

THIS DOCUMENT IS IMPORTANT AND REQUIRES YOUR IMMEDIATE ATTENTION. If you are in any doubt about the contents of this Document or the action you should take, you are recommended to seek your own financial advice immediately from an appropriately authorised stockbroker, bank manager, solicitor, accountant or other independent financial adviser who, if you are taking advice in the United Kingdom, is duly authorised under the Financial Services and Markets Act 2000 (“FSMA”).

This Document comprises a prospectus relating to CYBA PLC (the “Company”) prepared in accordance with the prospectus regulation rules of the UK Financial Conduct Authority (the “FCA”) made under section 73A of FSMA (the “Prospectus Regulation Rules”) and approved by the FCA as the competent authority under the Prospectus (Amendment etc.) (EU Exit) Regulations 2019 (the “Prospectus Regulation”). This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules by being made available, free of charge at www.cybapl.com. The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation and such approval should not be considered as an endorsement of CYBA PLC as the issuer that is or the quality of the securities that are the subject of this Document. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares of CYBA PLC.

The Acquisition (as defined herein) is classified as a reverse takeover under the Listing Rules and, in accordance with the Listing Rules, the FCA is expected to cancel the listing of the Existing Ordinary Shares at 8.00 a.m. on 15 March 2022. Applications will be made to the FCA for the Existing Ordinary Shares to be readmitted, and for the New Ordinary Shares to be admitted, to the Official List (by way of a Standard Listing) and to the London Stock Exchange, for such Existing Ordinary Shares to be readmitted and New Ordinary Shares to be admitted to trading, and for dealings to commence, on the London Stock Exchange’s Main Market for listed securities. It is expected that Readmission will become effective at 8.00 a.m. on 15 March 2022. When admitted to trading the Existing Ordinary Shares and the New Ordinary Shares will have an ISIN of GB00BMH18M70.

THE WHOLE OF THE TEXT OF THIS DOCUMENT SHOULD BE READ BY PROSPECTIVE INVESTORS. YOUR ATTENTION IS SPECIFICALLY DRAWN TO THE DISCUSSION OF CERTAIN RISKS AND OTHER FACTORS THAT SHOULD BE CONSIDERED IN CONNECTION WITH AN INVESTMENT IN THE ORDINARY SHARES, AS SET OUT IN THE SECTION ENTITLED “RISK FACTORS” BEGINNING ON PAGE 8 OF THIS DOCUMENT.

The Directors, whose names appear on page 28, and the Company accept responsibility for the information contained in this Document. As at the date of this Document, to the best of the knowledge of the Company and the Directors, the information contained in this Document is in accordance with the facts and makes no omission likely to affect the import of such information.

Certain information in relation to the Company has been incorporated by reference into this Document. You should refer to the part of this Document headed ‘Relevant Documentation and Incorporation by Reference’ which can be found on page 25 of this Document.

CYBA PLC

(incorporated in England and Wales with company number 11701224)

Acquisition of Narf Industries LLC and Narf Industries PR LLC

Issue of Consideration Shares at a price of £0.02 per Consideration Share

Placing of Placing Shares at a placing price of £0.02 per Placing Share

Readmission of the Enlarged Share Capital to the Official List (by way of Standard Listing under Chapter 14 of the Listing Rules) and to trading on the London Stock Exchange’s main market for listed securities

and

Notice of General Meeting and Approval of Waiver of Rule 9 Obligations under the City Code

Placing Agent & Broker

Tennyson Securities (a trading name of Shard Capital Partners LLP)

This Document does not constitute an offer to sell or an invitation to subscribe for, or the solicitation of an offer or invitation to buy or subscribe for, Ordinary Shares in any jurisdiction where such an offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company.

Tennyson Securities, a trading name of Shard Capital Partners LLP, which is authorised and regulated in the United Kingdom by the FCA, is acting exclusively for the Company and for no one else in relation to the Placing and Readmission. Tennyson Securities will not regard any other person (whether or not a recipient of this Document) as its client in relation to the Placing and Readmission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Tennyson Securities or for providing any advice in relation to the Placing and Readmission, the contents of this Document or any transaction or arrangement referred to herein. No liability whatsoever is accepted by Tennyson Securities for the accuracy of any information or opinions contained in this Document or for the omission of any material information, for which it is not responsible.

The New Ordinary Shares will rank in full for all dividends or other distributions hereafter declared, made or paid on the ordinary share capital of the Company and will rank *pari passu* in all other respects with all Existing Ordinary Shares in issue on Readmission.

The Ordinary Shares have not been and will not be registered under the US Securities Act of 1933, as amended (the **Securities Act**), or the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States or to or for the account or benefit of persons in the United States, Australia, Canada, Japan, the Republic of South Africa or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction.

The distribution of this Document in or into jurisdictions other than the United Kingdom may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

The Ordinary Shares have not been approved or disapproved by the US Securities Exchange Commission, any State securities commission in the United States or any other US regulatory authority, nor have any of the foregoing authorities passed comment upon or endorsed the merits or adequacy of this Document. Any representation to the contrary is a criminal offence in the United States.

Application will be made for the Enlarged Share Capital to be admitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in companies with Premium Listings on the Official List, which are subject to additional obligations under the Listing Rules.

It should be noted that the FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which do not apply to the Company, nor to impose sanctions in respect of any failure by the Company to so comply.

No person has been authorised to give any information or make any representation other than those contained in this Document and, if given or made, such information or representation must not be relied upon as having been so authorised. Neither the delivery of this Document nor any subscription or sale made hereunder shall, under any circumstances, create any implication that there has been no change in the affairs of the Company since the date of this Document or that the information in this Document is correct as of any time subsequent to the date hereof.

This Document is dated 17 February 2022

NOTICE TO INVESTORS

The distribution of this Document may be restricted by law in certain jurisdictions and therefore persons into whose possession this Document comes should inform themselves about and observe any restrictions, including those set out below. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction.

No action has been or will be taken in any jurisdiction that would permit a public offering of the Ordinary Shares, or possession or distribution of this Document or any other offering material in any country or jurisdiction where action for that purpose is required. Accordingly, the Ordinary Shares may not be offered or sold, directly or indirectly, and neither this Document nor any other offering material or advertisement in connection with the Ordinary Shares may be distributed or published in or from any country or jurisdiction except under circumstances that will result in compliance with any and all applicable rules and regulations of any such country or jurisdiction. Any failure to comply with these restrictions may constitute a violation of the securities laws of any such jurisdiction. This Document does not constitute an offer to subscribe for any of the Ordinary Shares offered hereby to any person in any jurisdiction to whom it is unlawful to make such offer or solicitation in such jurisdiction.

The FCA only approves this Document as meeting the standards of completeness, comprehensibility and consistency imposed by the Prospectus Regulation Rules and such approval should not be considered as an endorsement of the issuer that is or the quality of the securities that are the subject of this Document. Investors should make their own assessment as to the suitability of investing in the securities. No arrangement has been made with the competent authority in any EEA State (or any other jurisdiction) for the use of this Document as an approved prospectus in such jurisdiction and accordingly no public offer is to be made in any jurisdiction. Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below. This Document does not constitute an offer to sell, or the solicitation of an offer to subscribe for or buy, shares in any jurisdiction in which such offer or solicitation is unlawful.

For the attention of UK investors

This Document comprises a prospectus relating to the Company prepared in accordance with the Prospectus Regulation Rules and approved by the FCA under section 87A of FSMA. This Document has been filed with the FCA and made available to the public in accordance with Rule 3.2 of the Prospectus Regulation Rules.

For the attention of any US investors

The Ordinary Shares have not been and will not be registered under the Securities Act, as amended, or the securities laws of any state or jurisdiction of the United States, and may not be offered, sold, resold, transferred or distributed, directly or indirectly, within, into or in the United States, except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act and in compliance with the securities laws of any state or jurisdiction of the United States.

Information to Distributors

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended ("**MiFID II**"), including its enactment under UK domestic law by virtue of the EUWA ("**UK MiFID II**"); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II and UK MiFID II; and (c) local implementing measures (together, the "**MiFID II Product Governance Requirements**"), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any "manufacturer" (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Placing Shares have been subject to a product approval process, which has determined that the Placing Shares, the Consideration Shares and the Placing Shares are: (i) compatible with an end target market of: (a) retail investors, (b) investors who meet the criteria of professional clients and (c) eligible counterparties (each as defined in MiFID II); and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II (the "**Target Market Assessment**"). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Placing Shares may decline and investors could lose all or part of their investment; the Placing Shares

and the Consideration Shares offer no guaranteed income and no capital protection; and an investment in the Placing Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offer.

For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II or UK MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Placing Shares.

Each distributor is responsible for undertaking its own target market assessment in respect of the Placing Shares and determining appropriate distribution channels.

CONTENTS

RISK FACTORS	13
CONSEQUENCES OF A STANDARD LISTING	23
IMPORTANT INFORMATION	25
RELEVANT DOCUMENTATION AND INCORPORATION BY REFERENCE	29
EXPECTED TIMETABLE OF PRINCIPAL EVENTS	30
PLACING AND READMISSION STATISTICS	30
DEALING CODES PRE-READMISSION	31
DEALING CODES POST-READMISSION	31
DIRECTORS, AGENTS AND ADVISERS	32
PART I LETTER FROM THE CHAIRMAN OF THE COMPANY	34
PART II INFORMATION ON AND OPERATING AND FINANCIAL REVIEW OF THE COMPANY	39
PART III INFORMATION ON AND OPERATING AND FINANCIAL REVIEW OF NARF	43
PART IV THE DIRECTORS, THE BOARD AND CORPORATE GOVERNANCE	56
PART V THE PLACING AND USE OF PROCEEDS	61
PART VI RULE 9 WAIVER INFORMATION	64
PART VII FINANCIAL INFORMATION OF THE COMPANY	69
PART VIII FINANCIAL INFORMATION OF NARF GROUP	71
PART IX UNAUDITED PRO FORMA FINANCIAL INFORMATION	105
PART X TAXATION	109
PART XI ADDITIONAL INFORMATION	111
PART XII DEFINITIONS	123
PART XIII PROXY INSTRUCTIONS	130
PART XIV NOTICE OF GENERAL MEETING	132
PART XV PLACING TERMS & CONDITIONS	135

SUMMARY

This summary is made up of four sections and contains all the sections required to be included in a summary for this type of security and issuer. Even though a sub-section may be required to be inserted in the summary because of the type of security and issuer, it is possible that no relevant information can be given regarding the sub-section. In this case, a short description of the sub-section is included in the summary with the mention of "not applicable".

(4(a)) INTRODUCTION AND WARNINGS

Name and ISIN of the securities

The securities subject to Readmission are Ordinary Shares of £0.0001 each which will be registered with ISIN number GB00BMH18M70 and SEDOL number BMH18M70.

Identity and contact details of the issuer

- The issuer is CYBA PLC, its registered address is 5 Fleet Place, London EC4M 7RD and its telephone number is +44 (0)20 3468 2212.
- The Company's legal entity identifier is: 213800K484JEC4RK284
- The Company's website is: www.cybapl.com
- Website following Readmission: WWW.CYBAPLC.COM

Identity & contact details of issuer

The company is the offeror and the person asking for admission to trading of the Enlarged Share Capital on the Main Market, which is a regulated market.

Identity & contact details of FCA

The competent authority approving the Prospectus is the FCA. The FCA's registered address is at 12 Endeavour Square, London E20 1JN, United Kingdom and telephone number is +44 (0)20 7066 1000.

Date of approval of the prospectus

The Prospectus was approved by the FCA on 17 February 2022, as competent authority under the UK Prospectus Regulation. The FCA only approves this Prospectus as meeting the standards of completeness, comprehensibility and consistency imposed by the UK Prospectus Regulation. The approval should not be considered as an endorsement of the issuer that is or the quality of the securities that are the subject of this Prospectus. Investors should make their own assessment as to the suitability of investing in the securities.

Warnings

- This summary should be read as an introduction to the Prospectus.
- Any decision to invest in the Ordinary Shares should be based on a consideration of the Prospectus as a whole by the investor.
- The investor could lose all or part of the invested capital.
- Civil liability attaches only to those persons who have tabled this summary including any translation thereof, but only where the summary is misleading, inaccurate or inconsistent, when read together with the other parts of the Prospectus, or where it does not provide, when read together with the other parts of the Prospectus, key information in order to aid investors when considering whether to invest in such securities.

(4(b)) KEY INFORMATION ON THE ISSUER

(6(A) I-V) WHO IS THE ISSUER OF THE SECURITIES?

Domicile and legal form

The legal and commercial name of the issuer is CYBA PLC (**CYBA** or the **Company**). CYBA is a public company limited by shares incorporated in England and Wales on 28 November 2018. CYBA operates in accordance with the Companies Act 2006. CYBA's LEI is 213800K484JEC4RK284.

Principal activities

- CYBA was established in November 2018 and its principal activity is to acquire and then act as the holding company for target businesses operating in the Cyber Security industry.
- The Company was admitted to listing on the Official List by way of a Standard Listing and to trading on the London Stock Exchange plc's Main Market on 8 March 2021 ("**IPO**") at a listing price of £0.015 per share. The Company raised net proceeds of £3,501,174 in between its incorporation and the IPO, predominantly at a price of £0.01 per share. In May 2021, the Company completed a placement of a further 100,000,000 new Ordinary Shares at a price of £0.02 per share. As at the date of this document, the Company has 624,525,000 Ordinary Shares in issue.
- On 17 June 2021, the Company signed a binding heads of terms with the Narf Members for the acquisition of Narf Industries LLC and Narf Industries PR LLC ("**Narf**"). A conditional Acquisition Agreement was signed by the Company and the Narf Members on 28 July 2021.
- Following completion of the Acquisition, the Placing and Readmission ("**Completion**"), the objective of the Company will be to operate the Enlarged Group and carry on the business of developing Cyber Security solutions and research and development with a view to generating value for Shareholders.

Major shareholders

So far as the Company is aware, as at the date of this Document, the following persons are CYBA's major shareholders:

Shareholder	No. Ordinary Shares	Percentage Ordinary Shares
Hadron Master Fund Series II	65,064,542	10.42%
Racsor LLC	48,500,000	7.77%
Oberon Investments Limited	39,000,000	6.24%

Shareholder	No. Ordinary Shares	Percentage Ordinary Shares
Banque Heritage	35,000,000	5.60%
Steve Bassi	32,000,000	5.12%
John Herring	26,000,000	4.16%

So far as the Company is aware, immediately on Readmission, the following persons will be CYBA's major shareholders:

Shareholder	No. Ordinary Shares	Percentage Ordinary Shares
Steve Bassi	537,920,000	33.12%
Banque Heritage	160,000,000	9.85%
Nick Davis	99,540,000	6.13%
Ben Schmidt	94,140,000	5.80%
Placees	300,000,000	18.47%

All of the Ordinary Shares shall rank *pari passu* in all respects.

Directors

CYBA's board of directors as at the date of this Document are Steve Bassi, John Herring, Bob Mitchell and Rory Heier.

Auditors

CYBA's statutory auditors are PKF Littlejohn LLP.

(6(B)) What is the key financial information regarding the issuer?

Selection of historical key financial information

Company

The Company was incorporated on 28 November 2018 and the following tables set out the summary unaudited and audited historical financial information of the Company as derived from the financial information of the Company drawn up as at 30 June 2021 (unaudited) and 31 December 2020 (audited). The Company has not yet commenced business. The Company has no operational track record or revenue generating operations. The Company recorded an unaudited total comprehensive loss of £849,130 for the period to 30 June 2021, audited comprehensive loss of £1,201,334 for the period to 31 December 2020 and, as at 30 June 2021, had unaudited net assets of £1,971,159, and as at 31 December 2020, had audited net assets of £920,288.

Please note that the accounting reference date of the Company was changed on 7 March 2021 from 31 March to 31 December for each year to align it with the accounting reference date of Narf. Accordingly, the first accounting period of the Company went from its formation date (28 November 2018) to 31 March 2020 (16 months), the second accounting period went from 1 April 2020 to 31 December 2020 (9 months), and the current accounting period ended on 31 December 2021 (12 months).

Selected Financial Information of the Company

Statement of Comprehensive Income

	UNAUDITED 6 month period ended 30 June 2021 £	AUDITED 9 month period ended 31 December 2020 £	UNAUDITED 6 month period ended 30 June 2020 £	AUDITED 16 month period ended 31 March 2020 £
Administrative expenses	(849,077)	(1,201,272)	(735,439)	(1,422,878)
Operating loss	(849,077)	(1,201,272)	(735,439)	(1,422,878)
Finance costs	(53)	(62)	(39)	(138)
Loss on ordinary activities before taxation	(849,130)	(1,201,334)	(735,478)	(1,423,016)
Tax on loss on ordinary activities	-	-	-	-
Loss and total comprehensive income for the period attributable to the owners of the company	(849,130)	(1,201,334)	(735,478)	(1,423,016)
Earnings per share (basic and diluted) attributable to the equity holders (pence)	(0.2)	(0.3)	(0.2)	(0.8)

There has been no significant change in the financial condition and operating results of the Company since 30 June 2021.

Statement of Financial Position

	UNAUDITED As at 30 June 2021 £	AUDITED As at 31 December 2020 £	UNAUDITED As at 30 June 2020 £	AUDITED As at 31 March 2020 £
CURRENT ASSETS				
Trade and other receivables	31,557	24,037	44,486	44,486
Short term investments	1,445,296	-	-	-
Cash and cash equivalents	889,352	1,261,997	457,134	552,977
TOTAL ASSETS	2,366,185	1,286,034	501,620	597,463
CURRENT LIABILITIES				
Trade and other payables	395,026	365,746	229,724	208,296
TOTAL LIABILITIES	395,026	365,746	229,724	208,296
NET ASSETS	1,971,159	920,288	271,896	389,167

	UNAUDITED As at 30 June 2021	AUDITED As at 31 December 2020	UNAUDITED As at 30 June 2020	AUDITED As at 31 March 2020
EQUITY				
Share capital	62,453	52,453	31,878	30,978
Share premium	5,358,048	3,468,048	1,936,168	1,757,068
Warrant reserve	24,137	24,137	24,137	24,137
Retained loss	(3,473,479)	(2,624,349)	(1,720,287)	(1,423,016)
TOTAL EQUITY	1,971,159	920,288	271,896	389,167

Statement of Cash Flows

	(UNAUDITED) 6 month period ended 30 June 2021 £	(AUDITED) Period ended 31 December 2020 £	UNAUDITED 6 month period ended 30 June 2020 £	(AUDITED) Period ended 31 March 2020 £
Cash flow from operating activities				
Loss for the period	(849,130)	(1,201,334)	(735,438)	(1,423,016)
Adjustments for:				
Decrease / (Increase) in trade and other receivables	(7,499)	20,449	–	(44,486)
Increase in trade and other payables	29,280	157,450	229,724	208,296
Share based payments	–	24,750	–	24,137
Net cash outflow from operating activities	(827,349)	(998,685)	(505,714)	(1,235,069)
Cashflow from financing activities				
Proceeds on the issue of shares	2,000,000	1,920,588	180,000	1,906,776
Costs related to share issues	(100,000)	(212,883)	–	(118,730)
Net cash inflow from financing activities	1,900,000	1,707,705	180,000	1,788,046
Cashflow from Investing activities				
Short term investments	(1,445,296)	–	–	–
Net cash flow from investing activities	(1,445,296)	–	–	–
Net increase in cash and cash equivalents	(372,645)	709,020	(325,714)	552,977
Cash and cash equivalents at the beginning of the period	1,261,997	552,977	782,848	–
Foreign exchange	–	–	–	–
Cash and cash equivalents at the end of the period	889,352	1,261,997	457,134	552,977

Narf

The following tables set out the summary audited historical financial information of Narf as derived from the financial information of Narf drawn up as at 30 June 2021, 31 December 2020, 30 June 2020, 31 December 2019 and 31 December 2018. Narf recorded an audited total comprehensive income of \$125,876 in June 2021, \$1,116,176 in December 2020, \$642,190 in June 2020, \$753,913 in December 2019, \$745,066 in December 2018 and \$125,876 in the six month period to 30 June 2021. As at 30 June 2021 Narf had net assets of \$3,934,371, as at 31 December 2020 it had net assets of \$2,023,495, as at 30 June 2020 it has net assets of \$2,066,758 as at 31 December 2019 it had net assets of \$1,834,568 and as at 31 December 2018 it had net assets of \$1,605,655.

Selected Financial Information of Narf Statement of Comprehensive Income

	UNAUDITED 6 month period ended 30 June 2021 £	AUDITED Year ended 31 December 2020 £	UNAUDITED 6 month period ended 30 June 2020 £	AUDITED Year ended 31 December 2019 £	AUDITED Year ended 31 December 2018 £
<i>All numbers in US\$</i>					
Revenue	1,051,447	2,775,395	1,595,768	2,306,074	1,563,503
Cost of Sales	(472,196)	(1,075,846)	(626,022)	(729,248)	(427,888)
Gross Profit	699,261	1,699,549	969,746	1,576,826	1,135,615
Administrative expenses	(603,548)	(791,994)	(309,747)	(814,934)	(798,228)
Other Operating Income	–	–	–	(87)	421,266
Exceptional Items	150,592	250,000	–	–	–
Operating Profit	126,295	1,157,555	659,999	761,805	758,653
Finance Expenses	(419)	(2,682)	(2,193)	(7,147)	(1,988)
Profit on ordinary activities before taxation	125,876	1,154,873	657,806	754,658	756,665
Taxation	–	(38,697)	(15,616)	(745)	(11,599)
Profit for the financial period	125,876	1,116,176	642,190	753,913	745,066
Total comprehensive income for financial year attributable to the Members	125,876	1,116,176	642,190	753,913	745,066

Statements of Financial Position

	UNAUDITED As at 30 June 2021	AUDITED As at 31 December 2020	UNAUDITED As at 30 June 2020	AUDITED As at 31 December 2019	AUDITED As at 31 December 2018
<i>All numbers in US\$</i>					
Non-Current Assets					
Tangible Assets	30,061	40,512	50,417	62,657	207,647
Right of Use Assets	93,700	136,785	179,871	222,956	-
Intangible Assets	1,514,506	1,573,009	1,525,823	1,478,636	1,254,087
Total Non-Current Assets	1,638,267	1,750,307	1,756,111	1,764,249	1,461,734
Current Assets					
Trade and other receivables	619,516	153,804	199,604	288,847	206,459
Cash and cash equivalents	2,168,053	457,607	676,338	224,558	175,071
Advances to Related Parties	72,094	72,904	65,000	-	-
Total current assets	2,860,472	684,315	940,942	513,405	381,530
Total Assets	4,498,740	2,434,622	2,697,053	2,277,654	1,843,264
Current liabilities					
Trade and other payables	443,165	100,815	69,636	64,511	84,285
Loans	-	150,592	150,592	-	-
Lease Liabilities – current portion	72,697	77,103	129,160	76,118	19,438
Total Current Liabilities	515,862	328,510	349,388	140,629	103,723
Non-Current liabilities					
Lease Liabilities – non-current portion	32,494	66,604	52,641	142,075	80,773
Advances from Related Parties	16,013	16,013	228,266	160,382	53,113
Members' Capital					
Total Non-Current Liabilities	48,507	82,617	280,907	302,457	133,886
Total Liabilities	564,369	411,127	630,295	443,086	237,609
Net Assets	3,934,371	2,023,495	2,066,758	1,834,568	1,605,655
Equity					
Members' reserves	3,934,371	2,023,495	2,066,758	1,834,568	1,605,655
Total Equity	3,934,371	2,023,495	2,066,758	1,834,568	1,605,655
Members' Interests					
Members' capital	-	-	-	-	-
Members' reserves	3,934,371	2,023,495	2,066,758	1,834,568	1,605,655
Total Members' interests	3,934,371	2,023,495	2,066,758	1,834,568	1,605,655

Statement of Cash flows

	UNAUDITED 6 month period ended 30 June 2021	AUDITED Year ended 31 December 2020	UNAUDITED 6 month period ended 30 June 2020	AUDITED Year ended 31 December 2019	AUDITED Year ended 31 December 2018
<i>All numbers in US\$</i>					
Operating profit for the period	172,664	1,157,555	659,999	761,805	758,653
Adjustments for:					
Finance Expenses	(419)	(2,682)	(2,193)	(7,147)	(1,988)
Tax Paid	-	(38,697)	(15,616)	(745)	(11,599)
Decrease/(Increase) in trade and other receivables	(368,246)	135,043	89,243	(82,388)	(20,989)
Increase in trade and other payables	124,875	36,304	5,125	(19,772)	(64,610)
Forgiveness of PPP Loan	(150,592)	-	-	-	-
Movement in Lease Liability	(28,550)	(56,400)	(28,200)	(56,400)	-
Depreciation and amortization	185,261	344,953	173,676	300,636	120,593
Net cash outflow from operating activities	(64,588)	1,576,076	882,034	895,989	780,060
Cashflow from investing activities					
Investment in Intangible Assets	-	(328,383)	164,192	(409,253)	(544,590)
Purchases of property and equipment	-	(2,628)	(1,346)	-	(3,230)
Advances from (to) related parties, net	-	(217,273)	2,884	107,269	68,373
Net cash provided by (used in) investing activities	-	(548,284)	(162,654)	(301,984)	(479,447)
Cashflow from financing activities					
Proceeds from notes payable - Paycheck Protection Program	-	150,592	150,592	-	-
Principal payments on note payable	(9,966)	(18,086)	(8,192)	(19,518)	(19,126)
Principal payments on a loan from a related party	-	-	-	-	(141,875)
Advance from CYBA	2,000,000	-	-	-	-
Distributions to members	(215,000)	(927,249)	(410,000)	(525,000)	(150,000)

	UNAUDITED 6 month period ended 30 June 2021	AUDITED Year ended 31 December 2020	UNAUDITED 6 month period ended 30 June 2020	AUDITED Year ended 31 December 2019	AUDITED Year ended 31 December 2018
<i>All numbers in US\$</i>					
Net cash used in financing activities	1,775,034	(794,743)	(267,600)	(544,518)	(311,001)
Net increase in cash and cash equivalents	1,710,446	233,049	451,780	49,487	(10,388)
Cash and cash equivalents at the beginning of the period	457,607	224,558	224,558	175,071	185,459
Cash and cash equivalents at the end of the period	2,168,053	457,607	676,338	224,558	175,071

Pro forma financial information

The unaudited Pro Forma Financial Information for the Enlarged Group has been prepared to illustrate the effects of: (i) the Acquisition, (ii) the issue of Consideration Shares, (iii) the issue of the Placing Shares and (iv) the settlement of the Transaction Costs, on the assets, liabilities and equity of the Company had the Acquisition, Placing and Readmission occurred on 30 June 2021.

