

## Cyber 1 carries out a fully guaranteed rights issue of units of approximately EUR 1.774 million

**Cyber Security 1 AB (publ), reg.no. 556135-4811 ("Cyber 1" or the "Company"), which is listed on Nasdaq First North Growth Market ("Nasdaq First North"), has today, subject to approval by the Annual General Meeting ("AGM"), resolved to carry out an issue of shares and warrants ("Units") with preferential rights for existing shareholders of approximately EUR 1.774 million before issue costs (the "Rights Issue"). Upon full exercise of all warrants, Cyber 1 may receive additional issue proceeds of approximately EUR 1.774 million before issue costs. The Rights Issue is to 100 percent covered by external guarantee commitments from an external qualified investor. The Rights Issue requires approval at the AGM on 29 June, 2021. Notice to the AGM will be published in a separate press release.**

### **Background and motive to the Rights Issue**

In May 2020, the Cyber 1 filed for company reorganization. During the reorganization process, the Company, together with the appointed reorganization administrators and external advisors, has implemented savings measures and initiated strategic transformations of the business of the Cyber group.

With regard to the financial reorganization (debt write-down) and the conclusion of the reorganization process, and as communicated in press releases on 11 May 2021 and 12 May 2021, the Company has filed an application for composition hearings (Sw; ackordsförhandling), including a composition proposal entailing a twenty-five (25) per cent pay-out of the Company's subordinated debt accrued before the commencement of the reorganization, equating to a write-down of seventy-five (75) per cent of the relevant debt. The composition hearings will take place in the Stockholm District Court at 15:00 CET on 7 June 2021. The Rights Issue is thus subject to (i) the Stockholm District Court deciding on a composition agreement in line with the Company's proposal and (ii) shareholder's approval at the AGM on 29 June 2021.

The motive for the Rights Issue is to contribute to the financing of the composition payment in order to conclude the reorganization process as well as to provide necessary growth capital for the continued operations of the Company's reorganized business.

*CYBER1 Chairman Johan Bolsenbroek commented: "Following the positive Q1 2021 results, the company has made positive strides on the present and forward looking objectives for CYBER1. The Company has made progress on the legacy matters via the reconstruction and the filing of the court hearings. The proposed 75% write down is one of the final components to close on the historical challenges and to begin looking forward to the company's strategic journey ahead, based on a sound financial foundation. We believe that the current subscription price for this rights issue is attractive to existing and new shareholders, based on the initial reporting from Q1 2021 and discount to the current market price today. The rights issue is the catalyst for CYBER1 to propel itself forward and we are excited to bring new investors into our community."*

## Terms and Conditions for the Rights Issue

- Registered shareholders in Cyber 1 on the record date have a preferential right to subscribe for Units in relation to the existing shareholding in the Company. Shareholders in the Company receive one (1) unit right for each two (2) shares held on the record date.
- Two (2) unit rights entitle to subscription of one (1) Unit in the Company. Each Unit contains one (1) newly issued share and one (1) warrant of series 2021 issued free of charge.
- The Rights Issue comprise a maximum of 174,445,113 Units and thus entails an issue of a maximum of 174,445,113 shares and a maximum of 174,445,113 warrants of series 2021.
- The subscription price is EUR 0.01 per Unit, which corresponds to a subscription price of EUR 0.01 per share. Warrants are issued free of charge.
- The subscription period for Units runs from and including 5 July 2021 to and including 19 July 2021.
- If not all Units are subscribed for by exercise of unit rights, allotment of the remaining Units shall be made within the highest amount of the Rights Issue: firstly, to those who have subscribed for Units by exercise of unit rights (regardless of whether they were shareholders on the record date or not) and who have applied for subscription of Units without exercise of unit rights and if allotment to these cannot be made in full, allotment shall be made pro rata in relation to the number of unit rights that each and every one of those, who have applied for subscription of Units without exercise of unit rights, have exercised for subscription of Units; secondly, to those who have applied for subscription of Units without exercise of unit rights and if allotment to these cannot be made in full, allotment shall be made pro rata in relation to the number of Units the subscriber in total has applied for subscription of Units; and thirdly, to those who have provided guarantee commitments regarding subscription of Units, in proportion to such guarantee commitments. To the extent that allotment in any section above cannot be done pro rata, allotment shall be determined by drawing of lots.
- Through the Rights Issue, the number of shares in Cyber 1 will increase by a maximum of 174,445,113 shares, from 348,890,226 shares to 523,335,339 shares, and the share capital will increase by a maximum of EUR 45,704.619606, from EUR 91,308.621395 to EUR 137,013.241001. Upon full subscription in the Rights Issue, the Company receives initial issue proceeds of approximately EUR 1.774 million before issue costs and excluding the additional capital contribution that may be added when warrants are exercised.
- The Rights Issue entails a dilution of approximately 33.3 percent for the shareholders who do not participate in the Rights Issue. In the event all warrants are fully exercised, the number of shares will increase by an additional 174,445,113 shares to 697,780,452 shares and the share capital will increase by an additional EUR 45,704.619606 to EUR 182,818.478424. This corresponds to a further dilution from the warrants of 25 percent. Upon a fully subscribed Rights Issue and full exercise of the warrants, the total dilution can amount to a maximum of 50 percent.
- Trading in Paid Subscribed Units (Sw. "BTU") is expected to take place on Nasdaq First North from 5 July 2021 until conversion to shares and warrants takes place after the Rights Issue has been registered with the Swedish Companies Registration Office (Sw. Bolagsverket). Registration with the Swedish Companies Registration Office is expected to take place around week 31, 2021.

