1H FY19 revenue of \$1.11 million, a 36% rise compared to the prior corresponding period. Revenue was driven by a strong increase in registrations and sales across the web-based solution Kyckr.com, a 73% rise compared to the prior corresponding period.

Geographic diversification is improving, with sales less dependent on Europe and starting to come more prominently from the US, a trend which Kyckr sees continuing.

With the relaunch of the new Kyckr.com website in 1H CY19, the Company expects further momentum to continue from this channel.

During the half, Kyckr recorded a non-cash impairment loss on goodwill in the amount of A\$3.8m, partially driven by the delay in achieving significant revenue growth in commercialising the platform with our clients. Management is confident the strengthening fundamentals of Kyckr, as evidenced by the improvement in revenue during the period, means asset valuations are now appropriate.

**Kyckr CEO, Ian Henderson, commented:** "Kyckr is a growing company and the robust performance by the Kyckr.com portal and continued engagement with our blue-chip enterprise customers gives us confidence in continued growth as we progress the sales of our KYC set of products.

"Our goal is to increase our presence through various channels, particularly Kyckr.com, and through geographic spread. This diversification will allow us to be less reliant on a few key customers while capturing market share and further expanding our revenue base.

"I remain confident in the future of the company in achieving revenue growth with enterprise clients and online channels. Our team, with the senior appointments made within our technology and sales team also provides us great confidence in our ability to gain increased traction in the second half of the year."

## Operational Overview

### Enterprise client Bank of Ireland extends service for three years

Kyckr continued to commercialise its relationship with key customers and announced the extension of services to leading Irish bank, Bank of Ireland, for a period of three years to September 2021. The agreement is for a minimum contractual commitment of A\$660k (€405k) over the three-year period.

Bank of Ireland has been an enterprise client of Kyckr since 2015, and the Company delivers services to its customer through the prime contracting party, NTT Services.

### Appointment of new Kyckr CEO Ian Henderson

Kyckr strengthened its Executive team with the appointment of Mr Ian Henderson as Chief Executive Officer (CEO) effective from 1 January 2019. Mr Henderson brings more than 30 years' executive experience in the banking and financial services sectors.

He held former CEO positions at a leading UK-based private and commercial bank, Shawbrook Bank and RBS International, where he drove each firms' profit growth during his tenure.

Mr Henderson is based in London due to the proximity to Kyckr's key geographies and will be integral to the Company's growth as regulatory requirements and anti-money laundering efforts increase globally.

### Expertise grows with appointment of Non-Executive Directors

Kyckr announced the appointment of senior compliance executive Jacqueline Kilgour and Ms Karina Kwan to the Board as Non-Executive Directors.

Ms Kilgour brings more than 30 years' financial services experience in regulatory compliance, anti-money laundering (AML) and corporate governance matters. She has successfully dealt with companies and regulators across a number of jurisdictions.

Ms Kilgour previously held the role of Managing Director in Citigroup's Corporate and Investment Banking division in New York where she had responsibility globally for anti-money laundering, and compliance for Global Transaction Services in over 100 countries.

Ms Kwan brings more than 30 years' experience in the financial services industry, most recently as General Manager of Group Support Services Finance at the Commonwealth Bank of Australia. She also held the roles of Chief Financial Officer at Citigroup Australia and New Zealand. Ms Kwan's exceptional expertise in risk and corporate governance, in-depth exposure to international regulation and her established relationships with C-suite compliance personnel, will be a valuable asset to the Company.

As part of the Board changes, Albert Wong stepped down as Non-Executive Director, and Benny Higgins moved into a Non-Executive Chairman role, commencing 1 January 2019.

### New senior executive to support global growth plans

Kyckr added a senior executive to its team to support its growth plans. Audrey Weir joined as Chief Commercial Officer, a newly created role based in London.

Ms Weir has a strong background in banking and insurance specifically across risk, regulation and compliance. She has held senior executive roles such as Global Head of Risk and Regulatory Strategy at the multinational finance and insurance corporation AIG.



#### Expanding Development team to enhance technology

Kyckr made additions to its team to support growth plans in global primary source intelligence. A new Business Analyst and Data Scientist joined the Development team. In a short timeframe, the new resources have played a vital role optimising Kyckr's technology and its effective delivery to clients.

#### Global data providers in discussion with Kyckr

Kyckr is currently in multiple discussions with global data providers relating to the access of real-time primary source information. The discussions have been primarily driven by clients of the data providers, looking to adapt Kyckr's network of over 200 regulated primary sources.

Whilst still in a preliminary stage, the current discussions are progressing well as Kyckr seeks to explore further opportunities with data providers in the KYC/AML space.

#### New Kyckr website due for release in early 2019

Kyckr is redesigning its website to provide a richer user experience as the Company continues to grow its brand and market presence. The new website will be developed on an all new platform, with significant investments made to functionality, security and scalability for upcoming new service releases. Powered by Microsoft Azure technology, users can expect improved administration features, usage management tools and improved stability for seamless connectivity to our global network of real-time registries.

Our enhanced API capabilities will allow users to experience our real-time data on our new developer-focused portal.

The new website will also debut an all-new design centred around Kyckr's client needs and behaviours, with quick search dropdowns, dashboard functionality and improved information on Kyckr's range of compliance solutions. The website will include comprehensive information and content for Kyckr's customers to better understand the Company's global positioning in the KYC/AML space.

Kyckr has been in advanced Beta testing with several key clients. Positive feedback from users validate development ahead of a full launch in 2019.

#### Annual General Meeting 2018

Kyckr held its Annual General Meeting (AGM) on 19 November 2018, and all resolutions were passed.

#### Outlook

Kyckr is focused on delivering technology solutions to support customers meet their KYK/AML obligations. The Company expects strong growth within its global business development pipeline, driving client opportunities across Europe, US and Asia. Australia will also be a key region with Kyckr looking to develop its presence in the country.

Management continues to advance its engagement strategies and organic growth as Kyckr expects to build continued momentum with the launch of its new web-based platform in 1H CY19.

Ends.



## About Kyckr Limited

Kyckr is a global regulatory technology (RegTech) business, delivering automated technology solutions to improve the efficiency and effectiveness of Corporate KYC. Kyckr's solutions are connected to over 200 regulated primary sources, in over 120 countries, providing real-time company registry information on over an estimated 80 million businesses globally.

To learn more about Kyckr, visit [www.kyckr.com](http://www.kyckr.com)

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