Unaudited pro forma statement of financial position (in GBP)

	The Company Net assets as at 30 June 2021 £	Narf Group Net assets as at 30 June 2021 £	Intercompany Adjustments £	Issue of Placing Shares net of costs £	Unaudited pro forma net assets of the Enlarged Group on admission £
Non-current Assets					
Intangible Assets	–	1,095,325	–	–	1,095,325
Tangible Assets	–	21,741	–	–	21,741
Right of Use Assets	–	67,766	–	–	67,766
Total Non-Current Assets	–	1,184,832	–	–	1,184,832
Current Assets					
Cash and Cash Equivalents	889,352	1,567,985	–	5,400,000	7,857,337
Short term investments	1,445,296	–	(1,445,296)	–	–
Advances to Related Parties	–	52,726	–	–	52,726
Trade and other receivables	31,537	448,048	–	–	479,585
Total Current Assets	2,366,185	2,068,759	(1,445,296)	5,400,000	8,389,648
Total Assets	2,366,185	3,253,591	(1,445,296)	5,400,000	9,574,480
Non-current Liabilities					
Non-current Lease Liabilities	–	23,500	–	–	23,500
Advances from Related Parties	–	11,581	–	–	11,581
Total Non-Current Liabilities	–	35,081	–	–	35,081
Current Liabilities					
Trade and other payables	395,026	320,507	–	–	715,533
Lease Liabilities – current	–	52,576	–	–	–
Notes payable	–	–	–	–	52,576
Total Current Liabilities	395,026	373,083	–	–	768,109
Total Liabilities	395,026	408,164	–	–	803,190
Total Assets less total liabilities	1,971,159	2,845,426	(1,445,296)	5,400,000	8,771,289

Qualifications

There are no qualifications in the audit report.

(6(C)) What are the key risks that are specific to the issuer?

Brief description of the most material risk factors specific to the issuer contained in the prospectus

Key risks that are specific to the Enlarged Group and industry in which it operates are:

- There is no certainty that the Enlarged Group's acquisition of Polyswarm will proceed or that it or any other potential acquisition will be successful. The acquisition of Polyswarm is subject to contract, due diligence and the Enlarged Group's ability to raise funds. The exclusivity period in the letter of intent to acquire it expired on 30 September 2021.
- The Enlarged Group will face competition for identified targets. If the Enlarged Group is unable to successfully acquire future targets, this will have a detrimental effect on its growth strategy and revenue.
- There is no guarantee that due diligence will accurately determine the value and potential liabilities of a target company. The Enlarged Group will be required to rely on resources available to it, including public information and information provided by the vendors. Such investigations may fail to reveal or highlight all relevant facts meaning issues may arise following completion which could, if they are sufficiently material, result in a material adverse effect on the Enlarged Group's operations.
- Narf has a small number of customers across its SaaS products and research and development services. The purpose of the Transaction is to give Narf the profile and resources necessary to increase its customer base, but in the meantime, the loss of a customer could have a material effect on the business of Narf.
- Narf is dependent on the continuation of the current policy within the US Government in relation to national defence and Cyber Security and Narf's revenue would be materially impacted if this policy changed to a material extent.

- Narf is dependent on its specialist management team for their expertise, reputation within the Cyber Security industry and network of contacts. The loss of a key individual could have an adverse effect on the future of the Enlarged Group's business as it may reduce Narf's ability to develop new products, remain competitive and execute acquisitions.

(4(c)) KEY INFORMATION ON THE SECURITIES

(7(A)) WHAT ARE THE MAIN FEATURES OF THE SECURITIES?

Type, class and ISIN

The securities subject to Readmission are Ordinary Shares of £0.0001 each which will be registered with ISIN number GB00BMH18M70 and SEDOL number BMH18M70.

Currency, denomination, par value and number

The Ordinary Shares are denominated in UK Sterling and the subscription and placing price paid in UK Sterling. The issued share capital of the Company on Readmission will consist of 1,624,125,000 Ordinary Shares (comprising the Existing Ordinary Shares and the New Ordinary Shares).

Rights attached to the securities

The Ordinary Shares rank equally for voting purposes. On a show of hands, each Shareholder has one vote and on a poll each Shareholder has one vote per Ordinary Share held. The Ordinary Shares rank equally for dividends declared and for any distributions on a winding-up. The Ordinary Shares rank equally in the right to receive a relative proportion of shares in the case of a capitalisation of reserves.

Seniority of securities

There are no other securities issued by the Company and so no class of securities ranks ahead of, or alongside, the Ordinary Shares in the event of an insolvency.

Restrictions on the free transferability of the securities

The Ordinary Shares are freely transferable save in specific circumstances noted in the Articles including where Ordinary Shares are the subject of a notice under section 793 of the Companies Act and represent at least 0.25 per cent. of the issued Ordinary Shares, in circumstances where the required information has not been received by the Company within 14 days after service of the notice.

Dividend or pay-out policy

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends (if any) at such times and in such amounts as the Board may determine. The Company will consider future payments of dividends, subject to sufficient distributable profits being available and in accordance with all applicable laws.

(7(B)) WHERE WILL THE SECURITIES BE TRADED?

Application for admission to trading

As the Acquisition constitutes a Reverse Takeover under the Listing Rules, the London Stock Exchange will cancel trading in the Existing Ordinary Shares on the Main Market for listed securities, and the FCA will cancel the listing of the Existing Ordinary Shares on the Standard Listing segment of the Official List by 8.00 a.m. on 15 March 2022. An application will be made for the Existing Ordinary Shares to be readmitted and the New Ordinary Shares to be admitted to a Standard Listing on the Official List of the FCA and to trading on the London Stock Exchange's Main Market for listed securities. It is expected that Readmission will become effective and that unconditional dealings will commence on the London Stock Exchange at 8.00 a.m. on 15 March 2022.

Other markets

An application to trade the Ordinary Shares on OTCQB has been made pending Readmission.

(7(D)) WHAT ARE THE KEY RISKS THAT ARE SPECIFIC TO THE SECURITIES?

Brief description of the most material risk factors specific to the securities contained in the prospectus

- The Company can give no assurance that an active trading market for the Ordinary Shares will develop on the Stock Exchange or elsewhere or, if such an active trading market is developed, if it can be sustained.
- If an active trading market is not developed or maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected.
- A Standard Listing affords Shareholders less regulatory protection than a Premium Listing which may have an adverse effect on the liquidity of the Ordinary Shares.
- The ability of the Company to pay dividends is a function of its profitability and the extent to which, as a matter of law, it will have available to it sufficient distributable reserves out of which any proposed dividend may be paid.
- The shareholdings of investors in the Company will be diluted as and when the Company places additional shares pursuant to the Resolutions, as updated and renewed from time to time, or as consideration for future acquisitions and investments.

(4(d)) KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET

(8(A)) UNDER WHICH CONDITIONS AND TIMETABLE CAN I INVEST IN THIS SECURITY?

General terms and conditions

The Acquisition, Placing are conditional on Readmission occurring and becoming effective by 5.00 p.m. London time on, or prior to, 15 March 2022 (or such later date as may be agreed by the Company and Tennyson Securities being no later than 31 March 2022). The rights attaching to the Ordinary Shares will be uniform in all respects and all of the Ordinary Shares will form a single class for all purposes. The Acquisition, Placing and Readmission are inter-conditional.

Expected timetable of the offer

Publication of this Document	17 February 2022
General Meeting of the Company	14 March 2022
Acquisition	15 March 2022
Readmission and commencement of dealings in Ordinary Shares	8.00 a.m. on 15 March 2022
Share certificates dispatched in respect of New Ordinary Shares where applicable	From 28 March 2022

Details of admission to trading

An application will be made for the Ordinary Shares to be admitted to a Standard Listing on the Official List and to trading on the Main Market of the London Stock Exchange. It is expected that Readmission will become effective and that dealings in the Enlarged Share Capital will commence at 8.00 a.m. on 15 March 2022.

Distribution Plan

The Placing Shares will be offered by Tennyson Securities.

Amount & percentage of immediate dilution from offer

The issue of the New Ordinary Shares will result in the Existing Shareholders' shareholding of 624,525,000 Existing Ordinary Shares being diluted so as to constitute 38.46 per cent. of the Enlarged Share Capital (comprising the Existing Ordinary Shares, Consideration Shares and Placing Shares). Upon Readmission, the Enlarged Share Capital is expected to be 1,624,125,000 Ordinary Shares. On this basis, the New Ordinary Shares will represent approximately 61.54 per cent. of the Company's Enlarged Share Capital.

Estimate of total expenses of the issue and/or offer

The Transaction Costs will be borne by the Company and no expenses will be charged to the investors. The total expenses of the Acquisition, Placing and Readmission are £900,000, comprising £300,000 of variable Transaction Costs and £600,000 of fixed Transaction Costs. The variable Transaction Costs comprise broker's commission on the Gross Placing. The variable Transaction Costs will be paid in new ordinary shares at the Placing Price and so will not reduce the cash resources of the Company. The fixed Transaction Costs comprise legal and financial due diligence costs and general transaction advice, and are payable by the Company as from Readmission. As a result, the Net Placing Proceeds from the issue will be £5,400,000, being the Gross Placing of £6,000,000 less the costs of the Transaction of £600,000.

(8(C)) WHY IS THIS PROSPECTUS BEING PRODUCED?**Reasons for application for admission to Stock Exchange**

The application for admission to trading is being made because the Acquisition comprises a Reverse Takeover under the Listing Rules. The Company is conducting the Placing to part-fund the Acquisition, and to provide the Enlarged Group with additional working capital following the Acquisition.

Use and estimated net amount of the proceeds

Under the Placing, 300,000,000 Placing Shares will be subscribed for, and will, conditional on Readmission, be issued to, investors at the Placing Price of £0.02 per Placing Share, raising Gross Placing Proceeds of £6,000,000. The Net Placing Proceeds will be £5,400,000, being the Gross Placing Proceeds of £6,000,000 less Transaction costs of £600,000. The broker's commission of £300,000 is payable in new ordinary shares at the Placing Price. The Directors anticipate that the Net Placing Proceeds will be used by the Enlarged Group as to half for additional working capital, and half to fund the Cash Consideration.

Whether offer is subject to an underwriting agreement

The Placing is not being underwritten. Tennyson Securities, as the Company's broker, has procured conditional commitments to subscribe for and/or purchase the full amount of Placing Shares from subscribers in the Placing.

Conflicts of interests

There are no applicable conflicts of interests pertaining to the offer or admission to trading.

RISK FACTORS

Investment in the Ordinary Shares carries a significant degree of risk, including risks in relation to the Enlarged Group's business strategy, potential conflicts of interest, risks relating to taxation and risks relating to the Ordinary Shares.

Investors should note that the risks relating to the Enlarged Group, its industry and the Ordinary Shares summarised in the section of this Document headed "Summary" are the risks that the Directors believe to be the most essential to an assessment by a Prospective Investor of whether to consider an investment in the Ordinary Shares. However, as the risks, which the Enlarged Group faces, relate to events and depend on circumstances that may or may not occur in the future, Investors should consider not only the information on the key risks summarised in the section of this Document headed "Summary" but also, among other things, the risks and uncertainties described below.

The risks referred to below are those risks the Directors consider to be the material risks at the date of this Document. However, there may be additional risks that the Directors do not currently consider to be material or of which the Directors are not currently aware that may adversely affect the Enlarged Group's business, financial condition, results of operations or prospects. Investors should review this Document carefully and in its entirety and consult with their professional advisers before acquiring any Ordinary Shares. If any of the risks referred to in this Document were to occur, the results of operations, financial condition and prospects of the Company could be materially adversely affected. If that were to be the case, the trading price of the Ordinary Shares and/or the level of dividends or distributions (if any) received from the Ordinary Shares could decline significantly. Further, Investors could lose all or part of their investment.

1 RISKS RELATING TO THE ENLARGED GROUP'S BUSINESS AND STRATEGY

1.1 There is no certainty that the Enlarged Group's acquisition of Polyswarm will proceed or that it or any other potential acquisition will be successful. If the Enlarged Group is unsuccessful in acquiring targets in the Cyber Security industry, this will have a negative impact on the growth and future profitability of the Enlarged Group.

In the Company's Initial Prospectus, it gave details of the possible acquisition of Polyswarm. On 6 October 2020, the Company entered into a non-binding letter of intent with (1) Swarm Technologies Inc, (2) Swarm Industries Inc (together, **Polyswarm**), and (3) Steven Bassi as principal shareholder (the **Polyswarm LOI**). The Polyswarm LOI set out the terms on which the Enlarged Group considered acquiring Polyswarm and provided the Enlarged Group with an exclusivity period to 30 April 2021. On 16 June 2021, the exclusivity agreement contained in the Polyswarm LOI was extended to 30 September 2021.

As at the date of this Document, whilst the relationship with Polyswarm continues, there is no certainty that the acquisition will be completed in the future or at all. The transaction is subject to contract, due diligence and would require the Enlarged Group to raise further funds. The extension of the exclusivity period of the LOI beyond 30 September 2021 has not been requested by the Company, and the intention of the Company is not to continue discussions on the possible acquisition until after Readmission. No detailed due diligence has yet been carried out. Under the Polyswarm LOI, the Company is not obliged to proceed with any due diligence on Polyswarm and it is not prohibited from entering into discussions or contractual documentation with third parties in relation to any other targets. The decision to proceed with the Polyswarm acquisition will depend on the opinion of the Directors and owners of Polyswarm on how well the acquisition of Narf was received by investors in the Company.

In terms of other potential acquisitions, although the Directors and senior management have an extended global network throughout the industry, that does not mitigate the risk of losing out to competitors offering more favourable terms to potential targets. The valuation metrics obtained within the Cyber Security industry means that there is great competition for suitable acquisition opportunities. This is particularly true following the recent increase in demand for services provided by companies in the Cyber Security industry during the COVID-19 pandemic. In addition, many competitors of the Enlarged Group for such targets will be well-established, larger entities with greater cash resources.

The Enlarged Group has a strategy of growth through acquisition. Any delay or failure to make acquisitions successfully, including Polyswarm, will affect the growth and future profitability of the Enlarged Group.

1.2 The Enlarged Group's strategy of growth through acquisition is dependent on due diligence carried out by professional advisors, based on information provided by the relevant selling parties or that is publicly available. There is no guarantee that due diligence will accurately determine the value and potential liabilities of the relevant target company.

The Enlarged Group intends to conduct a robust due diligence process in relation to potential acquisitions, based on the facts and circumstances applicable to each potential acquisition. When conducting due diligence and making an assessment regarding an acquisition, the Enlarged Group will be required to rely on resources available to it, including public information and information provided by the vendor(s) to the extent they are willing or able to provide such information. In most circumstances, the Enlarged Group will also retain third party advisers to assist it in its due diligence investigation. There can be no assurance that the due diligence undertaken with respect to any potential acquisition will reveal or highlight all relevant facts that may be necessary or helpful in evaluating such acquisition or formulating business strategies. Where issues become known or arise only after completion of an acquisition, the assets which are adversely affected by such issues could fall to be worth less than the Enlarged Group paid for them and the Enlarged Group may not have any recourse against the vendor. In such an event, the Enlarged Group's results of operations will be adversely affected.

As the Company is currently a special purpose acquisition company with no business of its own, its growth and future profitability is dependent on the quality of the acquisitions that it makes, including the Acquisition of Narf. Despite the due diligence that the Company has carried out on Narf and the warranties and other protections contained in the Acquisition Agreement, there is a risk that the business of Narf contains unknown problems which are not capable of discovery on due diligence, which will adversely affect the value of the Enlarged Group in the future.

1.3 The Enlarged Group intends to use Ordinary Shares as consideration for acquisition targets that may not be an attractive offer for the shareholders of potential future acquisition targets. In circumstances where a potential seller requires cash consideration, the Enlarged Group may not be able to complete the acquisition if it cannot obtain additional funding.

There is no guarantee that non-cash consideration will be an attractive offer for the shareholders of any company or business which the Enlarged Group identifies as a suitable acquisition opportunity. If the sellers of a potential target company are unwilling to accept share consideration, the Enlarged Group may be required to raise additional cash funds (or, if the circumstances require, use debt financing) and may be left with substantial unrecovered transaction costs, potentially including fees, legal costs, accounting costs, due diligence or other expenses in the event that it cannot raise sufficient cash to complete the transaction. Such an event will have an adverse impact on the Enlarged Group's results of operations.

2 RISKS RELATING TO NARF

2.1 Narf is a business with a small number of customers across its SaaS products and research and development services and accordingly the loss of one or more customers could have a material effect on its business.

Narf's SaaS product was developed with a single customer and to date, 100 per cent. of revenue made from that product has been pursuant to its contract with this customer. The product's success has been confirmed by the renewal of the original contract for three years running, the usage and revenue increasing each time to approximately £1,000,000 in 2020. However, the product has not yet been made available to a wider customer base.

Narf's research and development services, including SAFEDOCS solution and products developed through RADICS have been funded by DARPA (an agency within the US Department of Defense) and Popcorn Linux has been funded by the Office of Naval Research (an agency within the US Department of the Navy). These customers are connected because of their general connection to the US defense establishment and thus the loss of one customer could lead to the loss of another

However, these customers are separate, self-governing, independently funded entities that contract individually with Narf. In the opinion of the Directors, the loss of one of these customers would not directly result in the loss of another of Narf's customers.

Furthermore, the purpose of the Transaction is to give Narf the profile and resources to mitigate this risk as well to carry out acquisitions to diversify the business and its customer base.

2.2 Narf is dependent on the continuation of the current policy within the US Government in relation to national defence and Cyber Security. If this were to change in a material way, Narf's revenue would be materially impacted.

Given that Narf's customers are currently all defence related, its business could be materially affected if for any reason the US Government was to have a material change in policy and direction towards cyber security within its defence budget.

Considering the SolarWinds Cyber-Attack and the more recent ransomware attack on a key East Coast Colonial fuel pipeline, the Directors consider a material change in the US' national defence policy a remote risk. Indeed, Narf's customer base being largely within the US Department of Defense significantly reduces Narf's exposure to risks related to insolvency or a lack of funding of its customers (the Fiscal Year 2021 Budget Proposal for the US Department of Defense is \$705.4 billion, \$9.8 billion of which is dedicated to cyberspace). With dedicated funding and commitment from the White House to national defence, Narf's unique relationship with the US Department of Defense places it in a strategic position for growth within the industry. The Narf management team's established relationship with the US Department of Defense (founders Steve Bassi and Ben Schmidt have previously been employed by the US Department of Defense and Nick Davis, by the US Navy), repeat contracts and reputation continue to open doors for Narf. Most recently, President Joe Biden's executive order requiring federal agencies to improve cyber security for operational technology (OT), places the RADICS TIGR offering in a strong position as a likely solution for power grid security.

However, the strategy of the Company is to diversify and grow the Narf customer base if it is to achieve significant revenue growth. This will be achieved by expanding both its technical and federal sales teams, as well as through future acquisitions.

2.3 Narf is dependent on its specialist management team for their expertise, reputation within the Cyber Security industry and network of contacts. The loss of a member of the management team would limit not only existing operations of Narf but also access to future acquisitions and growth.

Each member of Narf's management team is highly qualified and considered expert in their respective specialisms. Steve Bassi has had lead roles in several projects for the US Government, including software development for advanced incident response, blockchain-based identity management research and development, and the development of cutting-edge programme analysis tools for DARPA's Cyber Grand Challenge. Ben Schmidt has authored key source and binary analysis tools and has lead research on topics including automated programme analysis and malware reverse engineering. Nick Davis has co-delivered cutting-edge research using partial homomorphic encryption applied to network signatures. Rebecca Shapiro is considered an eminent scholar on the topic of Weird Machines. Sean Carrick's doctoral dissertation developed a reverse engineering methodology for embedded devices and Greg Roussas has served in the US Government performing roles in incident response, forensics and analyses of malware and network traffic.

The majority of the management team have experience within the Capture The Flag circuit, the three founders having been members of winning teams in the DEF CON Capture The Flag tournament (one of the world's largest and most notable hacker conventions) multiple times. Narf's business is dependent on each of their knowledge, connections and reputation within the industry and amongst agencies within the US Department of Defense, across the Capture The Flag network as well as various reputable US universities.

The co-founders of Narf have worked together for 8 years. Each co-founder has an equity interest in Narf and will be significant shareholders of the Enlarged Group, and are committed to its growth and success. However, there can be no assurance that the management of Narf will not be subject to

change over time and Narf may need to recruit specialists within the industry, which is likely to require time and resources.

Narf's business is dependent on retaining the services of its directors and key staff, and in particular, the Cyber Security knowledge, sector reputation and contacts of Steve Bassi, Ben Schmidt, Nick Davis and Michael Locasto. The loss of a key individual could have an adverse effect on the future of the Enlarged Group's business as it may reduce the Group's ability to find and execute a suitable transaction. From Readmission, the Enlarged Group has procured key man insurance against the loss of principal directors and staff to partially mitigate this risk.

2.4 Historic Narf growth rates may not be sustainable or indicative of future growth and performance. If this is the case, and Narf fails to effectively manage its growth, profitability may not be sustained and revenue could decline or grow more slowly than expected.

The operating history of Narf should not be considered as indicative of future performance. The Enlarged Group may not be successful in executing its growth strategy of procuring a wider customer base, implementing a recruitment programme and identifying acquisition targets within the industry. Even if the strategic plan is achieved, profitability may not be sustained. In future periods, revenue could decline or grow more slowly than expected.

The Directors believe that continued revenue growth will depend upon, among other factors, the ability to:

- attract talent and retain it;
- acquire new customers and retain existing customers in relation to existing products;
- develop new products and services to enhance the offering available to customers;
- pursue selected strategic complementary acquisitions;
- generate new and innovative cyber security research and development proposals against government tenders; and
- COVID 19 having no material effect on the operation of Narf (since most employees work remotely, which reduces the risk of cross infection)

It cannot be assured that any of the foregoing will be achieved. Narf may not be able to successfully develop new or improved products and launch them in a timely manner. The ability to maintain and grow market share depends to a large extent on its ability to successfully and cost-effectively introduce new products (whether variants of existing products or newly developed products) to the market. If it is unable to successfully develop, launch and market new products that obtain consumer acceptance, in a timely manner, or at all, it may be unable to compete and maintain or grow its market share. Any new product or line extension may not generate sufficient customer interest or sales levels to become a profitable product. There can be no assurance that the research and development carried out by Narf will result in the successful development of marketable and registrable products. The historical rate of revenue growth cannot be relied upon as an indication of the Enlarged Group's future performance or the rate of growth that the Enlarged Group may experience in any new product category that the Enlarged Group may develop.

Product innovation and development involve considerable costs and may demand a lengthy process. For example, research and development required to develop products could take a significant period of time, from discovery to commercial product launch, and given the limited duration of patents, the longer the length of time spent developing and launching a product, the less time for which Narf may secure exclusivity in which it can recoup the development costs and seek to profit. If any of the products it is currently developing, or may develop in future, fail to become market-ready or to achieve commercial success at expected levels, or at all, it may incur substantial losses.

Narf's customer base may not grow or may decline as a result of increased competition. Failure to continue revenue growth rates could have a material adverse effect on the Enlarged Group's financial condition and operating results.

2.5 The Company and Narf operate and report in different currencies. The Enlarged Group may be unable to manage the risks of fluctuating exchange rates, impacting the earnings of the Enlarged Group.

The Company's operating and reporting currency is £, whilst Narf operates and reports in \$. Consequently, changes in the £ and \$ exchange rates will impact on the earnings of the Enlarged Group. The exchange rates are affected by numerous factors beyond the control of the Enlarged Group, including international markets, interest rates, inflation and the general economic outlook and as such, the Enlarged Group may not be able to adequately manage these risks in some circumstances. Although the Enlarged Group may seek to manage its foreign exchange exposure, including by active use of hedging and derivative instruments, there is no assurance that such arrangements will be entered into or available at all times when the Enlarged Group wishes to use them or that they will be sufficient to cover the risk.

