



(ASX:KYK) Q1 FY22 Quarterly Activities Report

19 October 2021

Kyckr reports third consecutive record quarter of revenues



Q122 Highlights

Financial

- Revenue of \$869K, up 32% prior year (5% prior quarter) - a third consecutive record quarter for Kyckr
- Ending Annual Recurring Revenue (ARR) of \$1.95M, up 291% prior year (30% prior quarter), supported by improved organic growth in existing customer and partner businesses
- Ending Net Revenue Retention (NRR) of 130%, also driven by increased demand for services from existing customers and partners
- Cash balance of \$11.4M as at 30 September (incorporating an oversubscribed \$7.75M capital raise completed in this reporting period)

Operational

- Data services and software services business separated with an enhanced focus and investment in sales capabilities across each division
- API integration builds into partner platforms continued during this reporting, supporting sales prospecting in the forthcoming quarters
- New Enterprise Portal on track to be launched with existing customers in Q3 FY22, and will improve scale capabilities and enhance user experience
- Appointment of key full time business roles in new Chief Financial Officer/Company Secretary (Glenn Day); Global Sales Director (Richard Barber) and governance changes with reduction in Board size; and appointment of new Chair (Rajarshi Ray); Non-Executive Director (George Venardos)
- All current Non-Executive Director compensation arrangements reduced to a nominal \$1 until 1 January 2022

Record performance across all key business metrics



\$000	Q1FY21	Q2FY21	Q3FY21	Q4FY21	Q1FY22*	PCP**
Revenue	658	625	660	829	869	+32%
Annual Recurring Revenue (ARR)	500	750	1,000	1,500	1,955	+291%
Net Revenue Retention (NRR)	100%	150%	133%	150%	130%	
Expenses	1,526	1,775	1,898	1,717	1,726	+13%
Direct Costs***	296	317	360	204	396	+34%

* Unaudited, unless otherwise stated

** Previous corresponding period (PCP) is Q1 FY21

*** Fees and costs related to documents and registry data

- 3rd consecutive quarter of revenue growth culminating in record quarterly revenue \$869K (up 32% year on year) driven by growth from existing customers and partners.
- Key business metrics all showed significant improvements or continued strong performance year on year, including:
 - ARR of \$1.95M (up 291%)
 - NRR of 130% (up 30%)
 - 100% client retention (flat)
- Continued targeted investment in the Kyckr data and software business, focusing on new revenues and future cost outs via expense control (from further reduction in non-salary overheads from prior periods)
- Cash receipts down on prior quarter due to transition from “pay as you go” to ARR contracts; timing of existing contract renewals and annual seasonality of Q1 results (viz. European holiday season).
- Related party payments of \$29K were paid in July, which represent the totality of Director fees paid in the period. As previously disclosed, all current Non-Executive Director fees were reduced to a nominal \$1 for the period 1 August 2021 to 1 January 2022.

Continued development investment across business divisions



DATA FEEDS & ENRICHED DATA

Direct

Transactional, document provision to client, API based, direct to client data feeds into workflows

- Five (5) new connections to UBO registries
- New Enhanced Company Profile launched (China)
- Two (2) new API connections (France & Denmark)
- Enterprise Portal project on track for launch in Q3 FY22
- Proof of concept Optical Character Recognition (OCR) project for data enrichment in progress

69% of revenues

191 real time Registry data feeds (up 3% pcp)

Partner

At call data feeds into partner software solutions

- One (1) new API integration

26% of revenues

SOFTWARE

KYC SaaS

UBO Verify; Company Watch

- UBO Verify Phase 1 launch in four markets

5% of revenues

- Data division performed ahead of management expectation with launch of multiple new feeds and enhanced data capabilities for new markets
- New API integrations for Enterprise and Partner Data Divisions to help margin via reduced operating cost and customer acquisition costs
- Key technology development 'Enterprise Portal' on time and on budget for Q3 FY22
- Rollout of Phase 1 launch of **UBO Verify** to validate company beneficial ownership commenced for United Kingdom, Ireland, New Zealand and Singapore
- Increased technology investment focus is on leveraging core Kyckr USP of real time global corporate registry data to accelerate growth by enhancing scalability, number of feeds, API integrations and sales of complementary software solutions

This ASX announcement was authorised for release by the Kyckr Limited Board of Directors.

About Kyckr Limited

Kyckr is a B2B information services company that aggregates, organises and structures the world's primary source company data to help businesses reduce the risks associated with counterparty relationships. Unlike traditional data companies which source data from multiple, secondary sources, Kyckr provides accurate data with trusted, legally-authoritative provenance. This helps organisations to avoid the significant regulatory and commercial costs associated with using poor quality data. Through the combination of accurate data with innovative technology, Kyckr's solutions help businesses to succeed in the fight against fraud, money laundering and financial crime.

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

For further enquiries, please contact:

Ian Henderson, Chief Executive Officer, Kyckr

Email: investor.relations@kyckr.com

Phone: +44 (0) 7733 806 750

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Not an offer

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Financial data

All amounts are in Australian Dollars (\$) or AUD) unless otherwise indicated. A number of figures, amounts, percentages, estimates, calculations of value and fractions in this presentation are subject to the effect of rounding. Accordingly, the actual calculation of these figures may differ from the figures set out in this presentation.

