

28 July 2022

Media & ASX Market Announcement

Australian Securities Exchange

70% increase in quarterly sales on Q4 2021

Q4 Highlights

- **Cash receipts from customers of \$880,000 for the quarter, a 70% increase from the same period last year**
- **Cash receipts for the year were \$4.5 million, a 35% increase from FY2021**
- **The Company closed the year with a strong cash position of \$1 million**

Cycliq Group Ltd ('Cycliq' or 'the Company') (ASX: CYQ) has released its Appendix 4C Quarterly Report for the quarter ending 30 June 2022.

Q4 Performance

Cycliq delivered a 70% increase in receipts from customers compared to the same period last year as it received \$880,000 cash in Q4 bringing the FY2022 cash receipts from customers to \$4.5 million (a 35% increase from FY2021). The improved performance was largely driven by ensuring the business has the right inventory levels to meet the strong demand and improved consumer confidence and ratings for Cycliq's Fly6, Fly 12 and accessories.

Customer approval levels continue to rise whilst product returns continue to trend downwards due to products being delivered to buyers in a timely manner and the Company's improvement in production quality control measures.

Sales of bundled products continue to increase, with more lines being added to the online store. Sales of the soon to be discontinued FLY12 CE product will see this product sold out in the coming months.

Cycliq's marketing and distribution channels continue to expand and to broaden Cycliq's brand awareness in the burgeoning action sports market, the Company has entered into an agreement with the leading eSports cycling team AERO. AERO will use the Company's products when training on the road, promote them in live eSports events and the companies will jointly launch cycling NFTs and rewards for the Cycliq community on Web3 platforms. (AERO are the #1 Australian cycling team on the Zwift platform).

Cycliq finished the year with a healthy cash position of \$1 million.

Opportunities and Outlook

New product development is on track for the launch of a new and improved FLY12 in late Q1/early Q2 and in time for the November cyber sales event. The new product will enable the company to enter the action and sport cycling market segments, a significantly larger market than the traditional cycling safety market.

Development continues on several new products that will complement the existing range and are expected to come to market early in 2023.

Corporate

During the quarter Xavier Kris was appointed as Chair of Cycliq. Craig Smith-Gander stepped down from the Board to take an executive position as Cycliq's Chief Cycling Officer.

Furthermore, the Company issued 2,626,395 unquoted options as partial settlement for the Glory Horse dispute.

On 23 June 2022, the Company received a further \$44,000 from the Austrade Export Market Development Grant.

Additional ASX Information

Cycliq Group Ltd provides the following information pursuant to ASX Listing Rule requirements:

1. ASX Listing Rule 4.7C.1: The Company's net cash outflow from operations for the quarter was \$393,000. The Company's operational expenses mainly comprised of product and manufacturing costs (\$614,000), administration and corporate costs (\$221,000) and staff costs (\$265,000).
2. ASX Listing Rule 4.7C.3: In item 6 of the attached Appendix 4C, payments to related parties of approximately \$70,000 comprising of Director services (\$67,000) and Non-Director Services – and registered office fees (\$3,000)

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, action and sport cycling company based in, Australia, manufacturing and marketing the world-first cycling light and camera safety system the Fly6 and Fly12.

Since the Company was founded in 2012, more than 100,000 of the Fly cycling light and camera safety systems have been shipped to over 50 countries around the world with key markets being the USA, UK, and AU. Cycliq has operations in Australia and China, with direct- to-consumer sales from the Company's website Cycliq.com and also Amazon.com.

For more information about Cycliq, please visit www.cycliq.com