2.6 Narf's business is subject to risks related to intellectual property litigation, including time, financial cost, ability to compete and the value of the Enlarged Group.

Narf's business relies on the knowhow and expertise of its personnel, its ability to keep sensitive data confidential and an assumption that in carrying on its business it does not infringe the intellectual property rights of any third party. The Cyber Security industry is characterised by the existence of a large number of relevant patents and frequent claims and related litigation regarding patent and other intellectual property rights. Future claims and litigation including intellectual property litigation could subject the Enlarged Group to significant liability for damages and invalidation of the Enlarged Group's proprietary rights. Litigation, particularly if undertaken in the United States may involve significant costs for the Enlarged Group even if such litigation is successful and will also take up significant management time. In such circumstances, there is likely to be an impact on the Enlarged Group's results of operations and the Enlarged Group may not be able to fully achieve its aims whilst it deals with the litigation. Any failure to substantiate or successfully assert Narf's intellectual property rights could make it less competitive and may have a material adverse effect on the value of the Enlarged Group.

As concerns the Narf Patents, there is no guarantee that these may not be invalidated, circumvented or challenged in the future. Third parties may challenge Narf's rights by, for example, asserting prior rights in, or ownership of, certain patents. The loss of patent protection, ineffective protection or expiration of any of the Narf Patents without adequate substitution may negatively impact Narf's financial condition and results of operations.

Additionally, expiry of Narf's Patents may increase competition and pricing pressures and adversely impact sales revenue, particularly if generic products in the same or similar product class were to emerge.

2.7 Actual, possible, or perceived defects or vulnerabilities in the Enlarged Group's products or services, the failure of the Enlarged Group's products or services to prevent a virus or security breach or the misuse of the Enlarged Group's products could harm the Enlarged Group's reputation and divert resources.

The products and services the Enlarged Group currently offers and plans to offer will be complex and, as such, they may contain defects that are not detected until after their commercial release and deployment by end customers. These defects may cause the Enlarged Group's products or services to fail to achieve their intended purpose of limiting, stopping and/ or detecting cyber security threats and attacks. Further, due to the evolving nature of threats and the continual emergence of new threats, the Enlarged Group may fail to identify and update its threat intelligence or other virus databases in time to protect its end customers' networks and devices. In addition, defects or errors in the Enlarged Group's updates, or the failure to timely distribute appropriate updates, could result in a failure to effectively update end customers' systems and thereby leave end customers vulnerable to the latest security threats. In some instances, the Enlarged Group may not be able to identify the cause or causes of performance problems in its products within an acceptable period of time if at all. Moreover, as the Enlarged Group's products are adopted by an increasing number of end customers, it is possible that attackers will increasingly focus on finding ways to defeat the Enlarged Group's systems. The Enlarged Group's business would be harmed if any of the events described above caused its end customers or potential end customers to believe the Enlarged Group's services are unreliable.

An actual or perceived security breach, regardless of whether the breach is attributable to the failure of the Enlarged Group's products, could adversely affect the market's perception of the efficacy of the Enlarged Group's products and current or potential end customers may look to the Enlarged Group's competitors for alternatives to the Enlarged Group's products.

Any defects, errors or vulnerabilities in the Enlarged Group's products or misuse of the Enlarged Group's products could result in negative publicity, damage to the Enlarged Group's reputation, loss of end customers and sales, increased costs to remedy any problem, increased demands on the Enlarged Group's support resources, an increase in warranty claims, or risk of litigation, any of which could materially adversely affect the Enlarged Group's financial condition, operating results and prospects.

2.8 The Enlarged Group may be unable to hire or retain personnel required to support the Enlarged Group, which will impact on the Enlarged Group's ability to develop new and existing products and deliver its overall business strategy.

The Enlarged Group depends on its ability to hire and retain sufficient number of sufficiently qualified personnel to deliver its overall business strategy. As a relatively new and small business, there can be no assurance that the Enlarged Group will be able to hire or retain personnel with the required experience and expertise in cyber security. The Enlarged Group recognises that the individuals it hopes to be able to attract and retain may not be readily available in the market. If there is such a shortage of available and required labour, this will pose a risk to the Enlarged Group's business plan, operations, trading performance and prospects.

The Company is aware that the Cyber Security sector is growing at a rapid pace and staff skilled and experienced in this sector are in short supply and companies which are larger and more established will have greater resources than the Enlarged Group to offer compensation packages greater than the Enlarged Group can afford. As a consequence, the Enlarged Group may have difficulty securing the services of and retaining staff. If the Enlarged Group is unable to secure the services of and retain suitably qualified staff, this will have a material impact on the financial position, opportunities and prospects of the Enlarged Group, and by extension, on its share price.

3 RISKS RELATING TO COVID-19

Governments and health organizations around the world are working to contain the outbreak of the coronavirus (COVID-19). COVID-19 may present a wide range of potential issues or complications for the Enlarged Group, most of which are currently unascertainable. The following are potential risks relating to the disruption of the Enlarged Group's business:

- due diligence processes on potential targets taking longer to complete due to travel restrictions, in particular if site visits cannot take place;
- valuations placed on potential targets by sellers being driven by pre-COVID-19 performance which do not reflect actual 2020 performance, or potential targets becoming more expensive because of increased demand for their products as a result of an increased use and the need for robust cyber security solutions for employees working from home during the pandemic;
- disruptions to business operations resulting from quarantines of employees and/or third-party service providers;
- disruptions to business operations resulting from travel restrictions; and
- economic uncertainty around the duration and severity of the impact of COVID-19.

To date the Enlarged Group has not been materially affected by COVID-19. Specifically, one out of the seven US employees caught COVID-19 but was able to return to work within his sick leave entitlement and, until US government departments adapted to remote working, there was a delay in processing work of about two months

At this time, it is unclear as to whether COVID-19 will represent a material disruption to the Enlarged Group's business long term. Whilst there has been an increased focus on cyber-security generally as a result of an unprecedented move to employees working at home caused by the COVID-19 outbreak, in the longer-term, the crisis could further adversely affect target economies and financial markets, resulting in a continued

economic downturn that could affect financing opportunities and demand for products and services impacting, among other things, the Enlarged Group's liquidity and operating results.

To mitigate risks that may arise, the Enlarged Group will continue to work remotely and encourage all employees to be vaccinated as soon as they can.

The Enlarged Group will not have business interruption insurance for COVID risks.

4 RISKS RELATING TO THE ORDINARY SHARES

The proposed Standard Listing of the Ordinary Shares will afford investors a lower level of regulatory protection than a Premium Listing.

Application will be made for the Ordinary Shares to be readmitted to a Standard Listing on the Official List. A Standard Listing will afford investors in the Company a lower level of regulatory protection than that afforded to investors in a company with a Premium Listing, which is subject to additional obligations under the Listing Rules. A Standard Listing will not permit the Company to gain a FTSE indexation, which may have an adverse effect on the liquidity of the Ordinary Shares.

Further details regarding the differences in the protections afforded by a Premium Listing as against a Standard Listing are set out in the section entitled "*Consequences of a Standard Listing*" on page 20.

The Company may be unable to transfer to a Premium Listing or other appropriate listing venue following the Acquisition.

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules. The Directors may later seek to transfer from a Standard Listing to either a Premium Listing or other appropriate stock exchange or listing venue, based on the track record of the company or business it acquires, subject to fulfilling the relevant eligibility criteria at the time. There can be no guarantee that the Company will meet such eligibility criteria or that a transfer to a Premium Listing or other appropriate listing venue will be achieved. For example, such eligibility criteria may not be met due to the circumstances and internal control systems of the acquired business or if the Company acquires less than a controlling interest in the target.

The Company will therefore not be obliged to comply with the higher standards of corporate governance or other requirements which it would be subject to upon achieving a Premium Listing and, for as long as the Company continues to have a Standard Listing, it will be required to continue to comply with the lesser standards applicable to a company with a Standard Listing.

There is currently a limited market for the Ordinary Shares, notwithstanding the Company's intention to be readmitted to trading on the London Stock Exchange. A market for the Ordinary Shares may not develop, which would adversely affect the liquidity and price of the Ordinary Shares.

The price of the Ordinary Shares after Readmission may also vary due to a number of factors, including but not limited to, general economic conditions and forecasts, and the Company's financial results. Although the Company's current intention is that its securities should continue to trade on the London Stock Exchange, it cannot assure investors that they will always do so. In addition, an active trading market for the Shares may not develop or, if developed, may not be maintained. Investors may be unable to sell their Ordinary Shares unless a market can be established and maintained, and if the Company subsequently obtains a listing on an exchange in addition to, or in lieu of, the London Stock Exchange, the level of liquidity of the Ordinary Shares may decline.

Investors may not be able to realise returns on their investment in Ordinary Shares within a period that they would consider to be reasonable.

Investments in the Ordinary Shares may be relatively illiquid. There may be a limited number of Shareholders and this factor may contribute both to infrequent trading in the Ordinary Shares on the London Stock Exchange and to volatile share price movements. Investors should not expect that they will necessarily be able to realise their investment in the Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Readmission should not

be taken as implying that there will be an active trading market for the Ordinary Shares. Even if an active trading market develops, the market price for the Ordinary Shares may fall below the issue price.

Dividend payments on the Ordinary Shares are not guaranteed.

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board may determine. The Company will consider future payments of dividends, subject to sufficient distributable profits being available and will only pay dividends to the extent that doing so is in accordance with all applicable laws.

Dilution

If the Company elects to offer additional Ordinary Shares in the future, for example to raise additional funds or to fund an acquisition, this could dilute the interests of investors and/or have an adverse effect on the market price of the Ordinary Shares.

Shareholders will not have the opportunity to vote to approve the acquisition of any assets

Unless such approval is required by law or other regulatory process, and as set out in this Prospectus in relation to Narf, Shareholders will not have the opportunity to specifically vote on any acquisition of assets or target companies, even if Ordinary Shares are being issued as consideration for the transaction. Chapter 10 of the Listing Rules relating to significant transactions will not apply to the Company whilst the Company has a Standard Listing. Therefore, Shareholders will be relying on the Company's and the Directors' ability to identify potential assets, evaluate their merits, conduct or monitor diligence and conduct negotiations.

5 LEGAL AND REGULATORY RISK

Industry Regulations

The business of providing products and services intended to stop, reduce or defend against cyber security threats is not subject to any specific law or regulation, but many of the actual and potential customers of the Enlarged Group are subject to laws and regulations, which may affect the Enlarged Group. Generally, all businesses are subject to regulations relating to the confidentiality of personal data. Businesses involved in for example, defence, critical infrastructure, and financial services are all subject to laws and regulations which may affect the Enlarged Group. Accordingly, the Enlarged Group may be adversely affected by changes in relevant laws and regulations which it fails to anticipate or to which it cannot adapt.

The business of Narf depends on maintaining a good relationship with the US Department of Defense (**DOD**) and institutions related to it or entities with which it contracts. The DOD does business with Narf on the basis of the Government Purpose Rights. In the event that these rights change, or the Enlarged Group fails to maintain the standards and pre-conditions required of such rights, this may have a material adverse impact on the financial position, opportunities and prospects of the Company, and by extension, on its share price.

CFIUS

The Acquisition of Narf is dependent on Narf obtaining the consent of CFIUS in connection to any national security concerns arising from the acquisition of Narf by the Company. On 14 October 2021, Narf and the Company obtained confirmation that, based on the information provided to CFIUS and consideration of all relevant national security factors, there were no unresolved national security concerns.

General taxation

This document has been prepared on the basis of current UK, US and Puerto Rico tax legislation, practice and concession and interpretation thereof. Any change in the Group's tax status or the tax applicable to a US and Puerto Rico subsidiary such as Narf Industries LLC and Narf Industries PR LLC, or a holding of the Company's Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the Enlarged Group, affect the Group's ability to provide returns to Shareholders and/or alter the post-tax returns to Shareholders. It should be noted that the information contained in Part X of this Document relating to the taxation of the Group and its investors is based upon current UK tax law and practice which is subject to

legislative change. The taxation of an investment in the Company depends on the individual circumstances of investors, including, *inter alia*, tax laws in the jurisdiction in which that shareholder is resident or domiciled. Potential investors should consult their professional advisers on the possible tax consequences of subscribing for, buying, holding, selling or transferring Ordinary Shares under the laws of their country of citizenship, residence or domicile. In addition, if the Company acquires a business with significant overseas operations, the Group's tax status and/or domicile could change.

There can be no assurance that the Company will be able to make returns for Shareholders in a tax-efficient manner

The Company has made certain assumptions regarding taxation. However, if these assumptions are not correct, taxes may be imposed with respect to the Company's assets, or the Company may be subject to tax on its income, profits, gains or distributions (either on a liquidation and dissolution or otherwise) in a particular jurisdiction or jurisdictions in excess of taxes that were anticipated. This could alter the anticipated post-tax returns for Shareholders (or Shareholders resident in, or otherwise subject to the taxation legislation of, certain jurisdictions). The level of return for Shareholders may also be adversely affected. Any change in laws or tax authority practices could also adversely affect any post-tax returns of capital to Shareholders or payments of dividends (if any, which the Company does not envisage the payment of, at least in the short to medium term). In addition, the Company may incur costs in taking steps to mitigate any such adverse effect on the post-tax returns for Shareholders.

Puerto Rico Tax Status

Narf PR currently holds what is referred to as "Act 20 Status" in Puerto Rico. The Act 20 Decree provides tax incentives for companies that establish and expand their export services businesses in Puerto Rico. Under Act 20, income from eligible services rendered for the benefit of non-resident individuals or foreign entities (Export Services Income, or EIS) is taxed at a reduced tax rate of 4 per cent. Moreover, dividends or benefits distributed out of EIS are 100 per cent. exempt from Puerto Rico taxation. As part of the Acquisition, Narf PR have to obtain clearance on the change of control from the Puerto Rican Tax Authority which can currently take up to 12 months. An application for clearance has been made and as at the LPD there is no expectation that the clearance will be refused. However, there is no guarantee the change of control will be approved and thus there is a chance Narf PR will lose the benefits of the Act 20 Status at that time.

Insurance

The Company plans to insure the risks it considers appropriate for the businesses needs and circumstances, and in line with industry norms. However, the Company may elect not to have insurance for certain risks, either due to the high premium costs associated with those risks or for various other reasons, including an assessment that the risks are remote. No assurance can be given that the Company will be able to obtain insurance coverage at reasonable rates (or at all), or that any coverage it obtains and the proceeds of an insurance will be adequate and available to cover any claims arising. In the event that insurance coverage is not available or the Company's insurance is insufficient to cover any losses, claims and/or liabilities incurred, the Company's business and operations, financial results or financial position may be disrupted and adversely affected.

The payment by the Company's insurers of any insurance claims may result in increases in the premiums payable for insurance cover and adversely affect financial performance. In the future, some or all of the Company's insurance coverage may become unavailable or prohibitively expensive.

Litigation risk

The Company may fail or be unable to comply with laws or regulations and could experience penalties and adverse rulings in enforcement or other proceedings, which could have a material adverse impact on its business, financial condition and brand. If the Company, its personnel and employees or related third parties breach anti-corruption, bribery or sanctions legislation significant penalties, criminal prosecutions may result and the Company's brand would suffer detriment. Such circumstances could have a major impact on future revenue and cash flow depending on the nature of the breach, the legislation concerned and the quantum of any penalties. If the Company or its employees were accused of corruption or bribery or violating sanctions

regulations, this could lead to the Company suffering reputational damage in the view of investors, regulators and customers.

6 INTERNAL CONTROL RISKS

The Directors will allocate their time to other businesses leading to potential conflicts of interest in their determination as to how much time to devote to the Company's affairs, which could have a negative impact on the Company

None of the Directors are required to commit their full time or any specified amount of time to the Company's affairs, which could create a conflict of interest when allocating their time between the Company's operations and their other commitments. The Directors are engaged in other business endeavours and are not obligated to devote any specific number of hours to the Company's affairs. If the Directors' other business affairs require them to devote more substantial amounts of time to such affairs, it could limit their ability to devote time to the Company's affairs and could have a negative impact on the Company. In addition, although the Directors must act in the Company's best interests and owe certain fiduciary duties to the Company, they are not necessarily obligated to present business opportunities to the Company.

The Directors may enter into related party transactions with the Company, which may give rise to conflicts of interest between the Company on the one hand and the Directors on the other hand

The Directors and one or more of their affiliates may enter into agreements with the Company (which may be non-binding or binding). While the Company will not enter into any such related party transaction without the approval of the Independent Acquisitions Committee, it is possible that the entering into of such an agreement might raise conflicts of interest between the Company and the Directors.

Further potential acquisitions will, to the extent any such target is connected to a Director, also be required to be dealt with through the Independent Acquisitions Committee. However, any such transaction may still give rise to potential, or actual, conflicts of interest which the Company, via the Independent Acquisitions Committee, will have to properly consider and manage.

Steve Bassi conflict of interest.

Steve Bassi is the major shareholder in Narf and Polyswarm and also a director of the Company. Accordingly he has a conflict of interest on all matters relating to dealings between the Company and Narf and Polyswarm. As a director of the Company he is obliged by company law to avoid conflicts of interest, and the articles of association of the Company provide for the conduct of board meetings when conflicts of interest arise, noting however, that all matters relating to the Acquisition have been handled by the Independent Acquisitions Committee, of which he is not a member.

Practicalities of enforcing the Acquisition Agreement against the Concert Party

Notwithstanding that the Acquisition Agreement contains warranties, representations and covenants from the Concert Party in favour of the Company, and that any decisions relating to such enforcement will be taken by the Independent Acquisitions Committee, it is likely that such committee will take account of the potentially adverse effect on the Enlarged Group of any action against the Concert Party in addition to the legal rights of the Company pursuant to such agreement, with the result that any damages or other remedy claimed may be less than if the Acquisition was not a related party transaction.

Historical results of prior investments made by, or businesses associated with, the Directors and their affiliates may not be indicative of future performance of an investment in the Company

Investors are directed to the information set out in the biographies of the Directors in Part IV (*The Directors, the Board and Corporate Governance*). The information set out therein is presented for illustrative purposes only and Investors are cautioned that historical results of prior businesses associated with, the Directors and their affiliates may not be indicative of the future performance of an investment in the Company or the returns the Company will, or is likely to, generate going forward.

In particular, the Company may be adversely affected by changes in economic, political, judicial, administrative, taxation or other regulatory factors, which did not impact on any of those prior investments.

In the event of the Company and its acquired assets and businesses not achieving the returns of prior investments made by, or businesses associated with, the Directors, investors could take an unfavourable view of the Company and its prospects and this could have an impact on the Company's shares.

CONSEQUENCES OF A STANDARD LISTING

Application will be made for the Ordinary Shares to be readmitted to listing on the Official List pursuant to Chapter 14 of the Listing Rules, which sets out the requirements for Standard Listings. As well as the provisions of Chapter 14 of the Listing Rules, Listing Principles 1 and 2 (as set out in Listing Rule 7.2.1) apply to the Company. The Company intends to comply with the Premium Listing Principles set out in Chapter 7 of the Listing Rules notwithstanding that they only apply to companies with a Premium Listing on the Official List. The Company is not, however, formally subject to such Premium Listing Principles and will not be required to comply with them by the FCA.

In addition, while the Company has a Standard Listing, it is not required to comply with the provisions of, among other things:

- Chapter 6 of the Listing Rules which contains additional requirements for a company seeking a Premium Listing of its shares;
- Chapter 8 of the Listing Rules regarding the appointment of a sponsor to guide the Company in understanding and meeting its responsibilities under the Listing Rules in connection with certain matters. The Company has not and does not intend to appoint such a sponsor in connection with Readmission;
- Chapter 9 of the Listing Rules regarding continuous obligations for a company with a Premium Listing;
- Chapter 10 of the Listing Rules relating to significant transactions. It should be noted therefore that acquisitions will not require specific Shareholder consent, even if Ordinary Shares are being issued as consideration;
- Chapter 11 of the Listing Rules regarding related party transactions. Nevertheless, the Company will not enter into any transaction which would constitute a "*related party transaction*" as defined in Chapter 11 of the Listing Rules without the specific prior approval of a majority of the Independent Directors;
- Chapter 12 of the Listing Rules regarding purchases by the Company of its Ordinary Shares. In particular, the Company has not adopted a policy consistent with the provisions of Listing Rules 12.4.1 and 12.4.2; and
- Chapter 13 of the Listing Rules regarding the form and content of circulars to be sent to Shareholders.

The Company is not currently eligible for a Premium Listing under Chapter 6 of the Listing Rules. The Directors may in the future seek to transfer the Company from a Standard Listing to either a Premium Listing or other appropriate listing venue, although there can be no guarantee that the Company will fulfil the relevant eligibility criteria at the time or that a transfer to a Premium Listing or other appropriate stock market will be achieved. If a transfer to a Premium Listing is possible (and there can be no guarantee that it will be) and the Company decides to transfer to a Premium Listing, the various Listing Rules highlighted above as rules with which the Company is not currently required to comply will become mandatory and the Company will be required to comply with the continuing obligations contained within the Listing Rules (and the Disclosure Guidance and Transparency Rules) in the same manner as any other company with a Premium Listing.

It should be noted that the FCA will not have the authority to (and will not) monitor the Company's compliance with any of the Listing Rules which do not apply to the Company but which the Company has indicated herein that it intends to comply with on a voluntary basis, nor to impose sanctions in respect of any failure by the Company so to comply. However, the FCA would be able to impose sanctions for non-compliance where the statements regarding compliance in this Document are themselves misleading, false or deceptive.

THE RISKS NOTED ABOVE DO NOT NECESSARILY COMPRISE ALL THOSE FACED BY THE COMPANY OR ENLARGED GROUP.

THE INVESTMENT DESCRIBED IN THIS DOCUMENT IS SPECULATIVE AND MAY NOT BE SUITABLE FOR ALL RECIPIENTS OF THIS DOCUMENT. POTENTIAL INVESTORS ARE ACCORDINGLY ADVISED TO CONSULT A PERSON AUTHORISED UNDER FSMA WHO SPECIALISES IN ADVISING ON INVESTMENTS OF THIS KIND BEFORE MAKING ANY INVESTMENT DECISIONS. A PROSPECTIVE INVESTOR SHOULD CONSIDER CAREFULLY WHETHER AN INVESTMENT IN THE COMPANY IS SUITABLE IN THE LIGHT OF HIS PERSONAL CIRCUMSTANCES AND THE FINANCIAL RESOURCES AVAILABLE TO HIM.

IMPORTANT INFORMATION

In deciding whether or not to invest in Ordinary Shares, Prospective Investors should rely only on the information contained in this Document. No person has been authorised to give any information or make any representations other than as contained in this Document and, if given or made, such information or representations must not be relied on as having been authorised by the Company or the Directors. Without prejudice to the Company's obligations under FSMA, the Prospectus Regulation Rules, the Market Abuse Regulation, the Listing Rules and Disclosure Guidance and Transparency Rules, neither the delivery of this Document nor any subscription made under this Document shall, under any circumstances, create any implication that there has been no change in the affairs of the Enlarged Group since the date of this Document or that the information contained herein is correct as at any time after its date.

Prospective Investors must not treat the contents of this Document or any subsequent communications from the Company or the Directors, or any of their respective affiliates, officers, directors, employees or agents as advice relating to legal, taxation, accounting, regulatory, investment or any other matters.

The section headed "Summary" should be read as an introduction to this Document. Any decision to invest in the Ordinary Shares should be based on consideration of this Document as a whole by the Investor. In particular, Investors must read the sections relating to risks contained in the Summary together with the risks relating to the Company and its Ordinary Shares set out in the section headed "*Risk Factors*" beginning on page 8 of this Document.

This Document does not constitute, and may not be used for the purposes of, an offer to sell or an invitation or the solicitation of an offer or invitation to subscribe for or buy, any Ordinary Shares by any person in any jurisdiction: (i) in which such offer or invitation is not authorised; (ii) in which the person making such offer or invitation is not qualified to do so; or (iii) in which, or to any person to whom, it is unlawful to make such offer, solicitation or invitation. The distribution of this Document and the offering of the Ordinary Shares in certain jurisdictions may be restricted. Accordingly, persons outside the United Kingdom who obtain possession of this Document are required by the Company, and the Directors to inform themselves about, and to observe any restrictions as to the offer or sale of Ordinary Shares and the distribution of, this Document under the laws and regulations of any territory in connection with any applications for Ordinary Shares, including obtaining any requisite governmental or other consent and observing any other formality prescribed in such territory. No action has been taken or will be taken in any jurisdiction by the Company or the Directors, that would permit a public offering of the Ordinary Shares in any jurisdiction where action for that purpose is required, nor has any such action been taken with respect to the possession or distribution of this Document other than in any jurisdiction where action for that purpose is required. Neither the Company, nor the Directors, accept any responsibility for any violation of any of these restrictions by any other person.

The Ordinary Shares have not been and will not be registered under the Securities Act, or under any relevant securities laws of any state or other jurisdiction in the United States, or under the applicable securities laws of Australia, Canada, Japan or the Republic of South Africa. Subject to certain exceptions, the Ordinary Shares may not be, offered, sold, resold, reoffered, pledged, transferred, distributed or delivered, directly or indirectly, within, into or in the United States, Australia, Canada, Japan or the Republic of South Africa or to any national, resident or citizen of Australia, Canada, Japan or the Republic of South Africa.

