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Media & ASX Market Announcement
 Australian Securities Exchange

Significant improvement in FY operating position at year end, business stabilised for sustainable growth

Q4 & FY19 Highlights

- Net operating cash flow positive Q4 FY19 at \$0.052m
- 29% reduction in FY19 EBITDA loss to \$2m from \$2.8m in FY18.
- 45% reduction in H2 EBITDA loss to \$0.6m over H1 EBITDA loss of \$1.4m.
- 50% reduction in H2 operating costs to \$1.4m (down from \$2.9m in H1 FY19).
- Stable revenue at \$4.8m for FY19 (compared to \$4.9m in FY18).
- \$0.377m in cash at end of period, up from \$0.1m at end of Q3 FY19.
- Run rate operating costs in Q4 underpin a forecast reduction in annual operating expenses of \$1.25m.

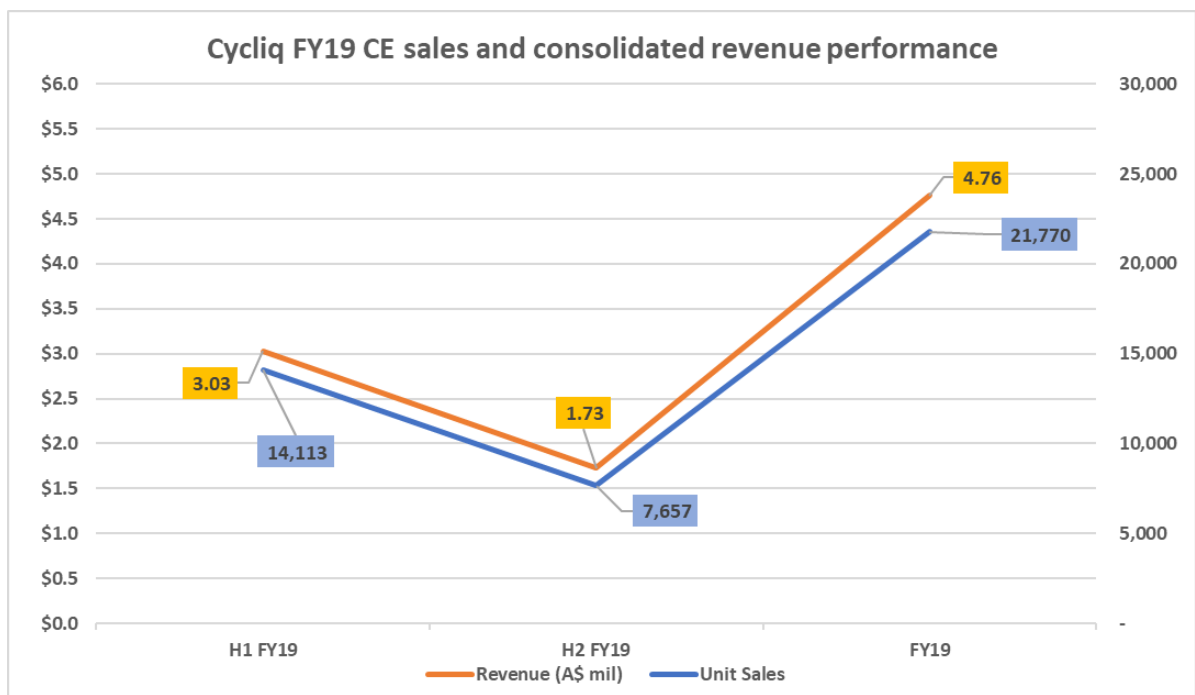
Cycliq Group Ltd (ASX: CYQ) has released its Appendix 4C Quarterly Report for the quarter ending 30 June 2019.

FY19 Performance

Total 'Connected Edition' unit sales for FY19 were 21,770 with a 50% increase in direct to consumer sales in the USA driven by increased advertising in this market over the past 6-9 months.

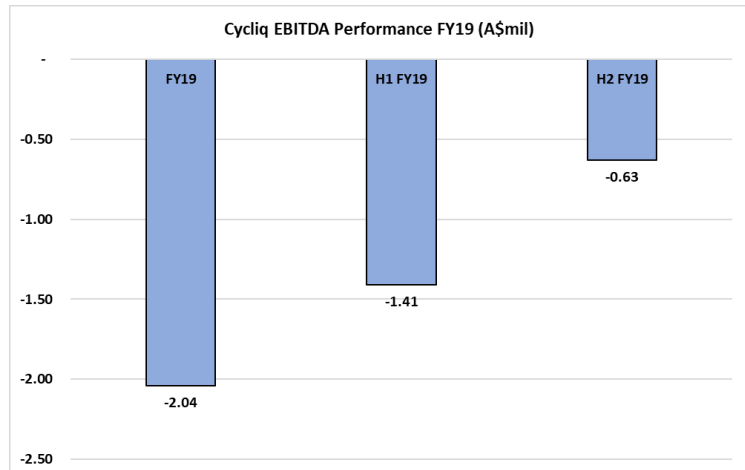
Sales with established distribution partners have grown over FY19 with almost 50% of quarterly sales coming from stable, repeat orders with major partners in the UK, EU and APAC.

Dramatic improvements in the operating position of the business have been made in H2 FY19, achieved from significant cost reduction measures put in place during Q4 FY19. These measures have resulted in a forecast \$1.25m run rate reduction in annualized operating expenses for FY20, with a renewed focus on ensuring sustainable and profitable growth on current sales projections.



Opportunities and outlook

Cycling safety continues to be a key driver of business opportunity in the industry with global players recognising that safety concerns prevent people from both taking up cycling and reduce the amount of time spent cycling for existing enthusiasts. Products which improve peace of mind for cyclists are increasing in popularity, and awareness of bike cameras as part of the solution to improved cyclist safety is on the rise.



The USA remains a focus with significant upside demonstrated from the increase in direct to consumer sales achieved in FY19 further qualifying the appetite for the product in this key market.

The focus in H1 FY20 is to sign on new distribution partners and further strengthen existing distribution relationships to increase consistency and volume of orders to align with the regular ordering profile of partners in the UK, EU and APAC.

ENDS

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About Cycliq

Cycliq is a cycling safety products company based in Perth, Australia, that produces the world-first dashcam for bikes, the rear-facing Fly6 and front-facing Fly12.

The Fly bike cameras integrate powerful safety lights and are engineered with multiple safety functions to give cyclists peace of mind, so they can enjoy their ride. In the event of an incident, the HD cameras act as dashcams, recording everything that happens for later review; from accidents and near-misses, to spectacular scenery. The powerful safety lights provide improved visibility on the roads.

More than 75,000 of the Fly bike dashcams have been shipped around the world to over 50 countries since the company was founded in 2012. Cycliq has operations in North America, 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 distribution and retail partners in the USA, Asia-Pacific, 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