

28 October 2022

Media & ASX Market Announcement

Australian Securities Exchange

Strong Fly12 Sport launch brings 110% increase in Q1 sales.

Q1 Highlights

- **Cash receipts from customers of \$898,000 for the quarter, a 110% increase from the same period last year**
- **Production and manufacturing costs for the quarter were 23% lower than the same period last year**

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

Q1 Performance

Building from a strong Q4 2022 result, Cycliq returned a 110% increase in receipts from customers compared to the same period last year receiving \$898,000 in cash in Q1. The improved performance was due to the launch of the new Fly12 Sport front action camera product which features 3x the image quality and 25% less weight over its predecessor the Fly12 CE.

The Fly12 Sport is the first product in the 'Sport' product lineup which boasts higher resolutions and increased battery life. The Fly12 sport has received positive customer feedback and interest from global B2B distributors. At over 7hrs of continuous recording in a single charge, the Fly12 product line continues to be a market leader in its category.

Significant focus has been placed on improving stock levels and the operational efficiencies of global distribution warehouses. Compared to Q1 2022 Cycliq has greater inventory levels at its global warehouses in preparation for Black Friday sales.

Opportunities and Outlook

Research and development programs are underway to bring new 'Sport' products to market with the next product launch expected in Q4.

Global semiconductor shortages which caused production issues during 2020 and 2021 have now subsided. Minimum order quantities and component lead times have significantly reduced leading to better cashflow control and tighter product innovation cycles.

Cycliq has demonstrated four quarters of increased cash receipts compared to the same period in the prior year. These results are attributed to increased availability in stock levels, operation efficiency and marketing spends.

Corporate

Subsequent to the period end, on 18 October 2022, the Company announced the receipt of \$172,000 cash refund under the Federal Governments Research and Development Tax incentive Scheme.

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 cashflow used in operations for the quarter was \$199,000. The Company's operational expenses mainly comprised of product and manufacturing costs (\$421,000), administration and corporate costs (\$201,000) and staff costs (\$316,000).
2. ASX Listing Rule 4.7C.3: In item 6 of the attached Appendix 4C, payments to related parties of approximately \$46,000 comprising of Director services (\$41,000) and Non-Director Services – being registered office fees (\$3,000) and expense reimbursement (\$2,000).

ENDS

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

Contact: **Xavier Kris**
 Chairman
 info@cycliq.com

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 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