

ASX RELEASE

16th November 2020

Chairman's Address 2020 Annual General Meeting

Ladies and gentlemen,

On behalf of the Kyckr Board, it is my pleasure to welcome you all to Kyckr's 2020 Annual General Meeting.

Before heading into the formal proceedings of today, I would like to highlight the key achievements in what has been a busy 12 months at Kyckr, with the onset of the COVID-19 pandemic. The Company quickly adapted to this unprecedented period, proactively implementing protocols to ensure the safety of employees while carefully working with clients to ensure business continuity.

The 2020 financial year presented both opportunities and challenges with Know-Your-Customer compliance evolving and adapting – and the pandemic has confirmed the need for more robust customer verification solutions and reliance on digital financial services, at a time of increasingly stringent anti-money laundering enforcement.

FY20 Financial Performance

To this extent, we are pleased to announce that Kyckr reported revenue growth in FY20 as the Company delivered on its strategy of building its Enterprise channel and strategic partnership model. This resulted in total group revenue for FY20 up 12.2% to \$2.4 million.

The Enterprise division was the key story of our FY20 with revenue up 20% to \$814,000 as a result of the agreements with tier-one long-standing customers, such as Citi Commercial Bank, for the provision of onboarding client verification services, in addition to a positive trend towards post-onboarding monitoring in the division.

Revenue for Kyckr for Business also increased 14% to \$1.2 million, with the agreement with Germany's second largest bank, Commerzbank, contributing to this growth.

Looking at Kyckr online, revenue was down 6% to \$394,000, due to weaker customer demand as a direct result of COVID-19. The Company launched the new and enhanced Kyckr.com platform during the period with initial strong uptake, however, the pandemic impacted the demand for sole users to access the Know-Your-Customer online database.

To this extent, a strategic decision was taken to reduce the efforts on the Company's "pay as you go" website retail activities and concentrate on the more lucrative opportunities with corporate

clients - and the contracts secured during the period are a testament of the continued uptake of our technology by global multinational banks.

In addition, to strengthen our balance sheet and provide growth funding, during FY20 Kyckr completed two capital raisings. In September 2019, A\$5.2 million was raised which saw Richard White, a prominent technology entrepreneur, become a major investor in Kyckr. In June 2020, a further A\$8.7 million was raised. These capital injections have allowed the Company to expand its sales team and take advantage of the opportunities ahead.

Board Changes

A number of changes occurred at a Board level with Non-Executive Directors Mr Robert Leslie and Mr Ben Cronin stepping down from the Board to pursue other executive and business responsibilities. Kyckr also appointed a new company secretary, Mr Bill Hundy who replaced Mr Karl Pechmann.

Together with the rest of the Board, we would like to thank Rob, Ben and Karl for their considerable contribution to the Company to date.

Our Non-Executive Director John Van Der Wielen has advised the Board of his intention to retire once a suitable candidate has been appointed.

This follows John's appointment by the Western Australian Government to Chair the WA Future Health Research and Innovation Fund (FHRI), and combined with his role as the CEO of HBF, this has reduced his capacity for Non-Executive roles. John stated that he was disappointed not to be able to commit to Kyckr for a longer term, but after four years on the Board he can see that the recent progress and outlook for the Company are very positive.

Strategy

Kyckr has successfully expanded its Sales and Marketing functions, with a number of senior hires made during FY20 that have driven an increase in quality inbound leads. The appointments were made in the London office, our central hub, following the planned closure of the Dublin and Sydney offices to focus on the European market where regulatory tailwinds are particularly strong.

Kyckr's 'Company Watch' offering, targeted at expanding from purely customer authentication during the onboarding period to the ongoing monitoring of customers, will continue to be a key focus going forward.

Strategic partnerships also remain a pillar for Kyckr to act as resellers and fast track the exposure to new customers and revenue growth. The Company's strategic partnership portfolio has strengthened with eight agreements signed during the year.

Kyckr remains in a solid financial position to progress its strategy, with A\$8.6 million cash as of 30 September 2020.

Outlook

Kyckr has had a positive start to FY21, with ongoing strong revenue reported in the first quarter – including our highest ever monthly revenue in September – driven by our Enterprise and Kyckr for Business division.

The adoption of automated technology-driven solutions to manage regulatory monitoring will continue to increase on the back of increased regulation – evidenced by a number of high-profile penalties applied to banks and financial institutions recently.

We see a large opportunity ahead not only from customer onboarding but also providing ongoing compliance monitoring with the imminent launch of our Company Watch offering in additional countries.

The investments made in our sales and marketing team during FY20 will allow us to take full advantage of the sales opportunities ahead to drive revenue acceleration and diversification into a number of industries.

We, of course, remain cognisant of the ongoing potential impacts from COVID-19 as we continue to work closely with clients to minimise disruption and ensure business advancements.

In closing, on behalf of the Board, I would like to thank our senior management team and colleagues for developing and implementing the strategies to mitigate the impacts during the challenging COVID-19 times.

I would also like to thank our shareholders for their support throughout the year as we continue to build a stronger business.

Yours Sincerely,

Benny Higgins
Non-Executive Chairman
Kyckr Limited

Ends.

This ASX announcement was authorised for release by the Kyckr Limited Board of Directors

About Kyckr Limited

Kyckr is a global regulatory technology (RegTech) business that provides the financial services sector and other regulated businesses with real-time company registry information to improve the efficiency and effectiveness of Know Your Customer (KYC) processes during the critical stage of customer verification and onboarding as well as post-onboarding customer monitoring (Perpetual KYC). Kyckr's solutions are connected to more than 180 regulated primary sources, in over 120 countries. Through its KYC and Company Watch (Perpetual KYC) solutions, Kyckr helps businesses and customers to prevent money laundering, fraud and financial crime.

To learn more about Kyckr, visit www.kyckr.com.

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