Data Protection

The Company may delegate certain administrative functions to third parties and will require such third parties to comply with data protection and regulatory requirements of any jurisdiction in which data processing occurs. Such information will be held and processed by the Company (or any third party, functionary or agent appointed by the Company) for the following purposes:

- verifying the identity of the prospective investor to comply with statutory and regulatory requirements in relation to anti-money laundering procedures;
- carrying out the business of the Enlarged Group and the administering of interests in the Enlarged Group;
- meeting the legal, regulatory, reporting and/or financial obligations of the Enlarged Group in the United Kingdom or elsewhere; and

- disclosing personal data to other functionaries of, or advisers to, the Enlarged Group to operate and/or administer the Company.

Where appropriate it may be necessary for the Company (or any third party, functionary or agent appointed by the Company) to:

- disclose personal data to third party service providers, agents or functionaries appointed by the Company to provide services to prospective investors; and
- transfer personal data outside of the EEA to countries or territories which do not offer the same level of protection for the rights and freedoms of prospective investors as the United Kingdom.

If the Company (or any third party, functionary or agent appointed by the Company) discloses personal data to such a third party, agent or functionary and/or makes such a transfer of personal data, it will use reasonable endeavours to ensure that any third party, agent or functionary to whom the relevant personal data is disclosed or transferred is contractually bound to provide an adequate level of protection in respect of such personal data.

In providing such personal data, prospective investors will be deemed to have agreed to the processing of such personal data in the manner described above. Prospective investors are responsible for informing any third-party individual to whom the personal data relates of the disclosure and use of such data in accordance with these provisions.

Investment considerations

In making an investment decision, Investors must rely on their own examination, analysis and enquiry of the Enlarged Group, this Document and the terms of the Readmission, including the merits and risks involved. The contents of this Document are not to be construed as advice relating to legal, financial, taxation, investment decisions or any other matter. Prospective Investors should inform themselves as to:

- the legal requirements within their own countries for the purchase, holding, transfer or other disposal of the Ordinary Shares;
- any foreign exchange restrictions applicable to the purchase, holding, transfer or other disposal of the Ordinary Shares which they might encounter; and
- the income and other tax consequences which may apply in their own countries as a result of the purchase, holding, transfer or other disposal of the Ordinary Shares or distributions by the Company, either on a liquidation and distribution or otherwise. Prospective Investors must rely upon their own representatives, including their own legal advisers and accountants, as to legal, tax, investment or any other related matters concerning the Company and an investment therein.

An investment in the Company should be regarded as a long-term investment. There can be no assurance that the Enlarged Group's objectives will be achieved.

It should be remembered that the price of the Ordinary Shares, and any income from such Ordinary Shares, can go down as well as up.

This Document should be read in its entirety before making any investment in the Ordinary Shares. All Shareholders are entitled to the benefit of, are bound by, and are deemed to have notice of, the provisions of the Articles of Association of the Company, which Investors should review.

Forward-looking statements

This Document and any document incorporated herein by reference includes statements that are, or may be deemed to be, “forward-looking statements”. In some cases, these forward-looking statements can be identified by the use of forward-looking terminology, including the terms “targets”, “believes”, “estimates”, “anticipates”, “expects”, “intends”, “may”, “will”, “should” or, in each case, their negative or other variations or comparable terminology. They appear in a number of places throughout the Document and any document incorporated herein by reference and include statements regarding the intentions, beliefs or current expectations of the Company and the Board of Directors concerning, among other things: (i) the Company’s and the Enlarged Group’s objectives, acquisition and financing strategies, results of operations, financial condition, prospects, capital appreciation of the Ordinary Shares and dividends; and (ii) future deal flow and implementation of active management strategies, including with regard to any acquisitions. By their nature, forward-looking statements involve risks and uncertainties because they relate to events and depend on circumstances that may or may not occur in the future. Forward-looking statements are not guarantees of future performance. The Company’s or the Enlarged Group’s actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies may differ materially from the forward-looking statements contained in this Document and any document incorporated herein by reference. In addition, even if the Enlarged Group’s actual performance, results of operations, financial condition, distributions to shareholders and the development of its financing strategies are consistent with the forward-looking statements contained in this Document and any document incorporated herein by reference, those results or developments may not be indicative of results or developments in subsequent periods.

Prospective Investors should carefully review the “Risk Factors” section of this Document for a discussion of additional factors that could cause the Company’s or Enlarged Group’s actual results to differ materially, before making an investment decision.

Forward-looking statements contained in this Document and any document incorporated herein by reference apply only as at the date of this Document and do not in any way qualify the working capital statement contained in paragraph 8 of Part XI (*Additional Information*). Subject to any obligations under the Listing Rules, the Market Abuse Regulation, the Disclosure Guidance and Transparency Rules, the Market Abuse Regulation and the Prospectus Regulation Rules, the Company undertakes no obligation publicly to update or review any forward- looking statement, whether as a result of new information, future developments or otherwise.

After Readmission, the Company shall continue to provide updates to investors, as required pursuant to the Listing Rules, the Disclosure Guidance and Transparency Rules, the Prospectus Regulation Rules and MAR.

Market data and data sources

This Document contains estimates and information concerning the Cyber Security industry, including market size of the markets in which the Company seeks to participate, which are based on industry publications and reports. This information involves a number of assumptions and limitations, and Investors are cautioned not to give undue weight to these estimates. Where information contained in this Document or any document incorporated herein by reference has been sourced from a third party, the Company and the Directors confirm that such information has been accurately reproduced and, so far as they are aware and have been able to ascertain from information published by that third party, no facts have been omitted which would render the reproduced information inaccurate or misleading. However, such data is necessarily subject to a high degree of uncertainty and risk due to a variety of factors, including those described in the Risk Factors section of this Document. These and other factors could cause results to differ materially from those expressed in these publications and reports.

The sources of certain statistical data, estimates and forecasts contained in this Document are the following independent industry publications or reports:

- Gartner June 2020 forecasts
- Fortune Business Insights- Cyber Security Market Size & Industry Analysis, February 2020
- International Data Corporation Worldwide Semi-annual Security Spending Guide, 2019
- PwC Global State of Information Security Survey 2018

Currency presentation

Unless otherwise indicated, all references to **£** or **Pounds Sterling** are to the lawful currency of the UK and **\$** or **USD** are to the lawful currency of the United States.

No incorporation of website

The contents of any website of the Company, any member of the Enlarged Group, or any other person do not form part of this Document, unless stated to be incorporated by reference.

Definitions

A list of defined terms used in this Document is set out in Part XII "*Definitions*".

Governing law

Unless otherwise stated, statements made in this Document or documents incorporated herein by reference are based on the law and practice currently in force in England and Wales and are subject to changes therein.

RELEVANT DOCUMENTATION AND INCORPORATION BY REFERENCE

The table below sets out the information which is incorporated by reference in this Document, to ensure Shareholders and others are aware of all information which is necessary to enable Shareholders and others to make an informed assessment of the assets and liabilities, financial position, profit and losses and prospects of the Enlarged Group and the rights attaching to the Ordinary Shares.

Information that is itself incorporated by reference or referred or cross-referenced to in these documents is not incorporated by reference into this Document.

Where only certain parts of a document listed in the table below are incorporated by reference, the non-incorporated parts are either not relevant for the investor or covered elsewhere in the prospectus.

<i>Information incorporated by reference into this Document</i>	<i>Description of incorporation</i>	<i>Page numbers within those documents</i>
Summary of memorandum and articles of association of the Company	Initial Prospectus	Pages 67 to 68
Historical financial information for the Company	Unaudited interim financial information for the six months ended 30 June 2021 (including the six month comparative interim financial information for the period ended 30 June 2020)	All
	Audited historical information for the year ended 31 December 2020	All
	Audited historical information for the period ended 31 March 2020	All

Shareholders, persons with information rights, or other persons to whom this Document is sent may request a copy of the information above in hard copy form. Hard copies will not be sent to that person unless requested. Hard copies may be requested in writing from the following address: Rory Heier, 12 Hay Hill, London, W1J 8NR or by calling: 020 3468 2212.

Please note that the accounting reference date of the Company was changed on 7 March 2021 from 31 March to 31 December in each year to align it with the accounting reference date of Narf. Accordingly, the first accounting period of the Company went from its formation date (28 November 2018) to 31 March 2020 (16 months), the second accounting period went from 1 April 2020 to 31 December 2020 (9 months), and the current accounting period ended on 31 December 2021 (12 months).

EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication and posting of this Document, Notice of Meeting and the Forms of Proxy	17 February 2022
Latest time and date for receipt of Forms of Proxy	10 March 2022
General Meeting	14 March 2022
Cancellation of trading of Existing Ordinary Shares	15 March 2022
Completion of the Acquisition	15 March 2022
Readmission and recommencement of dealings on the London Stock Exchange of the Existing Ordinary Shares and commencement of dealings on the London Stock Exchange of the New Ordinary Shares	15 March 2022
Ordinary Share certificates dispatched where applicable, from week beginning	28 March 2022

All references to time in this Document are to London time unless otherwise stated

PLACING AND READMISSION STATISTICS

Number of Existing Ordinary Shares in issue at the date of this Document	624,525,000
Number of Placing Shares to be issued pursuant to the Placing	300,000,000
Number of Consideration Shares to be issued pursuant to the Acquisition	699,600,000
Number of Ordinary Shares in issue on Readmission	1,624,125,000
Placing Shares as a percentage of the Enlarged Share Capital	18.47%
Consideration Shares as a percentage of the Enlarged Share Capital	43.07%
Ordinary Shares held by the Concert Party after Placing as a percentage of the Enlarged Share Capital	45.05%
New Ordinary Shares as a percentage of the Enlarged Share Capital	61.54%
Placing Price	£0.02
Gross Placing Proceeds	£6,000,000
Transaction Costs	£600,000
Net Placing Proceeds	£5,400,000
Market capitalisation of the Company at the Placing Price on Readmission	£32,482,500

DEALING CODES PRE-READMISSION

ISIN	GB00BMH18M705
SEDOL	BMH18M7
EPIC/TIDM	CYBA
LEI	213800K484JEC4RK284

DEALING CODES POST-READMISSION

ISIN	GB00BMH18M705
SEDOL	BMH18M7
EPIC/TIDM	CYBA
LEI	213800K484JEC4RK284

DIRECTORS, AGENTS AND ADVISERS

Directors	Robert Mitchell (<i>Chairman, Independent Non-executive</i>) Steve Bassi (<i>Non-executive</i>) John Herring (<i>Independent Non-executive</i>) Rory Heier (<i>Non-executive</i>)
Company Secretary	Rory Heier
Registered Office	5 Fleet Place London EC4M 7RD
Placing Agent and Broker	Tennyson Securities 2nd Floor 65 Petty France London SW1H 9EU
Auditors and Reporting Accountant to the Company	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD
Auditors and Reporting Accountant to Narf	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD
Legal advisers to the Company as to English law	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD
Local Counsel – USA (Company)	Nelson Mullins Riley & Scarborough LLP Meridian 17th Floor 1320 Main Street Columbia SC 29201 United States
Local Counsel – Puerto Rico (Company)	Reichard & Escalera PCC 255 Avenida de la Constitucion San Juan 00917 Puerto Rico
Local Counsel – USA (Narf and the Concert Party)	Izenberg Law PLLC 2201 Wisconsin Avenue NW Suite 200 Washington DC 20007 USA
Registrar	Link Market Services Limited 10th Floor Central Square 29 Wellington Street Leeds LS1 4DL

Registered Office

5 Fleet Place
London
EC4M 7RD
Telephone: 020 3468 2212

Website from Readmission

www.cybapl.com

PART I

LETTER FROM THE CHAIRMAN OF THE COMPANY

To the holders of Existing Ordinary Shares
17 February 2022

Dear Shareholder,

Proposed Acquisition of Narf Industries LLC and Narf Industries PR LLC

Introduction

The Company announced on 28 July 2021 that it had conditionally agreed to acquire the entire issued membership interests in Narf, for a total consideration of \$25.6 million, \$2,000,000 of which was paid by the Deposit, and the balance of which is to be satisfied by the issue and allotment to the Narf Members of the Consideration Shares at a deemed issue price of £0.02 per Ordinary Share, and the payment of £3,000,000 (**Cash Consideration**), to be funded from the Placing.

The Acquisition will constitute a Reverse Takeover under the Listing Rules as it will result in a fundamental change in the business and management of the Company. The Acquisition is conditional, *inter alia*, upon Readmission and the approval by Existing Shareholders of certain Resolutions at the Company's General Meeting to be held on 14 March 2022, notice of which is set out at the end of this Document.

In addition, the Company is undertaking a cash placing to raise £6,000,000 by the issue of 300,000,000 Placing Shares in order to provide the Enlarged Group with additional working capital to provide funding for Narf's immediate growth strategy, and to pay the Cash Consideration. This Placing is conditional, *inter alia*, upon the Resolutions being passed at the General Meeting.

The purpose of this Document is to explain the background to and reasons for the Acquisition and to demonstrate how it aligns with the Company's strategy and why the Directors believe that the Acquisition and Placing are in the best interests of the Company and its Shareholders as a whole. This Document also seeks the approval of shareholders in the Company who are not part of or connected with the Concert Party, and who are not participating in the Placing (the **Independent Shareholders**) to a waiver, which the Takeover Panel has agreed to give, subject to such shareholder approval, of the obligation that would otherwise arise under Rule 9 of the City Code for the Concert Party to make a mandatory offer for the entire issued and to be issued share capital of the Company as a result of the issue of the Consideration Shares to the Concert Party. The approval of the Resolutions to be proposed at the General Meeting by the existing Shareholders is required to enable the Acquisition to proceed.

Overview and reasons for the Acquisition

The Company was incorporated on 28 November 2018 in England and Wales and was formed for the purpose of becoming a special purpose acquisition company (**SPAC**). The Company's strategy is to build a group providing cyber security solutions through a combination of organic growth and acquisitions of target companies or businesses, drawing on the extensive experience and network of relationships of the Company's Founders and its Board. As Directors, we have been seeking to identify suitable acquisition opportunities that we believe can add value for Shareholders.

The Company's efforts in identifying a prospective target company or business have been targeted at the cyber security sector. With cyber-attacks becoming more frequent, more sophisticated and more costly to their victims, the cyber security sector is continually evolving and growing. The cyber security sector is worth \$173 billion globally and growing at 10 per cent. p.a., driven by the massive and ever increasing cost of cybercrime, currently estimated at \$6 trillion annually. Following the SolarWinds Cyber-Attack and the more recent ransomware attack on a key East Coast Colonial fuel pipeline, causing a run on petrol and fuel shortages, President Joe Biden has implemented an executive order to bolster US cyber security defences stating that:

“Recent cyber security incidents... are a sobering reminder that US public and private sector entities increasingly face sophisticated malicious cyber activity from both nation-state actors and cyber criminals”
- the White House.

As Directors, we believe this provides a dynamic backdrop and a timely opportunity for the start of our acquisition strategy. The acquisition of Narf gives the Company exposure to an exciting specialist within the cyber security sector. Narf comprises a team of highly qualified and experienced cyber security experts and software engineers who have established strong customer relationships with the United States Department of Defense and academia including work with DARPA, Office of Naval Research, Department of Homeland Security, Dartmouth College, SRI International and Virginia Tech. The acquisition of Narf will enable the Company to support the roll out of Narf’s proprietary software products built for its US government clients and commercialisation to other customers, through Government Purpose Rights. These software products will be delivered via a recurring revenue SaaS model. The Company will also be able to support Narf’s plan to acquire similar specialist companies and teams in the cyber security sector.

Cyber security software and advanced research have come to the forefront as COVID-19 forces more governments and corporations to work from home. Nation state driven cyber-attacks are on the rise as demonstrated by alleged US election influence operations, medical and scientific espionage around the COVID-19 vaccines, and the SolarWinds Cyber-Attack. Limited cyber security human resources must be applied towards developing software to address these challenges as the scale and scope of attacker activity is only addressable through automated means. These trends may have a material impact on Narf if they result in further or increased demand for its services.

The cyber security sector is currently worth \$173 billion globally and expected to grow to \$270 billion by 2026, accelerated by Covid-19 and working from home policies. Within the cyber security sector, Narf operates primarily in the sub-sector of infrastructure protection, expected to be worth \$26.4 billion by 2023 with the infrastructure-spending proposal announced by the Biden administration in March 2021, which will include upgrading the aging and insecure electrical grid. Narf’s key customers are within the United States Department of Defense, whose forecasted spend on the cyber security sector for FY 2021 is \$18.7 billion. This will include targeted spending on the modernisation of IT systems, network security and cloud-computing services. Narf’s established relationship with the United States Department of Defense in providing cyber security products and services places it in a strategic position to benefit from these trends and investments.

Given the current status of the Company as a SPAC, the Acquisition will be earnings enhancing from the outset as well as a considerable value enhancement for the Company given Narf’s potential and the sector in which it operates.

The Acquisition, which remains conditional on Readmission and Shareholder approval, was approved by the Board on 16 February 2022.

Acquisition Structure

Following Readmission, the Enlarged Group will comprise the Company, Narf Industries LLC and Narf Industries PR LLC. The Company will act as the holding company of the Enlarged Group and each of Narf Industries LLC and Narf Industries PR LLC will be direct and wholly owned subsidiaries of the Company.

Acquisition Agreement

The Acquisition Agreement was entered into between the Company and the Narf Members on 28 July 2021 and amended on 16 February 2022. Pursuant to the Acquisition Agreement, the Company has conditionally agreed to acquire the entire issued membership interests in Narf.

The consideration for the Narf Membership Interests shall be \$25,600,000 (**Total Consideration**), \$2,000,000 of which was satisfied by payment of a non-refundable cash deposit to the Narf Members on the execution of the binding heads of terms, entered into on 17 June 2021 (“**Deposit**”). The balance of \$23,600,000 shall be satisfied by the issue of 699,600,000 new Ordinary Shares in the capital of the Company (**Consideration Shares**) at a deemed issue price of £0.02 per Consideration Share, and the payment of £3,000,000 in cash funded from the Placing. The Total Consideration shall be apportioned \$7,000,000 in respect of Narf Industries LLC and \$18,600,000 in respect of Narf Industries PR LLC.

The Consideration Shares will rank *pari passu* in all respects with the Ordinary Shares in issue at Readmission. Placing Shares will be offered to institutions and high net worth individuals by Tennyson Securities.

As at Readmission the Concert Party will hold in aggregate 45.05 per cent. of the Enlarged Share Capital.

The sterling (£): US dollar (\$) exchange rate applicable to the Acquisition Agreement is the Transaction Exchange Rate. Accordingly, \$23,600,000 represents \$19,433,333 in Consideration Shares (being 699,600,000 ordinary shares at £0.02 which amounts to £13,992,000), and \$4,166,667 in cash (being £3,000,000).

Completion of the Acquisition Agreement is subject to satisfaction of certain conditions precedent including:

- The Panel granting the waiver of the obligation of the Concert Party to make a mandatory offer for the Company under Rule 9 of the City Code as a result of the issue of the Consideration Shares to them;
- the CFIUS Consent being granted and not withdrawn prior to Readmission;
- completion, but for Readmission, of the Placing;
- the passing at the General Meeting, without material amendment, of the Resolutions necessary to approve, implement and effect the Transaction, being resolutions:
 - taken on a poll by the Independent Shareholders, to approve the waiver by the Takeover Panel of the obligation of the Concert Party to make an offer for the Company under Rule 9 of the City Code arising as a result of the issue of the Consideration Shares,
 - to authorise the directors of the Company to allot the New Ordinary Shares; and
 - to dis-apply statutory pre-emption rights in respect of the allotment of, *inter alia*, the Placing Shares;

In addition, amongst other standard provisions, the Acquisition Agreement contains:

- various warranties typical in a transaction of this nature from the Narf Members in favour of the Company, regarding (amongst other matters) title and capacity, employees and the business and assets of Narf;
- obligations on the Narf Members to maintain trading of Narf in the ordinary course in the period between the date of the Acquisition Agreement and Readmission;
- various warranties from the Company as to the due issue and allotment of the Consideration shares

Subject to Readmission and all conditions having been satisfied or waived as appropriate, the Acquisition is expected to complete on 15 March 2022, being the date of anticipated Readmission.

Related Party Transaction

Steve Bassi, a Director of the Company, is a principal Narf Member and did not take part in any of the deliberations of the Company in negotiating the Acquisition Agreement. The Company's Independent Acquisitions Committee (consisting of all Directors other than Steve Bassi) reviewed and agreed that the terms of the Acquisition Agreement are fair and reasonable.

Strategy and plans for future growth

Following Readmission, the Enlarged Group plans to grow and expand Narf's existing and future SaaS businesses based on its existing relationships with its core customers and partners. The intentions of the Concert Party in relation to this strategy are set out in Part VI of this document.

These core customers and partners comprise the US Department of Defense and academia including DARPA, Office of Naval Research, Department of Homeland Security, Dartmouth College, SRI International and Virginia Tech.

In addition to this organic growth, the Company and Narf have a strategy of seeking out and executing acquisitions of target companies or businesses within the cyber security sector, which complement the business of Narf and which will allow the Enlarged Group to expand faster than relying solely on organic growth. There is no specific number of such further acquisitions currently envisaged and no specific timeframe over which those acquisitions may be made.

On 6 October 2020, the Company entered into an LOI for the possible acquisition of Swarm Industries Inc and Swarm Technologies Inc (together, **Polyswarm**). On 17 June 2021, the exclusivity agreement contained in such LOI was extended until 30 September 2021, but has not been renewed. Whilst the Directors consider the acquisition of Polyswarm to be a good opportunity for the Company, a final decision on whether to proceed will be taken when the Board and the owners of Polyswarm have assessed the response of investors to the acquisition of Narf.

Polyswarm consists of Swarm Industries Inc which was incorporated in July 2017 and its sister company, Swarm Technologies Inc, which was incorporated in September 2017. In turn, Swarm Technologies Inc has a subsidiary in Singapore, Swarm Pte Limited. The founder, principal shareholder and CEO of each of Swarm Industries Inc and Swarm Technologies Inc is Steve Bassi, a director of the Company.

The Acquisition of Narf and potential acquisition of Polyswarm are the first steps in the Company realising its position as a prominent platform for advanced cyber security software and solutions in the cyber security market. The Enlarged Group is well positioned to become a market-leading supplier of software and solutions to enterprises, managed security solutions providers, public utility operators, governments, law enforcement and other cyber security original equipment manufacturers. Each of these markets within the cyber security sector is growing at a minimum of 7 per cent. CAGR and are demanding cyber security software solutions to enhance the productivity of a highly specialised and scarce workforce.

Long term, the Company will acquire additional cyber security businesses that extend both the reach and vertical integration of its software solutions and research and development services portfolio. The Company's strategic advantage will be the ability to assemble, package and sell expert-developed, integrated and advanced cyber security solutions that are usable by non-specialised customer staff and IT teams. Enabling non-specialised IT staff to effectively defend customer systems provides significant long-term value to organisations that want to increase their scale with a few specialised cyber security human resources.

The Placing and use of proceeds

Conditional, *inter alia*, on publication of this Document and Readmission, the Company has raised gross placing proceeds of £6,000,000 through the issue of 300,000,000 Placing Shares at the Placing Price.

The Placing is conditional, *inter alia*, on the Resolutions being passed at the General Meeting.

The Net Placing Proceeds of £5,400,000, comprising the Gross Placing Proceeds of £6,000,000 less Transactions costs of £600,000, will be used as to £3,000,000 to fund the Cash Consideration and the balance to provide the Enlarged Group with additional working capital. This working capital will be used by the Enlarged Group to finance the strategy referred to above. The broker's commission of £300,000 is being settled in new ordinary shares at the Placing Price and will not affect the cash resources of the Enlarged Group.

Further details of the Placing, as well as the anticipated use of the proceeds, are set out in Part V of this Document.

General Meeting

You will find at the end of this Document the Notice of General Meeting. The General Meeting is to be held at the offices of Charles Russell Speechlys LLP at 5 Fleet Place, London EC4M 7RD at 10.00 a.m. on Monday 14 March 2022. At the General Meeting, the following Resolutions will be proposed:

Resolution 1: to approve the waiver by the Takeover Panel of the requirement on the Concert Party to make an offer for the Company under Rule 9 of the City Code as a result of the issue of the Consideration Shares to the Concert Party;

Resolution 2: to approve an increase of the directors authority to issue new Ordinary Shares sufficient to issue the Consideration Shares and Placing Shares, plus shares up to a nominal value of £500,000, representing approximately 300 per cent. of the Enlarged Share Capital ("**Additional Shares**");

Resolution 3: to approve the dis-application of pre-emption rights relating to the issue of Consideration Shares, Placing Shares, and Additional Shares; and

Resolution 4: to approve that a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

Resolution 1 will be proposed as an Ordinary Resolution to the Independent Shareholders to be held on a poll, and Resolution 2 shall be proposed as an Ordinary Resolution.

Resolutions 3 and 4 shall be proposed as Special Resolutions.

Action to be taken

A Form of Proxy is enclosed for use by Existing Shareholders at the General Meeting ("**Form of Proxy**"). Whether or not Existing Shareholders intend to be present at the General Meeting, they are asked to complete, sign and return the Form of Proxy by post or by hand to the Registrar, as soon as possible and in any event not later than 10.00 a.m. on 10 March 2022.

