

23 October 2023

**Media & ASX Market Announcement**

Australian Securities Exchange

## Consistent sales & continued investment in inventory

### Q1 Highlights

- **Strong, on-forecast, receipts from customers of \$865,000**
- **Increased production and manufacturing costs - reflecting investment into stock to prepare for Black Friday and Cyber November**
- **Receipt of a \$244,000 refund under the Federal Governments Research and Development Tax incentive Scheme**

Cycliq Group Ltd ('Cycliq' or 'the Company') (ASX: CYQ) has released its Appendix 4C Quarterly Report for the quarter ending 30 September 2023.

### **Q1 Performance**

Q1 delivered a strong performance of \$865,000 in cash receipts from customers – a slight 3% decrease from the same quarter in 2022, which was when the Fly 12 Sport was first launched to the market.

This quarter, we allocated a portion of our substantial cash reserves to enhance our stock holdings and production capabilities, specifically gearing up for the Black Friday sales and the anticipated holiday season demand. As a result, our manufacturing and operational expenditure saw an 85% increase compared to Q1 2022.

The Company continued its rigorous quality and control testing on its upcoming "Hero" product. Following the identification and incorporation of further product enhancements, the product launch will take place after the holiday season. This allows the Company to optimise current stock levels and permit greater sell-through of existing product lines.

### **Opportunities and Outlook**

Q2 2024 is set to be a busy period for Cycliq - highlighted by significant events such as Black Friday and Cyber November. To maximise this opportunity, we've launched advertising campaigns in the US to amplify our brand's presence and attract potential customers during the holiday season.

Public sentiment towards the Cycliq brand continues to grow positively. As of the end of the quarter, our brand trustworthiness is evident, showcasing a 3.7-star rating on Trust Pilot, improved from a 2.4-star rating at Q4 2022.

We're optimistic about our upcoming "Hero" product, which is progressing well through its development and production stages. Its market debut slated for Q3 2024.

Additionally, the UpRide cycling awareness platform is gaining traction. There's been a significant increase in user engagement, with total viewership surpassing 36,000 minutes per month.

### **Corporate**

During the quarter, on 19 September 2023, the Company announced the receipt of a \$244,000 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 \$359,000. The Company's operational expenses mainly comprised of product and manufacturing costs (\$780,000), administration and corporate costs (\$146,000) and staff costs (\$331,000).
2. ASX Listing Rule 4.7C.3: In item 6 of the attached Appendix 4C, payments to related parties of approximately \$44,000 comprising of Director services (\$31,000) 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](http://www.cycliq.com)