

30 April 2021

**Media & ASX Market Announcement**

Australian Securities Exchange

## **Fulfilment of orders delivers \$1.9m in recognised revenue**

### **Q3 Highlights**

- **Fulfilment of orders for the Fly6 Gen 3 and Fly12 CE delivers \$1.9m in recognised revenue for Q3 FY21.**
- **Fly6 Gen 3 monthly production rate exceeds \$600,000 in merchandise value with production to continue at this rate through Q1 FY22.**

Cycliq Group Ltd (ASX: CYQ) has released its Appendix 4C Quarterly Report for the quarter ending 31 March 2021.

### **Q3 Performance**

A renewed focus on supply chain management resulted in the largest ever quantity of goods being shipped in a quarter with more than 10,000 items delivered to customers globally. The Cycliq Amazon USA fulfilment warehouses were also restocked during Q3.

Production of the Fly6 Gen 3 reached maximal capacity in March and is forecast to remain at more than \$150,000 per week of merchandise value goods through Q1 FY22. Considerable capital expenditure was required to feed the high throughput production line.

Rationalisation of the cost base resulted in savings of almost 30% of total operating costs over the previous quarter. There remain significant opportunities to further reduce costs and improve the speed of product delivery through strategic regional distribution.

A commitment to improving product quality saw enhancements to the Fly6 Gen3 device and Fly12 accessories in Q3. The average order value for direct sales of the Fly6 Gen 3 and Fly12 CE during the quarter increased to the highest level in Cycliq's history.

### **Opportunities and Outlook**

The outlook remains positive as the cycling industry continues to experience strong growth and the global demand for cycling related accessories is consistently increasing.

Cycliq will continue to explore opportunities for organic and inorganic growth over the coming year, as well as further enhance the existing product suite to capture the strong interest and growth in cycling technology in core markets worldwide.

### **Corporate**

The Company is currently undertaking a fully underwritten 1.8 for 1 renounceable rights issue ("Entitlement Offer") of approximately 4,146,646,613 fully paid ordinary shares ("New Shares") to raise approximately \$4,146,000. The price of New Shares under the Entitlement Offer is \$0.001 each. The Entitlement Offer will also contain free-attaching options on the basis of one option for every two New Shares issued. The Company lodged an offer document for the Entitlement Offer ("Offer Document") with ASX on 19 April 2021 which has been dispatched on the 27 April 2021.

**Related Party Payments**

During this quarter, the Company made payments of \$13,000 to related parties and their associates. These payments relate to the existing remuneration agreements for the Directors.

\*\*\*ENDS\*\*\*

This announcement has been authorised by the Board of Directors of the Company.

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**About Cycliq**

Cycliq is a smart safety company based in Perth, Australia, manufacturing and marketing the world-first cycling light and camera safety systems, the Fly6 and Fly12.

Since the Company was founded in 2012, more than 100,000 of the Fly bicycle cameras have been shipped to over 50 countries around the world. Cycliq has operations in Australia and China, with direct-to-consumer sales from the Company's website and Amazon. The Company has access to more than 6,000 retail points of presence through a network of regional distribution and retail partners in Asia-Pacific, the USA, EU and UK, as well as major online players, including Wiggle (global) and Backcountry.com (USA).

For more information about Cycliq, please visit [www.cycliq.com](http://www.cycliq.com).