

ASX RELEASE

30 April 2018

APPENDIX 4C QUARTERLY REPORT PERIOD ENDED 31 MARCH 2018

Highlights

- Record quarterly revenue of \$0.48 million, up 6% on prior quarter
- FY18 YTD enterprise revenue up \$0.35 million, compared with the prior comparable period and representing 27% of total revenue
- Customer cash receipts of \$0.51 million received during the quarter
- Data capabilities significantly expanded, with Russia, the CIS and China added to Kyckr's offering
- Benny Higgins, Former CEO of Tesco Bank assumes role of Executive Chair, and is already making significant contribution to the leadership of the Board and Company
- Commercial discussions continue to advance with several potential large enterprise customers

Kyckr Limited (ASX:KYK) (Kyckr or the Company), a regulatory technology company, is pleased to provide the following market update and information for the quarter ended 31 March 2018.

Financial Overview

Quarter ended 31 March 2018

For the quarter, Kyckr generated record revenues of \$0.48 million, an increase of 6% on the December 2017 quarter and includes first revenues from Bloomberg and Kyckr's Global Payment Provider customer.

The Company continues to shift the percentage of revenue generated towards higher margin enterprise services, reducing the concentration with a small number of regionally focussed customers, such as Bank of Ireland. For FY18 YTD, enterprise revenue represented 27% of total revenues and increased by \$0.35 million, when compared to the prior corresponding period.

Without any marketing spend, Kyckr's non-enterprise services (portal) delivered strong revenue growth, with its online web portal delivering a compound monthly growth rate (CMGR) of 7.4% and post-billed services growing at 4.7% CMGR for FY18 YTD. Strong growth is expected to continue in FY18, with the re-launch of Kyckr's web portal and sales and marketing investment planned for 1Q FY19.

For the quarter, total cash receipts were \$0.51 million and cash at the end of 31 March 2018 was \$2.03 million.

Operational Update

Data capabilities extended to include Russia, CIS and China

Kyckr extended its data capabilities, adding Russia, the Commonwealth of Independent States (CIS)¹ and China in two separate deals which are expected to be met with strong interest from new and existing customers.

¹ Commonwealth Independent States include Armenia, Azerbaijan, Belarus, Kazakhstan, Kyrgyzstan, Moldova, Russia, Tajikistan, Turkmenistan, Ukraine and Uzbekistan.



Under a 4-year agreement with Russian corporate information supplier, Seldon 2 LLC (Seldon), Kyckr will have direct access to quality intelligence on Russian and CIS companies and individuals, which is deeper than the current alternative sources accessible to date. The data will be incorporated into Kyckr's API for use by its customers to satisfy its Know Your Customer (KYC) and Anti-Money Laundering (AML) obligations.

Separately, Kyckr's API will be incorporated into Seldon's existing products and services, generating fees on a per-click basis as reports and other regulatory filings sourced by Kyckr are accessed by Seldon's customers.

Kyckr also add a credible source of Chinese company registry data to its capabilities, with this data now available to Kyckr's clients.

Collaboration with Norton Rose Fulbright

Continuing to work with companies across a wide range of sectors, Kyckr commenced a collaborative relationship with Norton Rose Fulbright Australia (NRF), as legal advisors to market services across Australia. The collaboration focusses on providing clients with specialised end-to-end solutions to meet AML and Counter-Terrorism Financing (CTF) obligations and the combined offering of Kyckr's data solutions with NRF's Australian regulatory support.

Corporate Overview

Benny Higgins steps into the role of Chair

In March, Benny Higgins, the retiring CEO of Tesco Bank stepped into the role of Executive Chairman of Kyckr. Benny will remain Executive Chairman of the Company for a period of up to 6 months, whilst Kyckr finalises the appointment of a European-based CEO from a shortlist of global executives. Benny will remain on the Board as Non-Executive Chair, once a new CEO is appointed.

In the short time since his appointment, Benny has embedded himself into the Company, playing an active role in the management and leadership of Kyckr. In early April, he visited Australia, conducting a range of shareholder briefings in Perth, Melbourne and Sydney, as part of a wider institutional roadshow and will shortly visit New York, where he will visit key customers.

David Reid appointed Chief Technology Officer

In March, Kyckr appointed David Reid as Chief Technology Officer. David's career has been focused on growing technology businesses, leading companies from early stage start-ups to highly scalable global businesses that meet the highest demands of customers. David is an entrepreneurial and driven Chief Technology Officer and was a founder of several companies. He is a facilitator and builder of world-class technology management and product development teams, with speciality in both start-up and scaled growth stages.

David's background and experience will be instrumental to the continued development of Kyckr's solutions and services.

Outlook

Kyckr remains focussed on providing its customers with innovative solutions that help them meet the constantly increasing challenges driven by global regulation. The Company continues to deepen its relationships with existing customers targeting revenue growth from an increased use of its primary source data offering base and embedding its perpetual KYC solution within its client's compliance and on-boarding processes.

Online portal growth is expected to continue to grow strongly, with a re-launch of the existing web-based offering planned for Q1 FY19. The re-launch will provide users with an easier to use customer interface and will be supported by marketing activity to drive product and brand awareness and sales.



Additionally, Management continues to advance commercial discussions with several large enterprise customers, which if secured, would be significant in increasing Kyckr's profile.

Ends.

About Kyckr Limited

Kyckr is a global regulatory technology (RegTech) business, providing technology solutions. Kyckr's solutions are connected to over 200 regulated primary sources, in over 120 countries, providing real-time company registry information on over an estimated 80 million businesses globally. Kyckr provides automated technology solutions to improve the efficiency and effectiveness of Corporate KYC.