Recommendation

The Board, having been so advised by Tennyson Securities, consider that the Resolutions are fair and reasonable and in the best interests of the Existing Shareholders and the Company as a whole. Accordingly, the Directors unanimously recommend Existing Shareholders to vote in favour of the Resolutions to be proposed at the General Meeting, as the Directors (save for Steve Bassi who, in respect of Resolution 1, is disqualified from voting due to his membership in the Concert Party) intend to do in respect of their own beneficial holdings which amount, in aggregate, to 41,000,000 Existing Ordinary Shares, representing approximately 6.56 per cent. of the Existing Ordinary Shares.

The Board believe that the Acquisition will give the Company exposure to an exciting specialist within the fast growing cyber security industry. Narf comprises a team of highly qualified cyber security experts who have built a portfolio of proprietary cyber security SaaS products, which are at the point of commercial development. This transaction marks the first step in the Company realising its plans to become a prominent platform for advanced cyber security software and solutions.

Putting the amount of the Additional Shares into context, the Board are following a strategy of making further acquisitions. The approval of Resolution 2 includes the authority to issue up to just over 3 times the enlarged share capital following Readmission. This will give the Board the flexibility to continue with this strategy unencumbered, albeit that further large transactions may require shareholder approval if they constitute a reverse takeover.

Further information

SHAREHOLDERS SHOULD READ THE WHOLE OF THIS DOCUMENT, WHICH PROVIDES ADDITIONAL INFORMATION ON THE COMPANY, NARF, THE ACQUISITION AGREEMENT AND THE PLACING AND SHOULD NOT RELY ON SUMMARIES OF, OR INDIVIDUAL PARTS ONLY OF, THIS DOCUMENT.

Yours faithfully

Robert Mitchell
Chairman

PART II

INFORMATION ON AND OPERATING AND FINANCIAL REVIEW OF THE COMPANY

1 BACKGROUND

The Company was incorporated in England and Wales on 28 November 2018 with the name GCQC plc and registration number 11701224 as a public company limited by shares. The Company changed its name to CYBA plc on 17 January 2019.

The Company was admitted to listing on the Official List by way of a Standard Listing in accordance with Chapter 14 of the Listing Rules and to trading on the London Stock Exchange's Main Market for listed securities on 8 March 2021. The Company raised net proceeds of £3,501,174 between incorporation of the Company and its IPO on the Standard List. In May 2021, the Company raised a further £2,000,000 through the placement of 100,000,000 new Ordinary Shares.

On 4 October 2020, the Company entered into an exclusivity agreement with Narf in respect of the potential acquisition by the Company of the entire issued membership interests in Narf Industries LLC and Narf Industries PR LLC. On 17 June 2021, binding heads of agreement for the Acquisition were signed between the Company and the Narf Members, amending the original Narf LOI.

The Acquisition Agreement was entered into between the Company and the Narf Members on 28 July 2021 and amended on 16 February 2022. Pursuant to the Acquisition Agreement, the Company has conditionally agreed to acquire the entire issued membership interests in Narf Industries LLC and Narf Industries PR LLC in exchange for the issue of the Consideration Shares, which will represent 43.07 per cent. of the Enlarged Share Capital. Further terms and reasons for the Acquisition are set out in the Part I – "*Letter from the Chairman of the Company*" of this Document, and paragraph 12.3 of Part XI of this document.

Save as set out in this Document, the Company has not entered into any significant transactions or financial commitments.

The Company owns no assets other than cash on bank deposit representing sums subscribed by Existing Shareholders for ordinary shares in the Company.

The Company operates in conformity with its constitutional documents and the principal legislation under which the Company operates is the Companies Act and the regulations made thereunder.

2 OBJECTIVES AND STRATEGY

Following Completion, the objective of the Company will be to operate the Enlarged Group and implement the strategy of Narf detailed in Part I – "*Letter from the Chairman of the Company*" of this Document, with a view to generating value for its Shareholders through development and growth.

3 SUMMARY FINANCIAL INFORMATION

The following operating and financial review contains financial information that has been extracted or derived without material adjustment from the Company's historical financial information for the periods ended 30 June 2021, 31 December 2020, 30 June 2020 and 31 March 2021, which are the only relevant periods prepared in accordance with IFRS.

This discussion contains forward looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward-looking statements contained on page 23.

The key risks and uncertainties, include, but are not limited to those described in the Risk Factors on pages 8 to 19.

	<i>30 June</i> 2021 (£)	<i>31 December</i> 2020 (£)	<i>30 June</i> 2020 (£)	<i>31 March</i> 2020 (£)
Administrative expenses				
<i>Directors' remuneration</i>	133,478	205,900	132,857	308,937
<i>Legal, professional and consultancy fees</i>	188,204	355,115	112,451	420,549
<i>Audit and corporate finance fees</i>	17,500	27,500	7,500	10,000
<i>Other admin expenses</i>	509,948	612,819	482,670	683,530
Tax and other expenses	–	62	–	138
Net income / (loss)	<u>(849,130)</u>	<u>(1,201,334)</u>	<u>(735,478)</u>	<u>(1,423,016)</u>
	<i>30 June</i> 2021 (£)	<i>31 December</i> 2020 (£)	<i>30 June</i> 2020 (£)	<i>31 March</i> 2020 (£)
Cash	<u>889,352</u>	<u>1,261,997</u>	<u>457,134</u>	<u>552,997</u>
Total Assets	<u>2,366,185</u>	<u>1,286,034</u>	<u>501,620</u>	<u>597,463</u>

4 OPERATING AND FINANCIAL REVIEW

Operating Overview

Since its incorporation on 28 November 2018, the Company has existed as a company which has sought to establish itself as a SPAC listed on the Standard Segment of the London Stock Exchange with sufficient capital and a board which is appropriate for it to be able to attract and acquire a suitable company or business in its chosen industry sector, namely cyber security.

Since incorporation, the Company has undertaken a pre-IPO fundraising of approximately £3.8 million prior to its initial Admission on 8 March 2021. Since the admission, the Company has undertaken further review of potential target acquisitions and has raised a further £2,000,000 through the placement of 100,000,000 new Ordinary Shares. The Board decided that the most suitable target for the Company's first acquisition would be Narf for those reasons set out in Part I – "Letter from the Chairman of the Company" of this Document. The Company has undertaken due diligence on Narf and engaged its advisors to assist with completing the Acquisition and Readmission of the Enlarged Group.

The material events in the two years since the Company's incorporation have been:

- (a) The appointment of Mr Bassi as a director on 28 February 2019;
- (b) The raising of gross proceeds of £3,501,174 through the issue of shares between the date of formation and the IPO;
- (c) The signing of the letter of intent for the acquisition of Narf on 4 October 2020;
- (d) The raising of \$2 million of additional working capital in a placing at £0.02 per share;
- (e) Signing definitive heads of terms for the Acquisition on 17 June 2020; and
- (f) The entering into the Acquisition Agreement on 28 July 2021.

5 DETAILS OF THE COMPANY'S SHARE CAPITAL AND WARRANTS

On incorporation, the Company had an issued share capital of £2, comprising two fully paid ordinary shares of £1 each, issued to the Founders.

On 28 November 2018, the Company subdivided the ordinary shares of £1 each into 20,000 ordinary shares of £0.0001 each.

On 1 December 2018, the Company issued and allotted an additional 120,230,000 ordinary shares of £0.0001 each at par to subscribers, bringing the total issued share capital to £12,025.

Between the period 1 January 2019 and 3 December 2020, the Company issued and allotted an additional 404,275,000 ordinary shares at £0.01 per share in the pre-IPO placing and in lieu of cash amounts owed by the Company to third parties for certain consulting and introductory services provided to it.

On 17 May 2021, the Company issued and allotted an additional 100,000,000 Ordinary Shares at £0.02 per share in a placement to new and existing investors.

On 16 February 2022, the Company created and issued to Hadron Master Fund Series II 13 million Warrants to subscribe for Ordinary Shares at an exercise price of £0.02 per Ordinary Share.

As at the LPD, the Company has 624,525,000 ordinary shares of £0.0001 each and the Directors have been notified of the following notable holdings representing three per cent. or more of the issued share capital of the Company:

<i>Member</i>	<i>Total Number of Shares</i>	<i>Percentage (%)</i>
Steve Bassi	32,000,000	5.12
Hadron Master Fund Series II	65,064,542	10.42
Banque Heritage S.A.	35,000,000	5.60
Racsor LLC	48,500,000	7.77
Oberon Investments Limited	39,000,000	6.24
John Herring	26,000,000	4.16

6 DETAILS OF DIRECTORS

As at the date of this Document, the Directors and their respective interests in the Company are as follows:

<i>Director</i>	<i>Date of appointment</i>	<i>Total Number of Shares</i>	<i>Percentage (%)</i>
Steve Bassi	28 February 2019	32,000,000	5.12
Rory Heier	28 November 2018	5,000,000	0.80
John Herring	28 February 2019	26,000,000	4.16
Bob Mitchell	28 November 2018	10,000,000	1.60

Rory Heier is a holder of 5,000,000 Warrants.

The Directors intend to remain Directors following Readmission.

7 EMPLOYEES

Currently the Company has no permanent employees other than the Directors. Following the Acquisition, the Enlarged Group will have approximately 17 employees, including the Directors.

8 MATERIAL CONTRACTS

Summaries of material contracts are set out at Part XI of this Document

9 DIVIDEND POLICY

To the extent the Company intends to pay dividends on the Ordinary Shares, it will pay such dividends at such times (if any) and in such amounts (if any) as the Board may determine. The Company will consider payments of dividends, subject to sufficient distributable profits being available and will only pay dividends to the extent that doing so is in accordance with all applicable laws.

10 READMISSION

As the Acquisition constitutes a Reverse Takeover under the Listing Rules, the London Stock Exchange will cancel trading in the Existing Ordinary Shares on the Main Market for listed securities, and the FCA will cancel

the listing of the Existing Ordinary Shares on the standard segment of the Official List by 8.00 a.m. on 15 March 2022. Applications will be made for the Existing Ordinary Shares to be readmitted and the New Ordinary Shares to be admitted to the Official List of the FCA by way of a Standard Listing and to trading on the Main Market. Readmission is expected to occur at 8.00 a.m. on 15 March 2022 and in addition to the Document being available on the Company's website at: www.cybapl.com, copies of this Document will be available to the public, free of charge, from the Company's registered office until the expiry of one month from the date of Readmission.

11 CAPITALISATION AND INDEBTEDNESS

The following table shows the Company's capitalisation and indebtedness as at 31 January 2022 and has been extracted without material adjustment from the Company's unaudited management accounts.

<i>Total Current Debt</i>	(£)
Guaranteed	–
Secured	–
Unguaranteed/Unsecured	–
Total Non-Current Debt	
Guaranteed	–
Secured	–
Unguaranteed/Unsecured	–
 <i>Shareholder Equity</i>	 (£)
Share Capital	62,453
Share Premium	5,358,048
Other Reserves	(3,781,407)
Total	<u>1,639,094</u>

Total shareholder equity does not include the accumulated losses of the Company, as these are not considered to be part of the invested capital of the Company.

As at the LPD, there has been no material change in the capitalisation of the Company since 31 January 2022.

The following table sets out the unaudited net funds of the Company as at 31 January 2022 and has been extracted without material adjustment from the Company's unaudited management accounts.

	(£)
A. Cash	387,822
B. Cash equivalent	–
C. Trading securities	–
D. Liquidity (A) + (B) + (C)	<u>387,882</u>
E. Current financial receivable	36,540
F. Current bank debt	–
G. Current portion of non-current debt	–
H. Other current financial debt	–
I. Current Financial Debt (F) + (G) + (H)	<u>–</u>
J. Net Current Financial Indebtedness (I) - (E) - (D)	(424,362)
K. Non-current Bank loans	–
L. Bonds Issued	–
M. Other non-current loans	–
N. Non-current Financial Indebtedness (K) + (L) + (M)	<u>–</u>
O. Net Financial Indebtedness (J) + (N)	<u>(424,362)</u>

As at 31 January 2022, the Company had no indirect or contingent indebtedness.

As at the LPD, there has been no material change in the indebtedness of the Company since 31 January 2022.

PART III

INFORMATION ON AND OPERATING AND FINANCIAL REVIEW OF NARF

Corporate History

Narf Industries LLC was founded in California in 2013 and its sister company, Narf Industries PR LLC, was founded in 2018 by Steve Bassi, Ben Schmidt and Nick Davis as, together, an information security research and development business which operates in the cyber security sector.

Narf Industries LLC

Narf Industries LLC is a limited company incorporated in California, with registered number 201719110256 and its registered office at 548 Market St #37005, San Francisco, California CA 94104.

The largest holder of member interests in Narf Industries LLC is Steve Bassi, who holds 85 per cent. of the member interests. Nick Davis and Ben Schmidt are the only other holders of member interests in Narf Industries, holding 10 per cent. and 5 per cent. respectively.

As at the LPD, there are a total of 1,000,000 member interests in Narf Industries LLC. The holdings of the current Narf Directors and the substantial shareholders (being Narf Members owning 3 per cent. or more of the Narf Membership Interests) are as follows:

<i>Member</i>	<i>Member Interests</i>	<i>Number of Options</i>	<i>Percentage of Undiluted Member Interests (%)</i>	<i>Percentage of Diluted Member Interests (%)</i>
Steve Bassi	850,000	–	85	85
Nick Davis	100,000	–	10	10
Ben Schmidt	50,000	–	5	5

Narf Industries PR LLC

Narf Industries PR LLC is a limited liability company incorporated in Puerto Rico, with registered number 411501-1511 and its registered office at 1413 Avenue Ponce de León, San Juan, Puerto Rico 00907.

The largest holder of member interests in Narf Industries PR LLC is Steve Bassi, who holds 70 per cent. of the member interests. Nick Davis and Ben Schmidt are the only other holders of member interests in Narf Industries PR LLC, each holding 15 per cent.

As at the LPD, there are a total of 1,000,000 member interests in Narf Industries PR LLC. The holdings of the current Narf Directors and the substantial shareholders (being Narf Members owning 3 per cent. or more of the Narf Membership Interests) are as follows:

<i>Member</i>	<i>Number of Member Interests</i>	<i>Percentage (%)</i>
Steve Bassi	700,000	70
Nick Davis	150,000	15
Ben Schmidt	150,000	15

Business Overview

Principal Services

Narf provides three principal types of services:

1. *Cyber Security Research*

Narf is contracted by US Government research entities e.g. DARPA, Office of Naval Research and Department of Homeland Security to perform advanced computer security research. Topics vary but often include:

- **Vulnerability Research**

Analysing source code or binaries to find weaknesses in the way the software is written, which could be exploited by someone trying to disrupt or hack into the software program. Findings are detailed and documented for a client along with remedial fixes. Narf also performs higher-end penetration tests where it develops methods of exploiting vulnerabilities. See the "*Cyber Security Software Development*" section below for more detail.

- **Security Protocol or Algorithm Design**

Narf staff research the design of new security protocols or algorithms. Narf engages with the US Government and academia to design new solutions to security problems. Such protocols and algorithms are peer reviewed and analysed by Narf to ensure that they address customer requirements and are resistant to attack. Narf's knowledge of software security, exploitation, and Cryptographic Techniques is leveraged in the design and hardening of these protocols.

- **Software Hardening**

Software hardening is an extension of vulnerability research: Narf analyses common software vulnerabilities and creates new hardening solutions that address whole classes of vulnerabilities. Narf's patent portfolio is largely reflective of this area of work. Further information about Narf's patents can be found in Part XI of this Document.

2. *Cyber Security Software Development*

Narf develops cyber security focused software based on research outputs aforementioned and customer requirements. Software development is split between building research prototypes, demonstrating viability and SaaS product development based on customer requirements and/or research prototypes.

Software development is carried out in the "*agile method*" with small teams of experienced developers who have a background in secure development practices. Agile software development involves iterative development, where requirements and solutions evolve through collaboration between self-organising cross-functional teams.

3. *Software-as-a-Service (SaaS)*

Software developed under US Government or other research and development contracts are taken a step further and established as commercial products for use by customers in a working environment as part of their long-term maintenance and operations. Narf provides these services back to US Government teams designated by research organisations as "*transition partners*". Narf uses the SaaS model to generate revenue from the customer by both continual development and operation of software in a Narf-hosted environment known as "*DevOps*". Further information on the SaaS product can be found below in the "*Principal Products*" section.

Principal Products

The following products have either been developed over the past three years or are currently in the process of being developed:

1. *SaaS Product*

- As described above in the "*Principal Services*" section, this product is specialised software that has been developed for a single customer in line with the customer's requirements. Narf has built

custom software and computing infrastructure around this service and retains all rights to the software.

- This client was Narf's first customer and is now its anchor customer for the product. The original contract in 2018 has been renewed three times and the anchor customer contract now represents \$1M ARR. Narf anticipates contracts with similar annual repeating revenues with other teams and agencies within the cyber security, anti-malware and law enforcement organisations.

2. *SAFEDOCS*

- The Safe Documents (SafeDocs) programme develops verified programming methodologies for building high assurance code compiler and interpreter components (parsers) that break data into smaller elements for easy translation into another language for existing data formats.
- The programme also develops new methodologies for comprehending, simplifying and reducing data formats to their safe, unambiguous, verification sub-sets. This involves creating software construction kits for building secure parsers and high-assurance translators that will be usable by industry programmers who understand the structure of electronic data formats but lack the theoretical background in verified programming.
- Narf is currently in the research and development phase of the SafeDocs programme with DARPA and anticipates that it will be ready for sale as a product by December 2021.

3. *RADICS, TIGR and Secure Port*

- In conjunction with a team of expert organisations including DARPA, SRI International, Dartmouth College and NYU, Narf is continuing to research and develop a product that can be used by utilities and cyber first responders to restore power to electric grids that have suffered a cyberattack.
- The Rapid Attack Detection, Isolation and Characterization Systems (**RADICS**) programme, funded by DARPA, is a collaboration that develops threat analysis and characterisation technology for localising and containing malicious software such as a computer virus that has breached industrial control systems, power grid equipment and networks. One such project of the RADICS team is the Threat Intelligence for Grid Recovery (**TIGR**) project that aims to provide new tools that enable power engineers to restore and protect electrical service within seven days of an attack.
- The TIGR project has achieved \$400K ARR from its research and development phase.
- On 12 May 2021, following the ransomware attack on the Colonial pipeline, President Joe Biden signed an executive order requiring federal agencies to improve cyber security for operational technology (OT), which places the RADICS TIGR offering in a strong position as a likely solution for power grid security. Narf anticipates that initial take up of the solution will be by power grid critical infrastructure followed by sales to wider critical infrastructure.
- Narf, in collaboration with SRI International and RiverLoop through the RADICS programme, is developing RADICS Secure Port, an extension of the TIGR solution that allows manufacturers to adopt a standard interface that TIGR can use to securely examine potentially compromised systems without discovery by attackers. RADICS Secure Port is of interest to the US Department of Energy and other electric utility supervisory control and data acquisition (SCADA) manufacturers.

4. *Popcorn Linux*

- Popcorn Linux is a "*Replication Kernel*" operating system, which allows applications to run and be moved between computers' central processing units with different instruction sets, transparently to the user. The project's focus is on Linux, an open source operating system that manages a system's hardware and resources. Other examples of open source programs are Android by Google, Open office and Firefox browser. The Popcorn Linux strategy is to rewrite each Linux operating system service as a distributed service to achieve a faster, more efficient rate of process.
- Popcorn Linux has been funded by the Office of Naval Research and has multiple uses, including as a single system image operating system for future systems and as an alternative to virtualisation.

- Narf completed the research and development phase of Popcorn Linux in June 2021. Narf's current strategy is for various Popcorn Linux components to be adopted into the Linux operating system in 2022. Narf's longer-term strategy for Popcorn Linux will be to explore other product opportunities that can be developed and sold to the US Department of Defense and cloud-computing providers.

5. *New Products in Development*

- On 4 June 2021 Narf was awarded a contract for DARPA's hybrid artificial intelligence to protect the integrity of open source code (SocialCyber). Narf has commenced the research and development phase for the project and expects to develop products that detect supply chain attacks in open source code, similar to the SolarWinds Cyber-Attack and the cyber-attack on Kaseya (an IT solutions developer with headquarters in Ireland and Florida).
- The research and development phase of this project is expected to conclude in December 2022. As a result, Narf plans to develop several proprietary artificial intelligence methods for recognising, alerting, and remediating both intentional and unintentional security vulnerability introductions into open source code bases (e.g. the Linux kernel) that power today's rapid growth technology companies. Remediation of vulnerabilities is envisioned to be addressed by intellectual property protected by Narf's Semantic Firewall and VulnDiff patents. Further information about Narf's patents can be found in Part XI of this Document.

Principal Markets & Breakdown of Revenue:

Narf only operates in the USA.

A breakdown of Narf's revenue for the six month period ended 30 June 2021 and the three years ended 31 December 2020, 31 December 2019 and 31 December 2018 is as follows:

	<i>6 month period ended</i>		<i>6 month period ended</i>		
	<i>30 June 2021</i>	<i>31 December 2020</i>	<i>30 June 2020</i>	<i>31 December 2019</i>	<i>31 December 2018</i>
	\$	\$	\$	\$	\$
Research and development services	466,451	1,630,337	865,706	1,297,380	1,264,003
Installation services	170,000	170,000	170,000	170,000	150,000
SaaS subscriptions	414,996	975,058	560,062	838,694	149,500
Total	<u>1,051,447</u>	<u>2,775,395</u>	<u>1,595,768</u>	<u>2,306,074</u>	<u>1,563,503</u>

Operating and Financial Review of Narf

The following operating and financial review contains financial information that has been extracted or derived without material adjustment from the Narf Group historical financial information for the 6 month periods ended 30 June 2021 and 30 June 2020 and the financial years ended 31 December 2020, 31 December 2019 and 31 December 2018, which are the only relevant periods prepared in accordance with IFRS.

This discussion contains forward looking statements, which, although based on assumptions that the Directors consider reasonable, are subject to risks and uncertainties which could cause actual events or conditions to differ materially from those expressed or implied by the forward-looking statements. Investors should read the notice in relation to forward-looking statements contained on page 23.

The key risks and uncertainties, include, but are not limited to those described in the Risk Factors on pages 8 to 19.

Overview

Narf started working with DARPA at its inception when it won multiple research and development efforts under the Cyber Fast Track, Cyber Grand Challenge, TIGR, and SAFEDOCs programmes. These programmes rapidly built Narf's reputation in US Government as being able to tackle tough cyber security problems while encapsulating the solutions in productised software. This reputation led to further work within both the US Department of Defense and other US Government and academic research and development customers. Additionally, Narf built and later spun out, in 2017, its penetration testing and malware incident response into PolySwarm (see Part I *Chairman's Letter*, subsection *Strategy and plans for future growth*). PolySwarm's independent team is focused on building a large scale malware collection, detection, and intelligence platform.

Since 2017 the team has grown from four to ten by 2019/2020. During that period Narf has been able to commercialise its SaaS product. Revenues from the SaaS Subscription are \$975k and \$839k in 2020 and 2019 respectively (see row 3 in the table above).

One of Narf's key performance indicators (**KPI**) is the measurement of the continuous development of its SaaS product to meet ever-changing client requirements. This requires Narf to ensure that it anticipates new threats and can adapt products as required. This KPI is measured from the feedback received from clients as to the efficacy of the product and its features, which is then applied in the further development of the product. The other KPI for Narf is the number and type of key roles in advanced computer security software research and development that it obtains with US Government agencies. This KPI is measured by reference to the number and significance of the research and development mandates awarded, and also the profile and referral power of the client.

As described in the paragraph above, Narf has been able to enhance its research and development since its inception in 2013 (research and development revenue was \$1.63 million (2020), \$1.30 million (2019), \$1.26 million (2018)) which combined with the SaaS revenue has driven total contracted revenue from \$1.56 million in 2018 to \$2.78 million in 2020.

In accordance with IAS 38, Narf assesses its software products and capitalises all relevant expenses for those contracts, where title to the end product remains with the Narf Group, where costs can be directly attributable to an end-product, and where the end-product is either in commercial roll-out or reasonably expected to do so. The carrying value of these balances, after amortisation, was \$1.57 million at the end of 2020, \$1.48 million at the end of 2019 and \$1.25 million at the end of 2018. Staff costs comprised the majority of this balance and total remuneration paid to staff, which is the primary expense in a business such as Narf's, and have increased from \$802k in 2018 to \$1.39 million in 2020.

Results of operations for the six month period ended 30 June 2021 and the year ended 31 December 2020 compared to the six month period ended 30 June 2020 and the financial years ended, 31 December 2019 and 31 December 2018.

