

## CYBER1 signs Sale and Purchase Agreements for acquisitions of 50% of Cyber Security South Africa and Cyber Security Africa Distribution

- **CYBER1 acquires 50% of Cyber Security South Africa ("CSSA") and Cyber Security Africa Distribution ("CSAD").**
- **Both CSSA and CSAD are prominent cyber security providers within Africa, with a complementing vendor portfolio, technical expertise and management with leading cyber security capabilities.**
- **Combined CSSA and CSAD revenues in 2020 were EUR 7.92m.**
- **Total consideration for 50 % of CSSA and CSAD are EUR 635,000, comprising of 63,500,000 units being issued, subject to shareholders' approval, on terms equal to the units issue presented by the Company in a press release on 27 May 2021. (the "Units Issue") where each unit shall comprise of one (1) ordinary share at EUR 0.01 and one (1) gratuitous warrant**
- **Acquisition terms include exclusivity rights for CYBER1 to purchase remaining 50 percent of CSSA and CSAD before 30 September 2022.**

Stockholm, Sweden– 31 May 2021 – Cyber Security 1 AB (Publ) (the "Company" or "CYBER1") (Nasdaq First North: CYB1), an international leader in Cyber Security services today announces the signing of Sale and Purchase Agreements ("SPA") regarding the purchase of 50 % of outstanding shares in CSSA and CSAD (jointly the "Target Companies"), two fast growing and innovative cyber security companies within Africa.

The Target Companies showcased an aggregate revenue in 2020 of EUR 7.92m, showing strong growth from 2019 of over 50%, and have continued the solid progress in Q1 2021 with aggregate non audited revenues of EUR 2.78m.

The total consideration payable by CYBER1 for the transactions are EUR 635,000, and shall be executed by a new issue of 63,500,000 units in CYBER1 on terms equal to the Units Issue, where each unit shall comprise of one (1) ordinary share in the Company at EUR 0.01 and one (1) gratuitous warrant, and where each warrant entitles to subscription of one (1) new share in the Company at EUR 0.01 during the period 25 July 2022 – 8 August 2022 (the "Purchase Issue").

The Purchase Issue entails a dilution of approximately 15.4 percent from shares issued and an additional approximately 13.3 percent at full exercise of the warrants (in both cases before new shares and warrants issued in the Units Issue).

The terms of the acquisitions also includes exclusivity rights for CYBER1 to negotiate a purchase of the remaining 50 percent of the Target Companies in cash before 30 September 2022, where it is agreed that any payments shall be subordinated to the portion of the Company's debt that is subject to debt write down in the Company's reorganization.

As has been indicated in the quarterly reports, CYBER1 previously announced a Letter of Intent to acquire CSSA and CSAD. The Board provided a confirmed separation of responsibilities, with CEO of CYBER1 Robert Brown (the majority owner of the CSSA and CSAD), focussing specifically on commercial activities at a subsidiary level of the business. The Board underwent engagement with

a number of external legal and financial due diligence services in South Africa, to complete a thorough process for evaluating the businesses. Following the completion of that external due diligence, the Board has concluded that the two acquisitions will add significant quantitative and qualitative value to the CYBER1 Group.

Cyber Security South-Africa (CSSA) is an industry-leading, value-added, Cyber Security Technology Distributor, backed by globally recognised international vendors. The company offers a comprehensive list of solutions, aimed at mitigating information security risk - working through trusted local channel partners. The consultative approach of firstly assessing the current Security Posture and level of maturity, ensures they understand the strategic vision and long-term goals of the end-user. Over the years, the team has built strong relationships at both the end user and partner level, which creates a significant advantage compared to the traditional distribution model that is apparent within South-Africa.

Cyber Security Africa Distribution (CSAD) is an industry-leading value-added Distributor with a single-minded focus - the mitigation of information security risk for their clients. The company focusses their attention on niche, generally complex and certainly relevant security solutions, aimed predominantly at enterprise and mid-market clients. CSAD provides services to the continent of Africa, ensuring invaluable local market knowledge and on-the-ground response. CSAD has presences in South Africa, Kenya, Nigeria, Ghana, Morocco, Egypt and Mauritius.

The acquisition of these businesses complements the existing entities within CYBER1, with a number of clear synergistic opportunities to be realised, ranging from increased market share to deeper relationships with the leading vendor solutions across the globe. The Company has ensured that its approach of expanding operations within existing markets will ensure growth that is sustainable and measured.

Johan Bolsenbroek, Chairman of CYBER1 commented - "The Board is delighted to welcome CSSA and CSAD to the CYBER1 Group. Both entities bring with them a plethora of experience and proven credibility within the cyber security markets. Through the due diligence process, I have been extremely impressed with the ambition and direction of the companies, combined with the clear experience and expertise of the management. The Board looks forward to realising the collective potential of these entities in tandem with the existing CYBER1 companies, where we can further entrench the company's position within the African markets."

CEO of CSSA/CSAD Robert Brown commented: "I am extremely delighted that CSSA and CSAD are joining the CYBER1 family of companies. Having created the initial subsidiaries that form what CYBER1 has become today, having the opportunity to combine these high growth assets to the platform of CYBER1, will have a significant collective benefit. Utilising skills and expertise to drive organic growth from within will be the key to further profitability, as demonstrated with CYBER1's positive Q1 results. I look forward to unlocking the synergies of the combined companies, that will further increase our presence in Africa and beyond."

Subject to mandatory regulatory requirements, the Purchase Issue shall be put forward for approval by no less than 90 percent of the votes cast at the annual general meeting on 29 June 2021 and the detailed terms of the Purchase Issue will be included in the notice to the annual general meeting.

**For further information, please contact:**

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**About CYBER1**

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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 2021-05-31 13:20 CEST.*

**Attachments**

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