To learn more about Kyckr, visit www.kyckr.com

For further enquiries, please contact:

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Appendix 4C

Quarterly report for entities subject to Listing Rule 4.7B

Introduced 31/03/00 Amended 30/09/01, 24/10/05, 17/12/10, 01/09/16

Name of entity

Kyckr Limited

ABN

38 609 323 257

Quarter ended ("current quarter")

31 March 2018

Consolidated statement of cash flows	Current quarter \$A'000	Year to date (9 months) \$A'000
1. Cash flows from operating activities		
1.1 Receipts from customers	510	1,353
1.2 Payments for		
(a) research and development	-	-
(b) product manufacturing and operating costs	(192)	(302)
(c) advertising and marketing	-	-
(d) leased assets	-	-
(e) staff costs	(838)	(2,079)
(f) administration and corporate costs	(556)	(1,478)
1.3 Dividends received (see note 3)	-	-
1.4 Interest received	11	26
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes paid	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other	-	-
1.9 Net cash from / (used in) operating activities	(1,065)	(2,480)

2. Cash flows from investing activities		
2.1 Payments to acquire:		
(a) property, plant and equipment	(8)	(82)
(b) businesses (see item 10)	-	-
(c) investments	-	-
(d) intellectual property	(23)	(23)
(e) other non-current assets	-	-

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) property, plant and equipment	-	-
	(b) businesses (see item 10)	-	-
	(c) investments	-	-
	(d) intellectual property	-	-
	(e) other non-current assets	-	-
2.3	Cash flows from loans to other entities	-	-
2.4	Dividends received (see note 3)	-	-
2.5	Other (provide details if material)	-	-
2.6	Net cash from / (used in) investing activities	(31)	(105)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of shares	-	2,000
3.2	Proceeds from issue of convertible notes	-	-
3.3	Proceeds from exercise of share options	-	-
3.4	Transaction costs related to issues of shares, convertible notes or options	-	(132)
3.5	Proceeds from borrowings	-	-
3.6	Repayment of borrowings	-	-
3.7	Transaction costs related to loans and borrowings	-	-
3.8	Dividends paid	-	-
3.9	Other (provide details if material)	-	-
3.10	Net cash from / (used in) financing activities	-	1,868

4.	Net increase / (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of quarter/year to date	3,086	2,671
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,065)	(2,480)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(31)	(105)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	-	1,868

Consolidated statement of cash flows		Current quarter \$A'000	Year to date (9 months) \$A'000
4.5	Effect of movement in exchange rates on cash held	38	74
4.6	Cash and cash equivalents at end of quarter	2,028	2,028

5.	Reconciliation of cash and cash equivalents at the end of the quarter (as shown in the consolidated statement of cash flows) to the related items in the accounts	Current quarter \$A'000	Previous quarter \$A'000
5.1	Bank balances	2,028	2,610
5.2	Call deposits	-	476
5.3	Bank overdrafts	-	-
5.4	Other (provide details)	-	-
5.5	Cash and cash equivalents at end of quarter (should equal item 4.6 above)	2,028	3,086

6. Payments to directors of the entity and their associates

- 6.1 Aggregate amount of payments to these parties included in item 1.2
- 6.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 6.3 Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2

Current quarter \$A'000
100
-

Directors' fees and consulting fees at normal commercial rates

7. Payments to related entities of the entity and their associates

- 7.1 Aggregate amount of payments to these parties included in item 1.2
- 7.2 Aggregate amount of cash flow from loans to these parties included in item 2.3
- 7.3 Include below any explanation necessary to understand the transactions included in items 7.1 and 7.2

Current quarter \$A'000
-
-


8. Financing facilities available <i>Add notes as necessary for an understanding of the position</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
8.1 Loan facilities	-	-
8.2 Credit standby arrangements	-	-
8.3 Other (please specify)	-	-
8.4 Include below a description of each facility above, including the lender, interest rate and whether it is secured or unsecured. If any additional facilities have been entered into or are proposed to be entered into after quarter end, include details of those facilities as well.		

9. Estimated cash outflows for next quarter	\$A'000
9.1 Research and development	-
9.2 Product manufacturing and operating costs	(185)
9.3 Advertising and marketing	-
9.4 Leased assets	-
9.5 Staff costs	(868)
9.6 Administration and corporate costs	(465)
9.7 Other (provide details if material)	-
9.8 Total estimated cash outflows	(1,518)

10. Acquisitions and disposals of business entities (items 2.1(b) and 2.2(b) above)	Acquisitions	Disposals
10.1 Name of entity	-	-
10.2 Place of incorporation or registration	-	-
10.3 Consideration for acquisition or disposal	-	-
10.4 Total net assets	-	-
10.5 Nature of business	-	-

Compliance statement

- 1 This statement has been prepared in accordance with accounting standards and policies which comply with Listing Rule 19.11A.
- 2 This statement gives a true and fair view of the matters disclosed.

Sign here: .....
Company secretary

Date: 30th April 2018

Print name: Karl Pechmann

Notes

1. The quarterly report provides a basis for informing the market how the entity's activities have been financed for the past quarter and the effect on its cash position. An entity that wishes to disclose additional information is encouraged to do so, in a note or notes included in or attached to this report.
2. If this quarterly report has been prepared in accordance with Australian Accounting Standards, the definitions in, and provisions of, *AASB 107: Statement of Cash Flows* apply to this report. If this quarterly report has been prepared in accordance with other accounting standards agreed by ASX pursuant to Listing Rule 19.11A, the corresponding equivalent standard applies to this report.
3. Dividends received may be classified either as cash flows from operating activities or cash flows from investing activities, depending on the accounting policy of the entity.