The table below is extracted from the Narf Group historical financial information in Part VIII:

	30 June 2021	31 December 2020	30 June 2020	31 December 2019	31 December 2018
	\$	\$	\$	\$	\$
Revenue	1,051,447	2,775,395	1,595,768	2,306,074	1,563,503
Cost of Sales	(472,196)	(1,075,846)	(626,022)	(729,248)	(427,888)
Gross Profit	699,261	1,699,549	969,746	1,576,826	1,135,615
Administrative Expenses	(603,548)	(791,994)	(309,747)	(814,934)	(798,228)
Other operating income	–	–	–	(87)	421,266
Exceptional items	150,592	250,000	–	–	–
Operating Profit	126,295	1,157,555	659,999	761,805	758,653
Finance expenses	(419)	(2,682)	(2,193)	(7,147)	(1,988)
Taxation	–	(38,697)	(15,616)	(745)	(11,599)
Comprehensive income	125,876	1,116,176	642,190	753,913	745,066

	30 June 2021	31 December 2020	30 June 2020	31 December 2019	31 December 2018
	\$	\$	\$	\$	\$
Cash	2,168,053	457,607	676,338	224,558	175,071
Intangible Assets	1,514,506	1,573,009	1,525,823	1,478,636	1,254,087
Total Assets	<u>4,498,740</u>	<u>2,434,622</u>	<u>2,697,053</u>	<u>2,277,654</u>	<u>1,843,264</u>

Narf released its new SaaS product during 2019 to one client, which generated \$1 million of revenue during 2020. The product was developed alongside this client whose feedback has resulted in improved functionality and efficacy. Narf's R&D services are provided across the US Department of Defense and academia including work with DARPA, Office of Naval Research, Department of Homeland Security, Dartmouth College, SRI International, and Virginia Tech. The profile and connections that this work brings Narf has enabled it to double its revenue over the last 3 years.

Narf has a number of patents for its technology, facilitating the continuous development of its infrastructure product and in 2021 intends to expand both current and newly developed products and services through its active revenue channels in the US and beyond. Further information about Narf's patents can be found in Part XI of this Document.

Important Events in the Development of Narf's Business

The three most important events in the development of Narf's business are as follows:

1. **Multiple Annual SaaS Product Renewals from Customers**

- Narf has had success in winning both initial and follow on work from multiple US Department of Defense customers including DARPA and the Office of Naval Research for the last three years.
- Narf's success can be attributed to its staff's ability to conceptualise and actualise cyber security software solutions. Not only has this led to three years of repeat business from a single customer, but Narf continues to win joint projects with DARPA and the Office of Naval Research based on its reputation and quality of staff.
- The success and demand for the specialised software product has enabled Narf to further develop the product so that it can be expanded to additional customer teams and agencies.

2. **Three-year collaborative RADICS contract**

- Narf played a primary role in developing TIGR, a solution for power grid cyber security (further details set out above in "Principal Products"). Narf's concepts and software engineering were used throughout the product resulting in a proof of concept.
- The success of TIGR has led to continued collaboration with SRI and RiverLoop on RADICS Secure Port.
- On 12 May 2021, President Joe Biden's executive order has placed the RADICS TIGR offering in a strong position as a likely solution for power grid security.

3. **DARPA Cyber Grand Challenge Contract**

- In 2014, DARPA launched the Cyber Grand Challenge, a competition to create automatic defensive systems capable of reasoning about flaws, formulating patches and deploying them on a network in real time.
- Narf was initially contracted to build a third of the DARPA Cyber Grand Challenge game material which included challenge binaries containing vulnerabilities for competitors' artificial intelligence (AI) based systems to find.
- The programme ran for three years and resulted in Narf being awarded subsequent contracts to build a virtual competitor or "sparring partner" that used AI strategies to test competitors' AI abilities to compete against each other in preparation for the final competition at DEFCON 24 in Las Vegas, Nevada.

Narf's Strategy and Objectives

Narf's strategy for growth will be to focus on three following key areas:

1. **Recruitment and Restructuring of Narf Teams**

- To enable Narf to take full advantage of its current position, achieved as a result of its success of transforming research and development work into viable commercial products, it plans to recruit a number of new team members. As part of the recruiting and restructuring process, Narf will restructure its technical team by splitting it into three dedicated sub-teams; each will then grow through new hires. These sub-teams will be:
 - *The Engineering Team*
the software engineering team, dedicated to the promotion of Narf's SaaS products to a wider customer base, including new US Government clients;
 - *The DevOps Team*
the DevOps and customer support team who will be responsible for day-to-day operations of the SaaS products, customer issues, and deployments of new versions across a wide fleet"; and
 - *The R&D Team*
the research and development and custom software development team to identify IC and US Department of Defence cybersecurity software demands from inception to prototype.
- Alongside the above three technical teams, Narf will build a sales team dedicated to growing SaaS products and research and development service revenues in the following sectors:
 - the US Department of Defense and Federal;
 - the Allied Defense and Federal; and
 - Law enforcement and cyber security organisations.

2. **Further Collaboration and Development of Power-Grid Cyber Security Technologies**

- The success of RADICS has led to further collaboration between Narf and SRI International: Narf's post-Readmission strategy is to obtain a license from SRI International to develop, alongside NYU, commercial product opportunities using TIGR's full technology infrastructure.
- The size of the Supervisory Control and Data Acquisition market (a system that aims to monitor and control devices at remote sites such as electrical energy grids) is set to grow up to \$3.29 billion by 2022 at a CAGR of 7.48 per cent. since 2017. Utility companies continue to invest heavily in devices to monitor and control their electrical energy grids, a demand heightened by the recent black outs, which exposed the risky environment utility companies operate in today.
- The Directors believe that the combination of Narf's concepts and software engineering skills, NYU's research and development work on computer processing unit counter-based anomaly detection and SRI International's technology infrastructure, gives RADICS a market advantage and opportunity to capture value from this growing market through the commercialisation of a customer-sanctioned solution being TIGR research and associated intellectual property.

3. **Acquisition-led Growth**

In addition to the above organic growth, the Enlarged Group have a strategy of seeking out and executing acquisitions of target companies or businesses within the cyber security sector, which complement the business of Narf and which will allow the Enlarged Group to expand faster than relying solely on organic growth. There is no specific number of such further acquisitions currently envisaged and no specific timeframe over which those acquisitions may be made.

Principal Challenges

1. Customer Base for SaaS Products

Narf's principal challenge is expanding the customer base for its SaaS products. Demand for the product has been confirmed by Narf's anchor customer, who has renewed its contract with Narf three years running and increased its usage each time. However, other customers in the market have not yet purchased the product. The Enlarged Group plans to meet this challenge by expanding both its technical and federal sales teams. New sales resources, and their existing networks which include target customers of the product, will be the Enlarged Group's primary means of extending its customer base.

2. Recruitment

Finding staff with the right credentials and expertise in cyber security SaaS products cannot be taken for granted and will be an additional challenge for the business. However, Narf enjoys a good reputation with universities across the US such as at Dartmouth University, Virginia Tech, Tulsa University and Naval Postgraduate School. Narf also has a good profile within the Capture The Flag circuit as well as within Narf's founders' extended network from their time employed by the US Government.

Dependency

Narf does not depend on any other party's intellectual property for SaaS or other services it provides.

Narf is diversified between several different customers across the US Government where they act as the prime technology contractor on the project.

If Narf's collaboration and product development work with SRI and NYU continues in relation to power grid cyber security solutions, Narf's work would be dependent on a licence to be granted by SRI and possibly NYU over certain parts of the TIGR technology.

Trends

The small team within Narf has steadily grown its product and work streams as well as its revenue from \$1.6 million (2018) to \$2.8 million (2020). Most of the team have worked for Narf since its inception and after undertaking a number of innovative research and development projects and engagements for the US government and certain large technology and cyber security corporates, they are starting to realise the gains from the time involved in building relationships at the highest level within those various entities.

Competitors

Competitors in the space are primarily large US defence contractors such as Raytheon Technologies Corporation, Lockheed Martin Corporation and Consolidated Analysis Center Incorporated. These contractors have several lines of business that do not exclusively focus on cyber security and research and development. Competitors of Narf lack the specialised knowledge of customer requirements and refining feedback that Narf has received over the past 8 years of work for DARPA, the US Department of Defense and other innovative agencies. Additionally, Narf has gained a reputation for delivering software and research and development outcomes in a price range that is more competitive than that of large US defence contractors.

Material investments and joint ventures

Narf has organically grown using its own resources and on-going customer relationships and revenues. It has not committed to material capital expenditure in the past and has no future capital commitments. It is not a party to any joint venture or profit sharing agreements.

Regulatory Environment

The majority of Narf's US Government-funded research and development work streams are carried out pursuant to Government Purpose Rights. This means that the US Government has the ability to use technical

data and source code developed in the research and development phase for US Government purposes. However, the US Government does not have any commercial rights to the research and development output, which permits Narf to use such output and proof-of-concept code to expand and develop commercial software products without restrictions.

Furthermore, the US Government does not have the human resources to maintain and grow the software that is developed from the research and development phase and usually contracts with specific specialists such as Narf to continue development and maintenance. This is largely due to the bureaucratic nature of federal employment and the fact that federal salaries do not keep pace with the private technology sector in the US.

Narf's work with the US Government predominantly involves unclassified information that does not need to be controlled and restricted. Therefore, although maintenance of security clearances amongst Narf staff is preferable, it is not required.

The Defense Production Act of 1950, as amended (50 U.S.C. 4565) ("**CFIUS Law**"), authorises the Committee on Foreign Investment in the United States ("**CFIUS**") to review any covered transaction, as defined in §800.213 of title VII of the CFIUS Law, and to mitigate any risk to the national security of the United States that arises as a result of such transactions. Section 721 of the CFIUS Law also authorises the President to suspend or prohibit any covered transaction when, in the President's judgment, there is credible evidence that leads the President to believe that the foreign person engaging in a covered transaction might take action that threatens to impair the national security of the United States, and when provisions of law other than section 721 and the International Emergency Economic Powers Act (50 U.S.C. 1701 et seq.) do not, in the judgment of the President, provide adequate and appropriate authority for the President to protect the national security of the United States in the matter before the President.

CFIUS is an inter-agency committee of the US government comprised of nine cabinet-level Executive Branch agencies and offices and various other non-voting offices with national security responsibilities.

As far as the Directors are aware, in the circumstances of the Acquisition, the purpose of the CFIUS law is to ensure, as far as possible, that sensitive US technology does not become available to a non US person of whom CFIUS does not approve.

The change of control of Narf to the Company represents a "covered transaction", and accordingly the Acquisition of Narf is dependent on Narf obtaining the consent of CFIUS in relation to any national security concerns arising from the Acquisition. On 14 October 2021, Narf and the Company obtained confirmation that, based on the information provided to CFIUS and consideration of all relevant national security factors, there were no unresolved national security concerns.

Management and Key Personnel

In addition to Steve Bassi, whose biography is set out in Part IV of this Document, Narf's management and key personnel comprises:

Ben Schmidt – Co-founder, Chief Security Officer

Ben Schmidt brings over a decade of experience in information security to the table, having led research on automated program analysis, malware reverse engineering, secure software development, cryptography, cryptocurrency, and vulnerability analysis.

Ben has won multiple Capture the Flag competitions, including DEF CON (one of the world's largest and most notable hacker conventions, held annually in Las Vegas, Nevada) and continues to participate in hacking competitions today, staying at the cutting edge of reverse engineering and software exploitation. At Narf, he has made use of this experience in his work on DARPA's Cyber Grand Challenge, helping to develop and secure a game with prizes worth millions of US dollars that tests the state-of-the-art in programme analysis.

Throughout his career, Ben has uncovered hundreds of vulnerabilities in an impressive range of products, including widely used open source products, hugely popular web applications, security-critical embedded

devices, and multiple mobile platforms. He has authored many source and binary analysis tools to aid his research, ensuring that future bugs can be found quickly and efficiently.

Ben holds a BSc and MSc in Computer Science from the University of Tulsa.

Nick Davis – Co-founder, Chief Operating Officer

Nick brings substantial experience leading enterprise teams in the performance of real world, large-scale digital forensics, malware reverse engineering, adversarial hunting, threat analysis and incident response.

As a Narf co-founder, he helped deliver cutting-edge research using partial homomorphic encryption applied to network signatures, audited thousands of lines of code for security vulnerabilities, and created a variety of custom-designed binary applications each possessing intentional vulnerabilities that are used to test the efficacy of automated program analysis tools.

Nick has competed in and won several DEF CON Capture The Flag competitions as a member of the team “Sk3wl of R00t”.

Nick holds a BSc in Computer Science from the University of Minnesota, Minneapolis and an MSc in Computer Science from the Naval Postgraduate School.

Dr. Michael E. Locasto, Chief Technology Officer

Dr Locasto is a research principal investigator with over 15 years of experience defining and leading high-value, novel cybersecurity research funded by government and industry. He was previously a principal computer scientist at SRI International, where he served as principal investigator and successfully managed a large research portfolio across the DARPA programmes: RADICS, SafeDocs, AIMEE, and SHEATH. This research has helped secure the power grid, Internet of Things, the supply chain, complex document formats, and software designs. He strives to create collaborative, focused, intellectually challenging environments that enable the team to grow and achieve important outcomes for clients as they mature their skills and capabilities.

Prior to joining SRI International, he was a tenured Associate Professor at the University of Calgary, where he directed the Trustworthy Systems Group and conducted research in trustworthy systems, cooperative security mechanisms, and software security.

Dr. Locasto has co-authored over 80 publications in the field of computer security, and he holds 14 patents related to software security and intrusion detection. He has a MSc and PhD in Computer Science from Columbia University and a BSc from The College of New Jersey in Computer Science.

Rebecca Shapiro, Senior Security Researcher

Rebecca has a wealth of experience in low-level systems analysis, software and hardware security, and direct experience with the study of “Weird Machines” (a theoretical framework to understand the existence of exploits for security vulnerabilities). She completed her PhD under Dr. Sergey Bratus (a research professor in the Computer Science Department at Dartmouth College), authored or co-authored multiple papers with Dr. Sergey Bratus, and, along with Dr. Sergey Bratus, is considered an eminent scholar on the topic of Weird Machines. Her PhD thesis examined the under-defined formal security properties of the U-Boot bootloader (an open-source, primary boot loader used in embedded devices to package the instructions to boot the device’s operating system) from a reverse engineering perspective by tracing memory writes, and her memory tracing work in SafeDocs expands on this work in mapping the Weird Machine universe.

Rebecca holds a BA in Computer Science from Wellesley College, an MSc in Computer Science from Johns Hopkins University, and a PhD in Computer Science from Dartmouth College.

Sean Carrick, Senior Security Researcher

Sean possesses over 10 years' experience in reverse engineering and digital forensics, security testing, vulnerability analysis, and exploit development, which are various aspects of the study of emergent behaviour in computing devices.

His doctoral dissertation developed a reverse engineering methodology for embedded devices, with a particular focus on the border between hardware and software. Differences in abstraction there provide fertile ground for weird machines while the restricted execution environment required discovery of undocumented features and creative reuse of existing system components. He has continued to explore esoteric execution environments in the academic, government, and private sectors since.

Sean holds a BSc in Computer Science & Engineering as well as a BSc in Mathematics from Ohio State University. He also completed his MSc in Computer Science and his PhD in Computer Engineering at the University of Tulsa.

Greg Roussas, Senior Technical Infrastructure Manager

Greg's career began in a two-person team running a midsize internet service provider at a time when integrated services digital network (ISDN) was the pinnacle of digital connectivity. After multiple industry consolidations and completing a Masters in Computer Science with research in secure systems, Greg served the US Government in roles performing incident response, forensics, and analysis of malware and network traffic. He participated in many joint initiatives with partner agencies at the federal and international level and worked on the design and implementation of systems and infrastructure in support of those efforts. As a member of the Narf team, he offers breadth and diversity of experience in helping develop novel and creative solutions to their customers' needs.

He has had the fortune of sharing the floor with some of the most talented researchers and practitioners in the security space during several DEF CON Capture The Flags as a member of Sk3wl of R00t.

Nick Lang, Senior Security Researcher and Developer

Nicholas is a new-generation Narfian, joining with several years of Capture The Flag experience and after having revived The University of Florida's InfoSec club, taking it from 10 active members to over 100. He previously worked at PolySwarm as an intern, reverse engineering malware and contributing to product development.

Since joining Narf, Nicholas has brought innovative ideas to life across multiple public and private projects, the latest being DARPA's RADICS.

Nicholas holds a BSc in Computer Science from the University of Florida.

Andrew Hughes, Senior Security Researcher and Reverse Engineer

Andrew Hughes has performed and assisted in research for numerous governmental and private clients focusing on current and futuristic low-level memory subsystems. The implementation level of these ranged from physical field-programmable gate arrays to custom branches of popular hypervisors. With the goal of making safer and more deterministic memory systems possible, he also worked on detecting and combating covert and side channels in modern implementations of those subsystems.

Andrew holds a BSc in Computer Science from the University of Central Florida.

Robert Lathrop, Senior Software Developer

Robert has nine years of experience in information security and software development from his previous roles in government and the cyber security industry. He had lead software development programmes across several programming languages, on cutting edge mobile and blockchain applications. Robert's role at Narf focuses on cyber security conscious development.

Robert holds a BSc in Computer Science from SUNY University at Buffalo.

Javier Malavé, Technical Project Manager

Javier brings substantial experience in computer architecture and chip design having spent 10 years in the semiconductor industry. While at Texas Instruments, he focused in the telecommunication business, where he led ethernet and network backhaul application engineering for the keystone family of base station processors.

After Hurricane Maria devastated his home island of Puerto Rico, Javier has worked closely with universities, government and the entrepreneurial sector in Puerto Rico, advising in research commercialisation, particularly in the areas of blockchain and decentralised communication technologies, as well as creating partnership networks to support entrepreneurial development in academia. At Narf, he manages projects in the areas of distributed operating systems and supports the company's commercialisation efforts of key research intellectual property.

Javier holds an MSc in Computer Science from the University of Texas A&M and an MSc in Technology Entrepreneurship from the University of Maryland.

Nicole Beauchemin, HR Manager

Nicole started her career in the grocery industry, learning to manage teams of people and developing her human resources skills. She made the leap from the corporate retail world to the technology sector when she moved to Puerto Rico to help get PolySwarm, a fledgling start-up, off the ground. After successfully building out PolySwarm's human resource infrastructure, she took on the human resources role at Narf Industries.

Nicole holds a BA in Criminal Justice and maintains a rape crisis counsellor certificate in California.

12 CAPITALISATION AND INDEBTEDNESS FOR NARF

The following table shows Narf's capitalisation and indebtedness as at 31 January 2022 and has been extracted without material adjustment from Narf's unaudited management accounts.

Total Current Debt	(£)
Guaranteed	–
Secured	–
Unguaranteed/Unsecured	–
Total Non-Current Debt	
Guaranteed	–
Secured	–
Unguaranteed/Unsecured	–
Shareholder Equity	(£)
Members' Equity	915,999
Total	<u>915,999</u>

Total shareholder equity does not include the accumulated losses of Narf, as these are not considered to be part of the invested capital of Narf.

As at the LPD, there has been no material change in the capitalisation of Narf since 31 January 2022.

The following table sets out the unaudited net funds of Narf as at 31 January 2022 and has been extracted without material adjustment from Narf's unaudited management accounts.

	(£)
A. Cash	488,288
B. Cash equivalent	–
C. Trading securities	–
	<hr/>
D. Liquidity (A) + (B) + (C)	488,288
	<hr/>
E. Current financial receivable	353,658
F. Current bank debt	–
G. Current portion of non-current debt	(14,994)
H. Other current financial debt	–
	<hr/>
I. Current Financial Debt (F) + (G) + (H)	(14,994)
	<hr/>
J. Net Current Financial Indebtedness (I) - (E) - (D)	(826,892)
K. Non-current Bank loans	–
L. Bonds Issued	–
M. Other non-current loans	(20,329)
N. Non-current Financial Indebtedness (K) + (L) + (M)	(20,329)
	<hr/>
O. Net Financial Indebtedness (J) + (N)	(806,536)
	<hr/> <hr/>

As at 31 January 2022, Narf had no indirect or contingent indebtedness.

As at the LPD, there has been no material change in the indebtedness of Narf since 31 January 2022.

PART IV

THE DIRECTORS, THE BOARD AND CORPORATE GOVERNANCE

1 THE DIRECTORS

The Directors of the Company as at the date of this document are as follows. Details of their service contracts are set out at paragraph 7 of Part XI (*Additional Information*) of this Document.

Steve Bassi, Non-executive (date of birth 1 July 1984, age 37)

Mr Bassi is a Cyber Security expert, renowned within the Industry.

Mr Bassi is the founder and CEO of Polyswarm (a trading name of Swarm Technologies Inc), the leading decentralized threat intelligence detection marketplace and anti-virus solution platform, whose Board and advisors features leading figures within the industry from Intel, Facebook, McAfee, among others, with numerous offices including Tokyo, Silicon Valley, and San Diego.

Mr Bassi is also the founder and CEO of NARF. Previously he was a computer scientist and cyber security researcher for the Naval Research Laboratory and Director of Technical Security Services for Poseidon Research Japan Co Limited.

Mr Bassi has over 20 years of experience in Information Security and Intelligence focused development. From the age of 16, Mr Bassi worked in the IT team responsible for network security and maintenance (i.e. firewalls and VPNs) for a fresh produce company on the West Coast of the US. Prior to Narf, Mr Bassi served in lead roles in a variety of projects for Government and Industry including: software development for advanced incident response, blockchain-based identity management R&D, and development of cutting-edge program analysis tools for DARPA's Cyber Grand Challenge, a competition to create automatic defensive systems capable of reasoning about flaws, formulating patches and being deployed on a network in real time.

Previously, he competed in several DEFCON Capture The Flag competitions as a member of Sk3wl of R00t, winning an unprecedented two years in a row gaining cult status, after which they ran the competition.

Mr Bassi was a Computer Scientist at the Naval Research Laboratory in Washington DC and obtained his MSC in Computer Science from the Naval Postgraduate School and a BSC in Computer Engineering from Santa Clara University.

John Herring, Independent Non-executive (date of birth 9 January 1956, age 66)

Mr Herring has had a front row seat over the last 15 years of emerging cyber-security needs and data-centric technologies in his roles working with the national intelligence community, executive roles in fast growing companies, and in private equity. He has successfully introduced innovative information technology solutions to enterprise and government markets over the past 25 years. His career spans military service to public company executive positions and is experienced with venture, private equity and public market financings and successfully led businesses to M&A transactions and publicly listed entities.

Mr Herring is President and CEO of Fasoo Inc. responsible for the international expansion of Fasoo's business. Fasoo specializes in data security including application and secure content solutions. He also serves as Founder Emeritus of Corstone Capital, a Washington DC globally diversified private equity firm he established in 1993, and has served alternatively as managing director or as CEO of a number of Corstone portfolio companies.

Most recently, Mr Herring led iMove Inc. to advance a new generation of ground-based imaging solutions to combat terrorism. He won investment from In-Q-Tel, the investment arm of the CIA and fast-tracked the deployment of new technologies solutions that have since been recognised by the Directors of DNI and CIA for saving the lives of intelligence officers and warfighters. iMove was acquired by Immersive Media in December 2013.

Previously, Corstone teamed with former McCaw Cellular executives to develop a new generation mobile satellite data service. Mr Herring served as CEO of Norcom Networks during which time ground station operations were established; mobile terminals developed for in-vehicle communications; and major customers were signed including Sears, Union Pacific and a host of major utilities. Mr Herring attracted Telenor AS, the Norwegian telecom as a strategic partner who invested \$50 million in the venture. Norcom was later acquired by Wireless Matrix Corporation, a publicly listed company.

Mr Herring led Corstone's acquisition of and served as CEO of Laser Access Corporation, a company involved in imaging solutions and text-retrieval algorithms for banking applications. During his tenure, the product was brought to market, gained rapid market share and was subsequently acquired by Network Imaging Corporation, a publicly listed company.

Prior to Corstone, Mr Herring worked for DBA Systems, an image and mapping contractor for the national intelligence community, and served as an officer on the staff of Admiral H.G. Rickover at the Headquarters of the Navy's Nuclear Propulsion Program.

He received his MBA in Finance and Investments from George Washington University and his BS in Business from The Citadel, the Military College of South Carolina.

Rory Heier, Non-executive (date of birth 11 December 1978, age 43)

Mr. Heier is an experienced CFO and Corporate Financier based primarily in London. A Chartered Accountant with a broad range of experience which includes, legal, assurance, compliance and forensic engagements as well as project management for some of the largest multinationals in the world with turnovers up to £300 billion.

In his most recent role as a Founder and Director of Alpha Growth plc in London, Mr. Heier was responsible for steering its IPO in London, the early stage fundraising and constructing the compliance and finance functions both in London and in the US, as well as sitting or chairing each of the company's various committees. He was also Director and Head of Compliance and Finance of Alpha Longevity Management Limited, a Fund Manager in BVI, licensed by BVI FSC which formed part of the Alpha Growth group.

Previously he created, and was Head of, the Corporate Finance Team at Welbeck Associates. Welbeck was a Chartered Accountancy firm, which specialised in Capital Markets advising on shell companies, corporate restructuring, turnaround and smaller cap groups in a variety of industries listed on an array of markets around the world. He joined to establish and grow the capital markets team within the assurance department which then expanded across all areas of the business. He established the corporate finance, outsourced CFO support and forensic advisory teams, as well as initiating their International Network before they were taken over by PKF Littlejohn. During his tenure he was involved in growing the number of listed clients of the practice from 3 to over 25 by the time he moved to Alpha Growth, which made Welbeck a top 15 practice in the UK.