## *Terms and Conditions for warrants series 2021*

- One (1) warrant of series 2021 entitles to subscribe for one (1) new share in the Company, during the period from and including 25 July 2022 to and including 8 August 2022

against cash payment of EUR 0.01 per share. In the event the warrants are fully exercised, the Company receives additional issue proceeds of approximately EUR 1.774 million before issue costs via the warrants. The full industry standard warrant terms will be made public in connection with the notice to the AGM.

- The warrants are intended to be admitted to trading on Nasdaq First North after final registration of the Rights Issue with the Swedish Companies Registration Office.

### **Guarantee undertaking**

The Rights Issue is covered by a guarantee undertaking from an external investor corresponding to 100 percent of the issue proceeds (EUR 1.774 million). The guarantee undertaking commission is adapted to the prevailing market situation and will be paid in cash at ten (10) percent of the guaranteed amount, or through newly issued shares and warrants on terms equal to the Units Issue corresponding to a value of fifteen (15) percent of the guaranteed amount, subject to the guarantor's decision. The guarantee undertaking is not secured through a bank guarantee, blocked funds or pledge of collateral or similar arrangements. More detailed information regarding the issue guarantor will be presented in the investment memorandum that will be published before the commencement of the Rights Issue subscription period.

### **Preliminary timetable**

29 June 2021: Annual General Meeting (AGM)

29 June 2021: Last day of trading in the share with the right to participate in the Rights Issue

1 July 2021: Publication of the investment memorandum (estimated)

1 July 2021: Record date for participation in the Rights Issue

5 July – 19 July 2021: Subscription period

5 July – 14 July 2021: Trading period for unit rights

22 July 2021: Estimated date for publication of the outcome of the Rights Issue

### **Annual General Meeting**

The Board's resolution on the Rights Issue is subject to approval by the AGM on 29 June 2021. Notice to the AGM will be announced in a separate press release. Due to Covid-19 the AGM will be held only by advance voting (postal vote) in accordance with temporary legislation.

### **Investment memorandum**

Complete terms and conditions for the Rights Issue and other information about the Company will be disclosed in an investment memorandum which will be published by the Company not later than one day before the commencement of the Units Issue subscription period. The information in this press release does not contain or constitute an offer to acquire, subscribe or

otherwise trade in shares, warrants or other securities in Cyber 1. Any invitation to the persons concerned to subscribe for Units in Cyber 1 will only be made through the investment memorandum and related materials such as teasers and subscription forms.

## Financial and legal advisors

Mangold Fondkommission AB is financial advisor and Antwoord Consulting AB is legal advisor to Cyber 1 in connection with the Rights Issue.

## For further information, please contact:

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## About CYBER1

CYBER1 is engaged in providing cyber resilience solutions and conducts its operations through presences in Sweden, South Africa, United Arab Emirates, Kenya and the UK. Listed on Nasdaq First North Growth Market (Nasdaq: [CYB1.ST](#)), the Group delivers services and technology licenses to enhance clients' protections against unwanted intrusions, to provide and enhance cyber resilience and to prevent various forms of information theft. CYBER1 had revenues of €27.36m in 2020.

For further information, please visit [www.cyber1.com/investors](http://www.cyber1.com/investors).

For all company filings and reports, please visit: <https://cyber1.com/cyber1-investor-information/>

*This information is information that Cyber Security 1 is obliged to make public pursuant to the EU Market Abuse Regulation. The information was submitted for publication, through the agency of the contact persons set out above, at 2021-05-27 13:50 CEST.*

## Attachments

[Cyber 1 carries out a fully guaranteed rights issue of units of approximately EUR 1.774 million](#)