Future performance

Forward-looking statements are statements about matters that are not historical facts. Forward-looking statements appear in a number of places in this presentation and include statements regarding KYK's intent, belief or current expectations with respect to business and operations, market conditions, results of operations and financial conditions, including, without limitation, forecasted economic indicators and performance metric outcomes. This presentation contains words such as 'will', 'may', 'expect', 'indicative', 'intend', 'seek', 'would', 'should', 'could', 'continue', 'plan', 'probability', 'risk', 'forecast', 'likely', 'estimate', 'anticipate', 'believe', or similar words to identify forward-looking statements. Indications of, and guidance or outlook on, future earnings or financial position or performance are also forward-looking statements. These forward-looking statements reflect KYK's current views with respect to future events and are subject to change, certain risks, uncertainties and assumptions which are, in many instances, beyond the control of KYK, and have been made based upon KYK's expectations and beliefs concerning future developments and their potential effect on KYK. There can be no assurance that future developments will be in accordance with KYK's expectations. A number of important factors could cause KYK's actual results to differ materially from the plans, objectives, expectations, estimates and intentions expressed in such forward-looking statements, including but not limited to, general economic conditions globally in which KYK or its related bodies corporate operate; exchange rates; competition in the markets in which KYK will operate, the inherent regulatory risks in the businesses of KYK and the duration of the COVID-19 pandemic. Assumptions on which forward-looking statements in this presentation are based may or may not prove to be correct and there can be no assurance that actual outcomes will not differ materially from these statements. None of the Associated Persons nor any other person referred to in this presentation makes any representation as to the accuracy or likelihood of fulfilment of the forward-looking statements or any of the assumptions upon which they are based. When relying on forward-looking statements to make decisions with respect to KYK, investors and others should carefully consider such factors and other uncertainties and events. KYK is under no obligation to update any forward-looking statements contained in this presentation, as a result of new information, future events or otherwise, after the date of this presentation. As such, undue reliance should not be placed on any forward-looking statement.

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Appendix 4C

Quarterly Kyckr cash flow report for entities subject to Listing Rule 4.7B

Name of entity

Kyckr Limited

ABN

38 609 323 257

Quarter ended ("current quarter")

30-Sep-21

Consolidated statement of cash flows	Current \$A'000	Year to date (3 months) \$A'000
1. Cash flows related to operating activities		
1.1 Receipts from customers	718	718
1.2 Payments for		
(a) research and development	(225)	(225)
(b) product manufacturing and operating costs	(431)	(431)
(c) advertising and marketing	(39)	(39)
(d) leased assets	-	-
(e) staff costs	(769)	(769)
(f) administration and corporate costs	(642)	(642)
1.3 Dividends received	-	-
1.4 Interest received	2	2
1.5 Interest and other costs of finance paid	-	-
1.6 Income taxes benefit (paid)	-	-
1.7 Government grants and tax incentives	-	-
1.8 Other transaction costs in acquisition of subsidiary	-	-
1.9 Net cash from / (used in) operating activities	(1,386)	(1,386)
2 Cash flows from investing activities		
2.1 Payments to acquire:		
(a) entities	-	-
(b) businesses	-	-
(c) property, plant and equipment	(6)	(6)
(d) investments	-	-
(e) intellectual property	-	-
(f) other non-current assets	-	-

Consolidated statement of cash flows		Current \$A'000	Year to date (3 months) \$A'000
2.2	Proceeds from disposal of:		
	(a) entities	-	-
	(b) businesses	-	-
	(c) property, plant and equipment	-	-
	(d) investments	-	-
	(e) intellectual property	-	-
	(f) other noncurrent 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	(6)	(6)

3.	Cash flows from financing activities		
3.1	Proceeds from issues of equity securities (excluding convertible debt securities)	7,750	7,750
3.2	Proceeds from issue of convertible debt securities	-	-
3.3	Proceeds from exercise of options	-	-
3.4	Transaction costs related to issues of equity securities or convertible debt securities	(327)	(327)
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	7,423	7,423

4.	Net increase/ (decrease) in cash and cash equivalents for the period		
4.1	Cash and cash equivalents at beginning of period	5,341	5,341
4.2	Net cash from / (used in) operating activities (item 1.9 above)	(1,386)	(1,386)
4.3	Net cash from / (used in) investing activities (item 2.6 above)	(6)	(6)
4.4	Net cash from / (used in) financing activities (item 3.10 above)	7,423	7,423
4.5	Effect of movement in exchange rates on cash held	(9)	(9)
4.6	Cash and cash equivalents at end of period	11,363	11,363

Quarterly cash flow report for entities subject to Listing Rule 4.7B

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	11,363	5,341
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 4.6 above)	11,363	5,341

6.	Payments to related parties of the entity and their associates	Current quarter \$A'000
6.1	Aggregate amount of payments to related parties and their associates included in item 1	29
6.2	Aggregate amount of payments to related parties and their associates included in item 2	-

Note: if any amounts are shown in items 6.1 or 6.2, your quarterly activity report must include a description of, and an explanation for, such payments

7.	Financing facilities <i>Note: the term "facility" includes all forms of financing arrangements available to the entity. Add notes as necessary for an understanding of the sources of finance available to the entity.</i>	Total facility amount at quarter end \$A'000	Amount drawn at quarter end \$A'000
7.1	Loan facilities		
7.2	Credit standby arrangements		
7.3	Other (please specify)		
7.4	Total financing facilities		
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.		

Quarterly cash flow report for entities subject to Listing Rule 4.7B

8. Estimated cash available for future operating activities	\$A'000
8.1 Net cash from / (used in) operating activities (Item 1.9)	(1,386)
8.2 Cash and cash equivalents at quarter end (Item 4.6)	11,363
8.3 Unused finance facilities available at quarter end (Item 7.5)	-
8.4 Total available funding (Item 8.2 + Item 8.3)	11,363
8.5 Estimated quarters of funding available (Item 8.4 divided by Item 8.1)	8.2
<i>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.</i>	
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?	
	N/A
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?	
	N/A
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?	
	N/A
<i>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.</i>	

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 does give a true and fair view of the matters disclosed.

Date 19 October 2021

Authorised by: The Kyckr Limited Board of Directors
(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.*