Mr Heier has also been an Expert Witness during his roles in forensic accounting and investigations, having also worked at Forensic Risk Alliance as a Senior Associate, primarily for the US offices and then expanding the London office. He was responsible for numerous projects out of a variety of offices, across a range of service sectors and industries, including forensic accounting, FCPA investigations and due diligence, Terrorism financing cases, class actions, project management, and individual expert witness assignments, all for numerous cases, both civil and criminal, involving the largest multinationals in banking, tobacco, manufacturing, private conglomerates, oil and gas and financial services sectors.

Mr Heier is also the founder and CEO of Harpers Capital, a London based consulting and outsourced advisory firm.

Robert Mitchell, Independent Non-executive and Chairman (date of birth 10 October 1965, age 56)

Mr Mitchell has extensive experience as an active investor, adviser, executive and non-executive in both private and public small and midcap companies gained from a twenty-seven-year career as a fund manager in the UK financial services sector. He has been involved in capital raising, investor engagement, investment in over 250 private and public companies, increasing shareholder value through initiating acquisition, merger and takeover activity, advising boards on strategic direction, adviser change and board composition. He has detailed knowledge of the smaller company market and its advisers and brokers.

Robert is Chairman of Roscar plc, a digital asset investment company. Robert is founder and Executive Chairman of Bioenergy Group Limited, a renewable energy company; and non-executive Director of Intosol PLC, a luxury holiday company on the Standard List of the London Stock Exchange. He was also founder and Partner of Bluehone Investors LLP, a specialist small and midcap investment and advisory business.

He was previously Director of AIM equities at ISIS Asset Management (now BMO Asset Management), where he was jointly responsible for launching and running a number of funds investing in AIM. Prior to that he was a fund manager specializing in the Smaller/Midcap sector with AXA Framlington.

He has also been non-executive Director of Water Intelligence PLC, a US based, AIM listed, environmental services and Technology Company focused on monitoring and protecting water infrastructures.

He received his MBA from Exeter University Business School in 1995, and his BSC in Economics from Buckingham University in 1987.

2 DIRECTORS' FEES

The fee payable to Mr. Heier is £60,000 per annum, which is to be paid in equal monthly instalments in arrears. Fees are subject to annual review. The Company, at its expense, also provides Mr. Heier with directors' and officers' liability insurance.

The fee payable to Mr. Mitchell is £60,000 per annum, which is to be paid in equal monthly instalments in arrears. Fees are subject to annual review; the first review will be effective from 1 October 2020. The Company, at its expense, also provides Mr. Mitchell with directors' and officers' liability insurance.

The fee payable to Mr. Bassi is \$60,000 per annum, which is to be paid in equal monthly instalments in arrears. Fees are subject to annual review. The Company, at its expense, also provides Mr Bassi with directors' and officers' liability insurance.

The fee payable to Mr. Herring is \$60,000 per annum, which is to be paid in equal monthly instalments in arrears. Fees are subject to annual review. The Company, at its expense, also provides Mr. Herring with directors' and officers' liability insurance.

Each Director's service agreement and letter of appointment is further detailed at paragraph 7 of Part XI (*Additional Information*).

3 STRATEGIC DECISIONS

3.1 Members and responsibility

The Directors are responsible for carrying out the Company's objectives, implementing its business strategy and conducting its overall supervision. Acquisition, divestment and other strategic decisions will all be considered and determined by the Board.

The Board will provide leadership within a framework of prudent and effective controls. The Board will establish the corporate governance framework of the Company and will have overall responsibility for setting the Company's strategic aims, defining the business plan and strategy and managing the financial and operational resources of the Company.

3.2 Frequency of meetings

The Board will schedule quarterly meetings and will hold additional meetings as and when required. The expectation is that this will result in more than four meetings of the Board each year.

3.3 Corporate governance

The Board supports high standards of corporate governance. To this end the Group intends to comply with the Quoted Companies Alliance Corporate Governance Code (the QCA Code) from Readmission.

The QCA Code applies the key elements of good corporate governance in a manner that is consistent with the different needs of growing companies and therefore is suitable to the Company's current status. The QCA Code contains ten broad principles, including that the Company should: (i) establish a strategy and business model which promote long-term value for shareholders; (ii) embed effective risk management, considering both opportunities and threats, throughout the organisation; (iii) maintain the board as a well-functioning, balanced team led by the chair; (iv) ensure that between them the directors have the necessary up-to-date experience, skills and capabilities; (v) promote a corporate culture that is based on ethical values and behaviours; and (vi) maintain governance structures and processes that are fit for purpose and support good decision-making by the board.

3.4 **Committees**

The Board has established an Audit Committee and a Nomination and Remuneration Committee with effect from Readmission. In addition, the Board has also established an Independent Acquisitions Committee which will consider potential targets where a Director has a conflict.

Audit Committee

The Audit Committee will initially consist of Rory Heier (Chair), Bob Mitchell and John Herring, each of whom have recent and relevant financial experience. The Audit Committee will normally meet at least two times a year at the appropriate times in the reporting and audit cycle. The committee has responsibility for, amongst other things, the monitoring of the financial integrity of the financial statements of the Group and the involvement of the Group's auditors in that process. It focuses in particular on compliance with accounting policies and ensuring that an effective system of internal financial control is maintained. The ultimate responsibility for reviewing and approving the annual report and accounts and the half-yearly reports, remains with the board.

The terms of reference of the Audit Committee covers such issues as membership and the frequency of meetings, as mentioned above, together with requirements of any quorum for and the right to attend meetings. The duties of the Audit Committee covered in the terms of reference are financial reporting, internal controls, internal audit, external audit and reserving. The terms of reference also set out the authority of the committee to carry out its duties.

Nomination and Remuneration Committee

The Nomination and Remuneration Committee will initially consist of John Herring (Chair), Bob Mitchell and Rory Heier. The Nomination and Remuneration Committee will meet at least twice a year once the Company has executed its first transaction. It will have responsibility for the determination of specific remuneration packages for each of the executive directors and any senior executives or managers of the Group, including pension rights and any compensation payments, and recommending and monitoring the level and structure of remuneration for senior management, and the implementation of share option, or other performance-related, schemes.

The Nomination and Remuneration Committee will also be responsible for considering and making recommendations to the board in respect of appointments to the Board, the Board committees and the chairmanship of the Board committees. It is also responsible for keeping the structure, size and composition of the Board under regular review, and for making recommendations to the Board with regard to any changes necessary. The Nomination and Remuneration Committee also considers succession planning, taking into account the skills and expertise that will be needed on the Board in the future.

The terms of reference of the Nomination and Remuneration Committee cover such issues as membership and frequency of meetings, as mentioned above, together with the requirements for quorum for and the right to attend meetings. The duties of the Nomination and Remuneration Committee covered in the terms of reference relate to the following: determining and monitoring policy on and setting level of remuneration, early termination, performance-related pay, pension arrangements, authorising claims for expenses from the chief executive officer and chairman, reporting and disclosure, share schemes and appointment of remuneration consultants. The terms of reference also set out the reporting responsibilities and the authority of the committee to carry out its duties.

Independent Acquisitions Committee

The Independent Acquisitions Committee will consist of all Independent Directors in the event of a potential acquisition target being introduced to the Company by a Director where that Director has an interest or other conflict of interest. In such circumstances, the Independent Acquisitions Committee will have a full remit to negotiate the terms of such transaction (including engaging and liaising with professional advisers) and the conflicted or interested Director will not be invited to join or attend any meetings of the Committee.

3.5 Share dealings

The Board has adopted a share dealing code that complies with the requirements of the Market Abuse Regulation and which shall apply from Readmission. All persons discharging management responsibilities (comprising only the Directors at the date of this Document) and their persons closely associated shall be required to comply with the provisions of the share dealing code at all times.

The Company will also adopt a share dealing policy which will, following the completion of its first acquisition, also apply to all employees of its enlarged group.

3.6 Listing venue

Subject to eligibility, the Directors may, in future, seek to transfer the Company from a Standard Listing to either a Premium Listing or other appropriate listing venue, based on the track record of the company or business it acquires, subject to fulfilling the relevant eligibility criteria at the time. However, in addition to or in lieu of a Premium Listing, the Company may determine to seek a listing on another stock exchange. Following such a Premium Listing, the Company would comply with the continuing obligations contained within the Listing Rules and the Disclosure Guidance and Transparency Rules in the same manner as any other company with a Premium Listing.

The Ordinary Shares are expected to be also listed on the OTCQB market based in the US. An initial application was made to OTC Markets on 27 April 2021 for the listing of the entire share capital of the Company on the OTCQB market, however, pending Readmission, the application process has been suspended.

The Company is applying for a Standard Listing of the Ordinary Shares on the Official List and a Standard Listing offers less protection to Investors than would otherwise be the case with a Premium Listing on the Official List. Further detail on the differences between a Premium Listing and a Standard Listing are set out in the section entitled “Consequences of a Standard Listing” on page 19 of this Document.

PART V

THE PLACING AND USE OF PROCEEDS

The Placing will raise Gross Placing Proceeds of £6,000,000 for the Company at the Placing Price of £0.02 per share, comprising 300,000,000 new Ordinary Shares. The total associated expenses of the Placing, Acquisition and Readmission are £600,000, comprising £600,000 of fixed Transaction Costs. Variable Transaction costs of £300,000 and which comprise broker's commission on the Gross Placing Proceeds are being settled in new ordinary shares and will not affect the Net Placing Proceeds. The fixed Transaction Costs comprise legal and financial due diligence costs and general transaction advice, and will be paid by the Company from its existing cash reserves inclusive of the Gross Placing Proceeds. Accordingly, the Net Placing Proceeds from the Placing issue will be £5,400,000.

The Placing will be subject to and in accordance with the Placing Terms & Conditions, in the form set out at Part XV of this document.

The Placees have signed irrevocable undertakings for the Placing conditional only on Readmission. The undertakings cease to have any element of conditionality (including statutory withdrawal rights) immediately prior to Readmission. If the Placing does not proceed, the Acquisition will be terminated, the Readmission will not occur and the funds will be returned to investors. The Placees do not have the statutory right of withdrawal.

The Company, the Directors, and Tennyson Securities have entered into a Placing Agreement dated 16 February 2022, pursuant to which Tennyson Securities has agreed to act as agent for the Company for the purpose of procuring subscribers for the Placing Shares. Details of this agreement are set out in Part XI of this document.

The Placing Shares have been offered to investors in the United Kingdom by way of Contract Notes. Conditional on, amongst other things, Readmission occurring on or prior to the agreed date, each investor under the Placing has agreed to acquire those Placing Shares to be allocated to them under their respective Contract Note.

In accordance with Listing Rule 14.3, on Readmission at least 10 per cent. of the Ordinary Shares to be readmitted will be in public hands.

If Readmission does not occur by 31 March 2022, the Placing and Acquisition will not proceed and all monies paid will be refunded to the applicants.

Use of Proceeds

It is anticipated by the Directors that the Net Placing Proceeds will be used by the Enlarged Group as follows:

- Payment of Cash Consideration: £3,000,000
- Investment in the Narf sales and marketing teams and Narf working capital: £1,000,000
- Central costs: £400,000
- Remaining funds for IP capture and reserve for the costs of future acquisitions (including Polyswarm assuming the decision to proceed is made): £1,000,000.

Readmission

The Placing is subject to Readmission occurring on or before 31 March 2022 or such later date as may be agreed by the Company and Tennyson Securities. The Placing and Readmission are inter-conditional.

Readmission is expected to take place and dealings in the Existing Ordinary Shares and the New Ordinary Shares are expected to commence on the London Stock Exchange at 8.00 a.m. on 15 March 2022. The Company is not making any arrangements for dealing prior to Readmission.

No application has been made, or is currently intended to be made, for the Ordinary Shares to be admitted to listing or dealt on any other stock exchange, other than the OTCQB, as further described in paragraph 3.8 of Part XI of this document.

Where applicable, definitive share certificates in respect of the New Ordinary Shares to be issued pursuant to the Placing are expected to be despatched, by post at the risk of the recipients, to the relevant holders, not later than seven days following Readmission. The Ordinary Shares are in registered form and can also be held in uncertificated form. Prior to the dispatch of definitive share certificates in respect of any New Ordinary Shares which are held in certificated form, transfers of those New Ordinary Shares will be certified against the register of members of the Company. No temporary documents of title will be issued.

Effect on shareholders

The Consideration Shares and Placing Shares will represent approximately 61.54 per cent. of the Enlarged Share Capital.

The Consideration Shares and the Placing Shares will rank *pari passu* in all respects with Existing Ordinary Shares including all rights to dividends and other distributions declared, made or paid following Readmission and will be issued as fully paid.

The percentage of the Enlarged Share Capital the Concert Party will hold on Readmission is 45.05 per cent.

The Placing has not been and will not be underwritten.

The Placing Price has been set at the same price at which the Consideration Shares are being issued to the Narf Members.

No expenses of the Placing will be charged to any investor by the Company.

Conditional upon Readmission occurring and becoming effective by the agreed date, each of the Placees has agreed to become a member of the Company and to subscribe for those Placing Shares set out in his or her Contract Note. To the fullest extent permitted by law, investors will not be entitled to rescind their agreement.

Payment

Each Placee agrees to return signed Contract Notes to Tennyson Securities, whose agent Shard Capital Partners LLP (CREST BH01) will be the CREST counterparty to the Placees in respect of the entire Placing which will be settled on Readmission. Liability (if any) for stamp duty and stamp duty reserve tax is as described in Part X of this Document.

Transferability

The Articles contain no restrictions on the free transferability of fully paid Ordinary Shares, provided that the transfer is permitted by the uncertificated securities rules or, for shares in certificated form, the transfer is in favour of not more than four transferees, the Company has no lien over the shares in question, the transfer is in respect of only one class of share, it is duly stamped or shown to the Board to be exempt from stamp duty and the provisions in the Articles relating to registration of transfers have been complied with.

Dealing Arrangements

Application has been made to the FCA for all Existing Ordinary Shares and New Ordinary Shares to be listed on the Official List and application has been made to the London Stock Exchange for the same to be admitted to trading on the London Stock Exchange's Main Market for listed securities as a Standard Listing.

It is expected that Readmission will take place and unconditional dealings in the Ordinary Shares will commence on the London Stock Exchange at 8.00 a.m. on 15 March 2022. This date and time may change. It is intended that settlement of the Placing Shares allocated to Placees will take place by means of crediting relevant CREST stock accounts on Readmission. Dealings in advance of crediting of the relevant

CREST stock account shall be at the risk of the person concerned. When readmitted to trading, the Ordinary Shares will be registered with ISIN GB00BMH18M70 and SEDOL number BMH18M70.

CREST

CREST is a paperless settlement procedure enabling securities to be evidenced otherwise than by a certificate and transferred otherwise than by written instrument. The Articles permit the holding of Ordinary Shares under the CREST system. Accordingly, settlement of transactions in the Ordinary Shares following Readmission may take place within the CREST system if any Shareholder so wishes.

CREST is a voluntary system and investors who wish to receive and retain certificates for their securities will be able to do so. Except as otherwise described herein, the Placees may elect to receive Ordinary Shares in uncertificated form if such Shareholder is a member (as defined in the CREST Regulations) in relation to CREST.

Overseas Shareholders

The Ordinary Shares have not been and will not be registered under the Securities Act or under the securities laws of any state or other jurisdiction of the United States or under applicable securities laws of Canada, Australia, Japan or the Republic of South Africa.

The Consideration shares are being offered to the Narf Members in their capacity as accredited investors.

Subject to the offer for Consideration Shares made to the Narf Members, and certain exceptions, the Ordinary Shares may not be offered, sold, resold, transferred or distributed directly or indirectly, and this Document may not be distributed by any means including electronic transmission within, into, in or from the United States or to or for the account or benefit of persons in the United States, Canada, Australia, Japan, the Republic of South Africa or any other jurisdiction where such offer or sale would violate the relevant securities laws of such jurisdiction. This Document does not constitute an offer to sell or a solicitation of an offer to purchase or subscribe for Ordinary Shares in any jurisdiction in which such offer or solicitation is unlawful or would impose any unfulfilled registration, publication or approval requirements on the Company. The Ordinary Shares may not be taken up, offered, sold, resold, transferred or distributed, directly or indirectly within, into or in the United States except pursuant to an exemption from, or in a transaction that is not subject to, the registration requirements of the Securities Act. There will be no public offer in the United States, although the Company may sell the Ordinary Shares in a private placement transaction in the United States pursuant to an exemption from registration.

PART VI

RULE 9 WAIVER INFORMATION

City Code on Takeovers and Mergers

The Company is incorporated in England and Wales and its Ordinary Shares will be admitted to trading on the Standard List of the Main Market. Accordingly, the City Code applies to the Company and as such its Shareholders are entitled to the protections afforded by the City Code.

Under Rule 9 of the City Code (“**Rule 9**”), any person who acquires an interest in shares (as defined in the City Code), whether by a series of transactions over a period of time or not, which (taken together with any interest in shares held or acquired by persons acting in concert (as defined in the City Code) with him) in aggregate, carry 30 per cent. or more of the voting rights of a company which is subject to the City Code, that person is normally required to make a general offer, in cash, to all of the remaining shareholders to acquire their shares.

Similarly, when any person, together with persons acting in concert with him, is interested in shares which in aggregate carry not less than 30 per cent. of the voting rights of such a company but does not hold shares carrying more than 50 per cent. of such voting rights, a general offer will normally be required if any further interests in shares are acquired by any such person which increases the percentage of shares carrying voting rights in which he is interested.

An offer under Rule 9 must be in cash or be accompanied by a cash alternative and at the highest price paid by the person required to make the offer, or any person acting in concert with him, for any interest in shares of the company during the 12 months prior to the announcement of the offer. Under the City Code, a concert party arises where persons, pursuant to an agreement or understanding (whether formal or informal), co-operate to obtain or consolidate control (as defined below) of a company or to frustrate the successful outcome of an offer for a company. “Control” means holding, or aggregate holdings, of shares carrying 30 per cent. or more of the voting rights of the company, irrespective of whether the holding or holdings give de facto control.

Assuming the Acquisition and Placing are completed in accordance with their terms, the Concert Party will hold 45.05 per cent. of the Enlarged Share Capital. Accordingly, since the total voting rights of the Concert Party will exceed 30 per cent. of the total voting rights in the Company, the Company has applied to the Panel for a waiver of Rule 9 of the City Code in order to permit the Acquisition without triggering an obligation on the part of the Concert Party to make a general offer to Shareholders (the “**Rule 9 Waiver**”). Subject to the approval of the Independent Shareholders on a poll, the Panel has agreed to waive the obligation to make a general offer for the entire issued share capital of the Company that would otherwise arise as a result of the issue of the Consideration Shares. Accordingly, the Rule 9 Waiver Resolution being proposed at the General Meeting will be taken by means of a poll of Independent Shareholders attending and voting at the General Meeting. None of the existing Shareholders and members of the Concert Party, who are participating in the Placing are permitted to exercise their voting rights in respect of the Rule 9 Waiver Resolution but may exercise their voting rights in respect of the remainder of the Resolutions.

The waiver to which the Panel has agreed under the City Code will be invalidated if any purchases are made by any member of the Concert Party, or any person acting in concert with any of them, in the period between the date of this document and the General Meeting. Save for Mr Bassi, who has acquired shares in the Company in lieu of remuneration under his terms of appointment as a director, no member of the Concert Party, nor any person acting in concert with either of them, has purchased Ordinary Shares in the 12 months preceding the date of this document. Further no shares have been issued to any member of the Concert Party since the date of the Narf LOI.

In each case above it is assumed that no other person has converted any convertible securities or exercised any option or any other right to subscribe for shares in the Company following the date of this document.

Given that the number of Consideration Shares and the amount of the Cash Consideration are fixed in the Acquisition Agreement, the maximum potential shareholding of the Concert Party in the Enlarged share Capital will be 45.05 per cent.

Upon Readmission, the Enlarged Share Capital will be 1,624,125,000 Ordinary Shares plus Warrants over 25,000,000 Ordinary Shares. No member of the Concert Party owns Warrants. The current shareholdings of the Concert Party as at the date of this Document and upon Readmission are/will be as follows:

<i>Concert Party Member</i>	<i>Interest in Existing Ordinary Shares</i>		<i>Consideration Shares</i>		<i>Interest in Enlarged Ordinary Share Capital</i>	
	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>	<i>No.</i>	<i>%</i>
Steve Bassi	32,000,000	5.12	505,920,000	72.31	537,920,000	33.12
Nick Davis	–	–	99,540,000	14.22	99,540,000	6.13
Ben Schmidt	–	–	94,140,000	13.45	94,140,000	5.80
Total			699,600,000	100.00	731,600,000	45.05

“Squeeze out” Rules

In the event a bidder for shares in the Company acquires at least nine-tenths in value of the issued share capital of the Company to which an offer relates the bidder may in accordance with the procedure set out in section 979 of the Act require the holders of any shares he has not acquired to sell them subject to the terms of the offer. Those Shareholders may in turn require the bidder to purchase their shares on the same terms.

Except as is set out above, the Company is not aware of the existence of any mandatory takeover bid pursuant to the rules of the City Code, or any circumstances which may give rise to any takeover bid, and the Company is not aware of any takeover bid for the Company’s issued share capital in the financial period year end to 31 December 2020 or in the current financial year by third parties, or of any squeeze-out or sell-out rules in relation to the Ordinary Shares.

Save as disclosed above, the Company is not aware of any person or persons who either alone or, if connected, jointly who at the date of this document and following the implementation of the Transaction and Readmission will, directly or indirectly, control the Company, where control means owning 30 per cent. or more of the voting rights attaching to the share capital of the Company.

Save as set out in this document, the Company is not aware of any arrangements in place or under negotiation which may at a subsequent date result in a change in control of the Company.

Intentions of the Concert Party

At present, the Company is a special purpose acquisition vehicle with no trading business. The Company’s objective has been to acquire a trading business, and the Directors believe that the acquisition of Narf fulfils this objective. The Concert Party has confirmed that following completion of the Transaction its intention is that the business of the Company, including research and development functions, is changed to that of developing the Narf business as described in Part I of this Document.

Other than this change to the Company’s strategy, the Concert Party has specifically confirmed that they have no intention to make changes regarding:

- the location of the Company’s places of business (although operations will be conducted by Narf Industries LLC in the US and by Narf Industries PR LLC in Puerto Rico), including the location of the Company’s headquarters and headquarters functions;
- the continued employment of the Company’s employees and management, including any material changes in the terms of employment, or changes in the balance of skills and functions of employees and management;
- the redeployment of the fixed assets of the Company; and
- the maintenance of any existing trading facilities for the Ordinary Shares (i.e. the trading of the Company’s shares on the Main market of the London Stock Exchange);

The Company currently has no pension scheme.

Assuming the Resolutions are approved at the shareholders meeting (notice of which is set out in Part XIV of the Prospectus), the Concert Party is not restricted from making an offer for the Company.

Concert Party Details

Steve Bassi's biography is set out in Part IV of this Document.

The following members of the Concert Party's details are set out in the Management and Key Personnel section of Part III of this Document:

- **Nick Davis**
- **Ben Schmidt**

Disclosure of interests and dealings in shares

Definitions

For the purposes of this Part VI:

- (a) "acting in concert" has the meaning attributed to it in the City Code;
- (b) "arrangement" includes any indemnity or option arrangements, and any agreement or understanding, formal or informal, of whatever nature, relating to relevant securities which may be an inducement to deal or refrain from dealing;
- (c) "connected person" means in relation to any person a person whose interest in shares is one in which the first mentioned person is also take to be interested pursuant to Part 22 of the Companies Act;
- (d) "control" means an interest or interests, in shares carrying in aggregate 30 per cent., or more of the voting rights of a company, irrespective of whether the holding or aggregate holding gives *de facto* control;
- (e) "dealing" or "dealt" includes the following:
 - (i) the acquisition or disposal of relevant securities, of the right (whether conditional or absolute) to exercise or direct the exercise of voting rights attaching to relevant securities, or of general control of relevant securities;
 - (ii) the taking, granting, acquisition, disposal, entering into, closing out, termination, exercise (by either party) or variation of an option (including without limitation a traded option contract) in respect of any relevant securities;
 - (iii) subscribing or agreeing to subscribe for relevant securities (whether in respect of existing or new securities);
 - (iv) the exercise or conversion, (whether in respect of new or existing relevant securities), of any relevant securities carrying conversion or subscription rights;
 - (v) the acquisition of, disposal of, entering into, closing out, exercise (by either party) of any rights under, or variation of, a derivative referenced, directly or indirectly, to relevant securities;
 - (vi) entering into, terminating or varying the terms of any agreement to purchase or sell relevant securities;
 - (vii) the redemption or purchase of, or taking or exercising an option over, any of its own relevant securities by the offeree company or an offeror; and
 - (viii) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
- (f) "derivative" includes any financial product whose value in whole or in part is determined, directly or indirectly, by reference to the price of an underlying security;
- (g) "disclosure date" means the LPD;
- (h) "disclosure period" means the period commencing on 16 February 2021, being the date 12 months prior to the date of publication of this Document and ending on the disclosure date;
- (i) being "interested" in relevant securities includes where a person:

- (i) any other action resulting, or which may result, in an increase or decrease in the number of relevant securities in which a person is interested or in respect of which he has a short position;
 - (ii) owns relevant securities;
 - (iii) has the right (whether conditional or absolute) to exercise or direct the exercise of the voting rights attaching to the relevant securities or has general control of them;
 - (iv) by virtue of any agreement to purchase, option or derivative, has the right or option to acquire relevant securities or call for their delivery or is under an obligation to take delivery of them, whether the right, option or obligation is conditional or absolute and whether it is in the money or otherwise; or
 - (v) is party to any derivative whose value is determined by reference to their price and which results, or may result, in his having a long position in them;
- (j) “relevant securities” includes:
- (i) shares and any other securities carrying voting rights;
 - (ii) equity share capital (or derivatives referenced thereto); and
 - (iii) securities carrying conversion or subscription rights;
- (k) “short position” means any short position (whether conditional or absolute and whether in the money or otherwise) including any short position under a derivative, agreement to sell or any delivery obligation or right to require any other person to purchase or take delivery.

