



Appendix 4C
Quarterly report for entities subject to Listing Rule 4.7B

Name of entity

Cycliq Group Limited - CYQ.AX

ABN

47 119 749 647

Quarter ended ("current quarter")

30 June 2021

Consolidated Statement of Cash Flows		Current quarter 30 June 2021 \$A'000	Year to date 12 months \$A'000
1. Cash flows related to operating activities			
1.1 Receipts from customers		524	3,349
1.2 Payments for		-	-
(a) research and development		(12)	(28)
(b) product manufacturing and operating costs		(1,175)	(3,537)
(c) advertising and marketing		(89)	(363)
(d) leased assets		(13)	(49)
(e) staff costs		(737)	(1,662)
(f) administration and corporate costs		(459)	(695)
1.3 Dividends received (see note 3)		-	-
1.4 Interest received		-	-
1.5 Interest and other costs of finance paid		-	(15)
1.6 Income taxes paid		-	-
1.7 Government grants and tax incentives		-	595
1.8 Other (provide details if material)		22	(211)
1.9 Net Operating Cash Flows		(1,939)	(2,616)
2. Cash flows related to investing activities			
2.1 Payments to acquire:			
(a) entities		-	-
(b) businesses		-	(3)
(c) property, plant and equipment		-	-
(d) investments		-	-
(e) intellectual property		(5)	(23)
(f) other non-current assets		-	-
2.2 Proceeds from disposal of:			
(a) entities		-	-
(b) businesses		-	-
(c) property, plant and equipment		-	-
(d) investments		-	-
(e) intellectual property		-	-
(f) 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 Investing Cash Flows		(5)	(26)
3. Cash flows related to financing activities			
3.1 Proceeds from issues of equity securities (excluding convertible debt securities)		4,147	4,565
3.2 Proceeds from issue of convertible debt securities		500	500
3.3 Proceeds from exercise of options		-	-
3.4 Transaction costs related to issues of equity securities or convertible debt securities		(280)	(305)
3.5 Proceeds from borrowings		-	788
3.6 Repayment of borrowings		(225)	(1,082)
3.7 Transaction costs related to loans and borrowings		(34)	(83)
3.8 Dividends paid		-	-
3.9 Other (provide details if material)		-	(6)
3.10 Net Financing Cash Flows		4,108	4,377
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		131	658
4.2 Net cash from / (used in) operating activities (item 1.9 above)		(1,939)	(2,616)
4.3 Net cash from / (used in) investing activities (item 2.6 above)		(5)	(26)
4.4 Net cash from / (used in) financing activities (item 3.10 above)		4,108	4,377
4.5 Effect of movement in exchange rates on cash held		(48)	(146)
4.6 Cash and cash equivalents at end of quarter		2,247	2,247

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	2,247	131
5.2	Call Deposits	-	-
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)	2,247	131

6.	Payments to directors of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to these parties included in item 1	99
6.2	Aggregate amount of cash flow from loans to these parties included in item 2	-
6.3	Include below any explanation necessary to understand the transactions included in items 6.1 and 6.2	
Payment of director fees		

7.	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
7.1	Loan facilities	285	285
7.2	Credit standby arrangements	-	-
7.3	Other (please specify)	-	-
7.4	Total financing facilities	285	285
7.5	Unused financing facilities available at quarter end		-
7.6	Include in the box below a description of each facility above, including the lender, interest rate, maturity date and whether it is secured or unsecured. If any additional financing facilities have been entered into or are proposed to be entered into after quarter end, include a note providing details of those facilities as well.		
Secured funding facility with private investment firm: Trade Finance - Interest rate @ 1.1% (Funding up to 100% of Purchase orders available) Invoice Finance - Interest rate @ 0.9% (Funding up to 90% of sales invoices available) Amount drawn at 30 June 2021 - \$295k			

8.	Estimated cash available for future operating activities	\$A'000
8.1	Net cash from / (used in) operating activities (item 1.9)	(1,939)
8.2	Cash and cash equivalents at quarter end (item 4.6)	2,247
8.3	Unused finance facilities available at quarter end (item 7.5)	-
8.4	Total available funding (item 8.2 + item 8.3)	2,247
8.5	Estimated quarters of funding available (item 8.4 divided by item 8.1)	(1)

Note: if the entity has reported positive net operating cash flows in item 1.9, answer item 8.5 as "N/A". Otherwise, a figure for the estimated quarters of funding available must be included in item 8.5.

8.6 If item 8.5 is less than 2 quarters, please provide answers to the following questions:

8.6.1 Does the entity expect that it will continue to have the current level of net operating cash flows for the time being and, if not, why not?

Answer: No. The Company made payments to suppliers of approximately \$738k for invoices relating to previous periods and employee entitlement payouts as part of the completed cost-cutting plans. In addition shipping costs of \$257k relating to previous periods and deposit payments of \$244k relating to upcoming production runs all contributed to an atypical increase in operating cash outflows for the quarter.

8.6.2 Has the entity taken any steps, or does it propose to take any steps, to raise further cash to fund its operations and, if so, what are those steps and how likely does it believe that they will be successful?

Answer: No, the Company anticipates a decrease in operating cash outflows for the next quarter when compared to this quarter for the reasons outlined above and the completed cost-management initiatives. The company also anticipates an increase in cash inflows from product sales.

8.6.3 Does the entity expect to be able to continue its operations and to meet its business objectives and, if so, on what basis?

Answer: Yes, the company will be able to continue to meet its business objectives in line with its business plans.

Note: where item 8.5 is less than 2 quarters, all of questions 8.6.1, 8.6.2 and 8.6.3 above must be answered.

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.

Date: Tuesday, 27 July 2021

Authorised by: The Board of Cycliq Group Limited
(Name of body or officer authorising release - see note 4)

Notes

- 1 This quarterly cash flow report and the accompanying activity report provide a basis for informing the market about the entity's activities for the past quarter, how they have been financed and the effect this has had on its cash position. An entity that wishes to disclose additional information over and above the minimum required under the Listing Rules is encouraged to do so.
- 2 If this quarterly cash flow 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 cash flow 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.
- 4 If this report has been authorised for release to the market by your board of directors, you can insert here: "By the board". If it has been authorised for release to the market by a committee of your board of directors, you can insert here: "By the [name of board committee – eg Audit and Risk Committee]". If it has been authorised for release to the market by a disclosure committee, you can insert here: "By the Disclosure Committee".
- 5 If this report has been authorised for release to the market by your board of directors and you wish to hold yourself out as complying with recommendation 4.2 of the ASX Corporate Governance Council's Corporate Governance Principles and Recommendations, the board should have received a declaration from its CEO and CFO that, in their opinion, the financial records of the entity have been properly maintained, that this report complies with the appropriate accounting standards and gives a true and fair view of the cash flows of the entity, and that their opinion has been formed on the basis of a sound system of risk management and internal control which is operating effectively.