

17 January 2023

Media & ASX Market Announcement

Australian Securities Exchange

Continued Positive Cashflow

Q2 Highlights

- **Strong closing cash and inventory position**
- **Positive cashflows from operating activities in the quarter**
- **\$1.7 million* in Gross Revenue for the quarter**

Cycliq Group Ltd ('Cycliq' or the 'Company') (ASX: CYQ) has released its Appendix 4C Quarterly Report for the quarter ending 31 December 2023.

Q2 Performance

Q2 delivered consistent performance with gross revenue of \$1.7 million* for the period. Cycliq continues to hold strong inventory reserves (\$554,000*) and had a closing cash position of \$944,000* at the end of the quarter.

Net operating cashflows for the quarter were positive despite the strategic postponement of the upcoming new "Hero" product launch from Q1 to Q3 FY24. This has allowed for the inclusion of additional features prior to launch and the sale and inventory reduction of existing product lines during the holiday season.

Cycliq continues to observe a shift in cycling consumer spending which mirrors the current sentiment in the cycling industry. Consumer purchasing behaviour in this segment has changed with Cycliq noting a growing focus by consumers seeking to acquire specific products rather than a bundled product offering. The Company experienced an increase in the total number of orders placed (7% increase in year-on-year total order count for Q2), but a decrease in the average order value (AOV down 19% from \$480 per order to \$387).

However, consumer sentiment towards the brand continues to steadily improve with an increase in the TrustPilot rating to 4.1/5 stars - up from 2.4 stars in November 2022. This is a testament to the Company's continued focus on quality and service through all aspects of its operation.

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 from operations for the quarter was \$355,000. The Company's operational expenses mainly comprised of product and manufacturing costs (\$463,000), administration and corporate costs (\$151,000) and staff costs (\$345,000).
2. ASX Listing Rule 4.7C.3: In item 6 of the attached Appendix 4C, payments to related parties of approximately \$74,000 comprising of Director services (\$61,000) and Non-Director Services – being registered office fees (\$3,000) and corporate advisory (\$10,000).

ENDS

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

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About Cycliq

Cycliq is an Australian-based smart safety, action and sport cycling company, manufacturing and marketing the world-first, all-in-one, light and camera safety system, the Fly6 and Fly12.

Cycliq has operations in Australia and China, with direct-to-consumer sales from the company website and Amazon, and access to more than 6,000 retail points of presence through a network of regional distributors and retail partners in the USA, UK, EU and Asia-Pacific.

Cycliq's ultra-high-definition cameras integrate powerful safety lights and are engineered with numerous safety functions to give cyclists peace of mind, so they can enjoy their ride. In the event of an incident, the cameras act as a black box, capturing everything that happens for later review.

More than 200,000 Cycliq products have been shipped around the world to over 50 countries since the company was founded in 2012.

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

***Unaudited Financial Statement Disclosure**

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