Dealings in the Company’s Ordinary Shares

No dealings in Ordinary Shares by members of the Concert Party have taken place during the disclosure period, save for the issue to Steve Bassi of 8,000,000 Ordinary Shares in the Company during a 20 month period ending on October 2020 by way of remuneration for directorship services.

No dealings for value in Ordinary Shares by Directors, their respective immediate families and related trusts, persons acting in concert with the Company or persons with whom the Company or persons acting in concert with the Company have an arrangement have taken place during the disclosure period.

At the close of business on the disclosure date:

- (a) no member of the Concert Party (including any members of their respective immediate families, related trusts or connected persons) has any interest in or a right to subscribe for, or has any short position in relation to any relevant securities of the Company;
- (b) no person acting in concert with the Concert Party has any interest in, or right to subscribe for, or has any short position in relation to any relevant securities of the Company;
- (c) no member of the Concert Party (including any members of their respective immediate families, related trusts or connected persons) nor any person acting in concert with the Concert Party has borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold; and
- (d) no member of the Concert Party (including any members of their respective immediate families, related trusts or connected persons) nor any person acting in concert with the Concert Party has dealt in relevant securities of the Company during the disclosure period.

At the close of business on the disclosure date, save as disclosed in this paragraph:

- (a) none of the Directors (including any members of such Directors’ respective immediate families, related trusts or connected persons) has any interest in or a right to subscribe for, or has any short position in relation to any relevant securities of the Company, saved as disclosed in paragraph 6 of Part XI;
- (b) no person acting in concert with the Company has any interest in, or right to subscribe for, or had any short position in relation to any relevant securities of the Company; and
- (c) none of the Directors (including any members of their respective immediate families, related trusts or connected persons) nor any person acting in concert with the Company nor the Company has borrowed or lent any relevant securities of the Company, save for any borrowed shares which have either been on-lent or sold.

Additional disclosures required by the City Code

Save as disclosed in this Document, none of the Directors have any interest, direct or indirect, in any assets which have been or are proposed to be acquired or disposed of by, or leased to, the Company and no contract or arrangement exists in which a Director is materially interested and which is significant in relation to the business of the Enlarged Group.

Save as disclosed in this Document, there is no agreement, arrangement or understanding (including, without limitation, any compensation arrangement) which exists between the Concert Party or any person acting in concert with the Concert Party and any of the Directors, recent directors of the Company, Shareholders or recent Shareholders or any person interested in or recently interested in shares in the Company which are connected with or dependent on the outcome of the Acquisition.

There is no agreement, arrangement or understanding whereby the legal and/or beneficial ownership of any Consideration Shares to be issued to the Concert Party pursuant to the Acquisition will be transferred to any other person as a result of the Acquisition or otherwise.

There are no management incentives in place in connection with the Transaction meant to encourage or facilitate the obtaining of the Rule 9 Waiver.

There are no current rating or outlooks publicly accorded to any of the Concert Party by ratings agencies.

Middle Market Quotations

The following table sets out the middle market quotations for an Ordinary Share, as derived from the Daily Official List of London Stock Exchange, for the first business day of each of the six months immediately preceding the date of this document and the LPD:

<i>Date</i>	<i>Price per Ordinary Share (in pence £)</i>
1 July 2021	2.20
2 August 2021	2.15
1 September 2021	2.00
1 October 2021	1.90
1 November 2021	1.95
1 December 2021	1.85
4 January 2022	1.55

Independent advice provided to the Board

The City Code requires the Directors to obtain competent independent advice regarding the merits of the transactions which are the subject of the Rule 9 Waiver Resolution, the controlling position they will create, and the effect which they will have on the Shareholders generally. Accordingly, Tennyson Securities, as the Company's independent financial advisor, has provided formal advice to the Directors regarding the Acquisition, the Placing and the Rule 9 Waiver Resolution. Tennyson Securities confirms that it, and any person who is or is presumed to be acting in concert with it, is independent of any member of the Concert Party and has no personal, financial or commercial relationship or arrangements or understandings with any member of the Concert Party.

General Meeting of the Company and Rule 9 Waiver Resolution

At the General Meeting of the Company to be held at the offices of Charles Russell Speechlys LLP, 5 Fleet Place London EC4M 7RD at 10.00 a.m. on 14 March 2022, notice of which is appended to this Prospectus, Shareholders will be asked to pass a number of resolutions, including the Rule 9 Waiver Resolution.

The Acquisition, Placing and Readmission are conditional, *inter alia*, on the passing of the Resolutions. If the Resolutions are approved by Shareholders, it is expected that Readmission will become effective and dealings in the Enlarged Ordinary Share Capital will commence on the Main Market on or around 15 March 2022.

PART VII

FINANCIAL INFORMATION OF THE COMPANY

The following audited and unaudited historical financial information of the Company has been incorporated by reference.

Please note that the accounting reference date of the Company was changed on 7 March 2021 from 31 March to 31 December in each year to align it with the accounting reference date of Narf. Accordingly the first accounting period of the Company went from its formation date (28 November 2018) to 31 March 2020 (16 months), the second accounting period went from 1 April 2020 to 31 December 2020 (9 months), and the current accounting period will end on 31 December 2021 (12 months).

Unaudited interim financial information for the six months ended 30 June 2021 and comparative interim financial information for the six months ended 30 June 2020

The Company's unaudited interim financial information for the six months ended 30 June 2021 can be viewed on the Company's website at:

<https://cybaplc.com/investor-relations/corporate-documents>

The unaudited interim financial information available includes the following:

- Chairman's Statement (page 1);
- Statement of Directors' Responsibilities (page 2);
- Statement of Comprehensive Income (page 3);
- Statement of Financial Position (page 4);
- Statement of Changes in Equity (page 5);
- Statement of Cash Flows (page 6); and
- Notes to the Financial Information (page 7).

Audited historical financial information for the year ended 31 December 2020

The Company's audited historical financial information for the year ended 31 December 2020 can be viewed on the Company's website at:

<https://cybaplc.com/investor-relations/corporate-documents>

The audited historical financial information available includes the following:

- Directors and Advisors (page 3);
- Chairman's statement (pages 4-5);
- Strategic report (pages 6-9);
- Directors' Report (pages 10-16);
- Corporate Governance Report (pages 17-19);
- Independent Auditor's Report to the Members (pages 20-25);
- Statement of Comprehensive Income (page 26);
- Statement of Financial Position (page 27);
- Statement of Cashflows (page 28);
- Statement of changes in equity (page 29); and
- Notes to the Financial Statements (pages 30-44).

Audited historical financial information for the period ended 31 March 2020

The Company's audited historical financial information for the period ended 31 March 2020 is incorporated by reference from the Company's Initial Prospectus and can be viewed on the Company's website at:

<https://cybapl.com/investor-relations/corporate-documents>

The audited historical financial information available includes the following:

- Independent Auditor's Report (pages 44-45);
- Statement of Comprehensive Income (page 46);
- Statement of Financial Position (page 47);
- Statement of Cashflows (page 48);
- Statement of changes in equity (page 49); and
- Notes to the Financial Statements (pages 50-60).

PART VIII

FINANCIAL INFORMATION OF NARF GROUP

SECTION (A) – ACCOUNTANT’S REPORT ON THE HISTORICAL FINANCIAL INFORMATION OF NARF GROUP



Accountants &
business advisers

The Directors
Cyba Plc
30 Percy Street
London
W1T 2DB

Dear Sirs

Introduction

We report on the financial information of Narf Industries LLC and Narf Industries PR LLC (together the “Narf Group”) for the three years ended 31 December 2020, 31 December 2019 and 31 December, which comprises the statement of financial position, the statement of comprehensive income, the statement of changes in equity, the cash flow statement, and the related notes. This financial information has been prepared for inclusion in the Prospectus of the Company dated 17 February 2022 on the basis of the accounting policies set out in note 2 to the financial information. The report is required by Annex 1, item 18.3.1 of the PR Regulation and is given for the purpose of complying with that paragraph and for no other purpose.

Responsibilities

The Directors of Narf Group are responsible for preparing the financial information on the basis of preparation set out in note 2 to the financial information and in accordance with International Financial Reporting Standards as adopted by the European Union (“IFRS”).

It is our responsibility to form an opinion on the financial information as to whether the financial information gives a true and fair view, for the purposes of the Prospectus, and to report our opinion to you.

Save for any responsibility arising under 5.3.2R(2)(f) of the Prospectus Regulation Rules to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1, item 1.3 of the PR Regulation, consenting to its inclusion in the Prospectus.

Basis of opinion

We conducted our work in accordance with Standards of Investment Reporting issued by the Auditing Practices Board in the United Kingdom. Our work included an assessment of evidence relevant to the amounts and disclosures in the financial information. It also included an assessment of the significant estimates and judgements made by those responsible for the preparation of the financial information and whether the accounting policies are appropriate to the entity’s circumstances, consistently applied and adequately disclosed.

We planned and performed our work so as to obtain all the information and explanations which we considered necessary in order to provide us with sufficient evidence to give reasonable assurance that the financial information is free from material misstatement, whether caused by fraud or other irregularity or error.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Conclusions relating to going concern

We have not identified any material uncertainty related to events or conditions that, individually or collectively, may cast significant doubt on the ability of Cyba Plc to continue as a going concern for a period of at least twelve months from the date of the Admission Document. Accordingly, the use by the directors of the Company of the going concern basis of accounting in the preparation of the financial information is appropriate.

Opinion

In our opinion the financial information set out below gives, for the purposes of the Prospectus dated 17 February 2022, a true and fair view of the state of affairs of the Narf Group as at 31 December 2020, 31 December 2019 and 31 December 2018, and of the results, cash flows and changes in equity for the periods then ended in accordance with IFRS and has been prepared in a form that is consistent with the accounting policies adopted by Company.

Declaration

For the purposes of Prospectus Regulation Rules 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1, item 1.2 of the PR Regulation.

Yours faithfully

PKF Littlejohn LLP
Reporting Accountant

15 Westferry Circus
Canary Wharf
London E14 4HD
17 February 2022

SECTION (B) – FINANCIAL STATEMENTS OF NARF INDUSTRIES LLC AND NARF INDUSTRIES PR LLC

These financial statements combine the accounts of Narf Industries LLC (“Narf US”) and Narf Industries PR LLC (“Narf PR”) (together the “Companies”). The Companies are considered a group of companies from an operational standpoint and are being acquired by CYBA Plc as such. Both Companies were under common control during the period and therefore the financial statements can be presented in a combined form. All material intercompany transactions have been eliminated. On conclusion of the acquisition of the Companies by CYBA, Narf US and Narf PR will be consolidated as fully owned subsidiary companies.

Since the Companies are both partnerships, certain disclosures that would normally be made for companies, are not included as they are not applicable. These include Earnings per share (EPS), Share Capital and Share Premium. The Companies do include disclosures on the Members’ capital and reserves.

Statements of Comprehensive income for the three years to 31 December 2020

<i>All numbers in US\$</i>	<i>Note</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Revenue	4	2,775,395	2,306,074	1,563,503
Cost of Sales		<u>(1,075,846)</u>	<u>(729,248)</u>	<u>(427,888)</u>
Gross Profit		1,699,549	1,576,826	1,135,615
Administrative expenses		(791,994)	(814,934)	(798,228)
Other Operating Income	8	–	(87)	421,266
Exceptional Items	9	250,000	–	–
Operating Profit	5	1,157,555	761,805	758,653
Finance Expenses	10	<u>(2,682)</u>	<u>(7,147)</u>	<u>(1,988)</u>
Profit on ordinary activities before taxation		1,154,873	754,658	756,665
Taxation	11	<u>(38,697)</u>	<u>(745)</u>	<u>(11,599)</u>
Profit for the financial Year		<u>1,116,176</u>	<u>753,913</u>	<u>745,066</u>
Total comprehensive income for financial year attributable to the Members		<u><u>1,116,176</u></u>	<u><u>753,913</u></u>	<u><u>745,066</u></u>

The above results relate entirely to continuing activities.

The accompanying notes form part of these financial statements

Statements of financial position for the three year-ends to 31 December 2020

<i>All numbers in US\$</i>	<i>Note</i>	<i>As at 31 December 2020</i>	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
Non-Current Assets				
Tangible Assets	12	40,512	62,657	207,647
Right of Use Assets	13	136,785	222,956	–
Intangible Assets	14	1,573,009	1,478,636	1,254,087
Total Non-Current Assets		1,750,307	1,764,249	1,461,734
Current Assets				
Trade and other receivables	15	153,804	288,847	206,459
Cash and cash equivalents	16	457,607	224,558	175,071
Advances to Related Parties	24	72,904	–	–
Total current assets		684,315	513,405	381,530
Total Assets		2,434,622	2,277,654	1,843,264
Current liabilities				
Trade and other payables	17	100,815	64,511	84,285
Loans	24	150,592	–	–
Lease Liabilities – current portion	13	77,103	76,118	19,438
Total Current Liabilities		328,510	140,629	103,723
Non-Current liabilities				
Lease Liabilities – non-current portion	13	66,604	142,075	80,773
Advances from Related Parties	24	16,013	160,382	53,113
Total Non-Current Liabilities		82,617	302,457	133,886
Total Liabilities		411,127	443,086	237,609
Net Assets		2,023,495	1,834,568	1,605,655
Equity				
Members' reserves		2,023,495	1,834,568	1,605,655
Total Equity		2,023,495	1,834,568	1,605,655
Members' Interests				
Members' capital	18	–	–	–
Members' reserves	19	2,023,495	1,834,568	1,605,655
Total Members' interests		2,023,495	1,834,568	1,605,655

The above results relate entirely to continuing activities.

The accompanying notes form part of these financial statements

Statements of cashflows for the three years to 31 December 2020

<i>All numbers in US\$</i>	<i>Note</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Cash flow from operating activities				
Operating profit for the period		1,157,555	761,805	758,653
Adjustments for:				
Finance Expenses		(2,682)	(7,147)	(1,988)
Tax Paid		(38,697)	(745)	(11,599)
Decrease/(Increase) in trade and other receivables		135,043	(82,388)	(20,989)
Increase in trade and other payables		36,304	(19,772)	(64,610)
Movement in Lease Liability		(56,400)	(56,400)	–
Depreciation and amortization		344,953	300,636	120,593
Net cash outflow from operating activities		1,576,076	895,989	780,060
Cashflow from investing activities				
Investment in Intangible Assets		(328,383)	(409,253)	(544,590)
Purchases of property and equipment		(2,628)	–	(3,230)
Advances from (to) related parties, net		(217,273)	107,269	68,373
Net cash provided by (used in) investing activities		(548,284)	(301,984)	(479,447)
Cashflow from financing activities				
Proceeds from notes payable – Paycheck Protection Program		150,592	–	–
Principal payments on note payable		(18,086)	(19,518)	(19,126)
Principal payments on a loan from a related party		–	–	(141,875)
Distributions to members		(927,249)	(525,000)	(150,000)
Net cash used in financing activities		(794,743)	(544,518)	(311,001)
Net increase in cash and cash equivalents		233,049	49,487	(10,388)
Cash and cash equivalents at the beginning of the period		224,558	175,071	185,459
Cash and cash equivalents at the end of the period		457,607	224,558	175,071

The above results relate entirely to continuing activities. There are no non-cash movements that require disclosure.

The accompanying notes form part of these financial statements

Statements of changes in equity for the three years to 31 December 2020

	<i>Note</i>	<i>Capital</i>	<i>Reserves</i>	<i>Total</i>
Balance at 1 January 2018		–	1,010,589	1,010,589
Comprehensive income for the financial year 2018		–	745,066	745,066
Members Drawings		–	(150,000)	(150,000)
Balance at 31 December 2018		–	1,605,655	1,605,655
Comprehensive income for the financial year 2019		–	753,913	753,913
Members Drawings		–	(525,000)	(525,000)
Balance at 31 December 2019		–	1,834,568	1,834,568
Comprehensive income for the financial year 2020		–	1,116,176	1,116,176
Members Drawings		–	(927,249)	(927,249)
Balance at 31 December 2020		–	2,023,495	2,023,495

The above results relate entirely to continuing activities.

The accompanying notes form part of these financial statements

1 General Information

The principal activities of Narf Industries LLC (“Narf US”) and Narf Industries PR LLC (“Narf PR”) are the provision of cyber security services to its customers. The Companies are considered to operate as if in a Group.

Narf US is a United States (California) limited liability company with registered number 201719110256 and its registered office at 548 Market St #37005, San Francisco, California CA 94104. It provides tailored information security (InfoSec) services and software as a service (SaaS) subscription to government and commercial clients. The holders of member interests in Narf US are as follows, Steve Bassi 85 per cent., Nick Davis 10 per cent. and Ben Schmidt 5 per cent.

Narf PR is a Puerto Rican limited liability company with registered number 411501-1511 and its registered office at 1413 Avenue Ponce de León, San Juan, Puerto Rico 00907. It provides management, computer security research and development, and computer security services to Narf US. Additionally, Narf PR provides advanced computer security and technology consulting services to customers outside of Puerto Rico. The holders of member interests in Narf PR are as follows, Steve Bassi 70 per cent., Nick Davis 15 per cent. and Ben Schmidt 15 per cent.

2 Accounting Policies

2.1 Basis of combination

These financial statements combine the accounts of Narf US and Narf PR (together the “Companies”). The Companies are considered a group of companies from an operational standpoint and are being acquired by CYBA Plc as such. All material intercompany transactions have been eliminated.

2.2 Basis of Preparation

The financial statements of the Companies have been prepared in accordance with International Financial Reporting Standards (‘IFRS’) and IFRIC Interpretations Committee (‘IFRS IC’) as adopted by the European Union. The financial statements have also been prepared under the historical cost convention unless otherwise stated.

All financial information presented in US Dollars has been rounded to the nearest dollar, except where otherwise indicated.

The preparation of financial statements in conformity with IFRSs requires the use of certain critical accounting estimates. It also requires management to exercise its judgement in the process of applying the Companies’ Accounting Policies. The areas involving a higher degree of judgement or complexity, or areas where assumptions and estimates are significant to the financial statements are disclosed in Note 3.

New and amended standards mandatory for the first time for the financial period beginning 1 January 2018

A number of new standards and amendments to standards and interpretations are effective for the financial period beginning on or after 1 January 2018 and have been applied in preparing these Financial Statements. Below are the material standards and amendments to these accounts:

IFRS 9 – Financial instruments

IFRS 9 provides a comprehensive new standard for accounting for all aspects of financial instruments. The focus is on three main areas:

IFRS 9 uses a single approach to determine whether a financial asset is measured at amortised cost or fair value and replaces the multiple category and measurement models in IAS 39. The approach in IFRS 9 focuses on how an entity manages its financial instruments in the context of its business model, as well as the contractual cash flow characteristics of the financial assets.

The new standard has replaced the incurred loss model for impairment under IAS 39 with a forward-looking expected credit loss model.

Although the classification criteria for financial liabilities did not change under IFRS 9, the fair value option requires different accounting for changes to the fair value of a financial liability resulting from changes to an entity's own credit risk.

New hedge accounting requirements were incorporated into IFRS 9 that increase the scope of items that can qualify as a hedged item and change the requirements of hedge effectiveness testing that must be met to use hedge accounting. The Company has no hedging arrangements.

On 1 January 2018, the Company adopted IFRS 9. The new standard has been applied retrospectively but did not result in a restatement of prior period financial assets and liabilities. An impairment review using IFRS 9's expected credit loss model did not result in an impairment provision.

IFRS 15 - Revenue from contracts with customers

IFRS 15 establishes the principles that an entity applies when reporting information about the nature, amount, timing and uncertainty of revenue and cash flows from a contract with a customer. Applying IFRS 15, an entity recognises revenue to depict the transfer of promised goods or services to the customer in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services.

To recognise revenue under IFRS 15, an entity applies the following five steps:

- identify the contract(s) with a customer.
- identify the performance obligations in the contract.
- determine the transaction price.
- allocate the transaction price to each performance obligation on the basis of the relative stand-alone selling prices of each distinct good or service promised in the contract.
- recognise revenue when a performance obligation is satisfied by transferring a promised good or service to a customer (which is when the customer obtains control of that good or service).

On 1 January 2018, the Company adopted IFRS 15. The new standard had no impact on prior period financial assets and liabilities.

The Companies recognise revenue at the fair value of the consideration received or receivable for services provided over time in the normal course of business and is shown net of VAT and other sales related taxes. The Companies apply the practical expedient that they do not need to adjust the promised amount of consideration for the effects of a significant financing component if the Companies expect, at contract inception, that the period between when they transfer a promised good or service to a customer and when the customer pays for that good or service will be one year or less.

In regard to the Companies' three main types of product or service, revenue recognition and payment terms are as follows:

- Research and Development Services: Revenue is recognised based on (a) milestones completed (an output measurement), (b) labour hours incurred divided by estimated total labour hours multiplied by the revenue allocated to the respective performance obligation (an input measurement), or (c) actual hours multiplied by contracted rates (for variable fee for service contracts). Payment terms are that amounts fall due 30 days after completion of the relevant milestones.
- Installation Services: Revenue is recognised upon delivery and installation of the contract asset(s). Payment terms are 30 days following completion of the installation.
- SaaS Subscriptions: Revenue is recognised on a straight-line basis over the term of the SaaS contract period. Payment terms are monthly as per the terms of the contract(s).

The Companies warrant that its deliverables will perform within parameters contained in the statements of work contained in the contracts and can measure such performance independent of the client. As the Companies complete performance on each significant contract obligation, revenue is accrued in a contract asset entitled 'Revenue in Excess of Billings' and represents a conditional right to consideration. All amounts all amounts are considered refundable until such time that the amounts are deemed to be unconditional rights (typically upon commencement of the associated SaaS contract to which the R&D services are related). The Companies have incurred no such matters in the period covered by these financial statements and accordingly have not recognised any liability on the Balance Sheet.

IFRS 16 – Leases

IFRS 16, which supersedes IAS 17, sets out principles for the recognition, measurement, presentation and disclosure of leases for both parties to a contract, i.e. the customer ("lessee") and the supplier ("lessor"). Lessee accounting has changed substantially under this new standard while there is little change for the lessor. IFRS 16 has removed the classification of leases as either operating leases or financing leases and, instead, introduced a single lessee accounting model. A lessee is required to recognise assets and liabilities for all leases with a term of more than 12 months (unless the underlying asset is of low value) and is required to present depreciation of leased assets separately from interest on lease liabilities in the Statement of Comprehensive Income. A lessor continues to classify its leases as operating leases or financing leases, and to account for those two types of leases separately.

On 1 January 2019, the Company adopted IFRS 16. The Company has reviewed its contracts and agreements and has identified three leases that the Companies have entered into and would need to be considered for accounting under IFRS 16. This is detailed in Note 3 on accounting estimates. The accounting treatments for these Right of Use Assets and Lease Liabilities is detailed below.

There are no other new standards and amendments to standards and interpretations effective for the financial period beginning on or after 1 January 2017 that are material to the Company and therefore not applied in preparing these Financial Statements.

New standards, amendments and interpretations in issue but not yet effective or not yet endorsed and not early adopted

The standards and interpretations that are issued, but not yet effective, up to the date of issuance of the Financial Statements are listed below. The Company intends to adopt these standards, if applicable, when they become effective.

<i>Standard</i>	<i>Impact on initial application</i>	<i>Effective date</i>
IFRS standards (amendments)	Interest rate benchmark reform	1 January 2021
IFRS 3 (amendments)	Business combinations	1 January 2022
IAS 37 (amendments)	Onerous contracts	1 January 2022
IFRS standards (amendments)	2018-2020 annual improvement cycle	1 January 2022
IAS 16 (amendments)	Proceeds before intended use	1 January 2022
IFRS 7	Amendments resulting from Annual improvements	1 January 2022

<i>Standard</i>	<i>Impact on initial application</i>	<i>Effective date</i>
IFRS 17	Insurance Contracts	1 January 2023
IFRS 17 (amendments)	Insurance contracts	1 January 2023
IAS 1 (amendments)	Reclassification of liabilities as current or non-current	1 January 2023

The Company is evaluating the impact of the new and amended standards above. The Directors believe that these new and amended standards are not expected to have a material impact on the Company's results or shareholders' funds.

2.3 **Going concern**

The financial statements have been prepared on a going concern basis. The Members of both Companies have a reasonable expectation that the Companies have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Members have reviewed the ongoing situation with COVID-19 and do not consider its effects to have a material impact on the Companies' going concern.

2.4 **Capitalised software development costs**

Under IAS 38 (Intangible Assets), development expenditure is recognised as an expense, except where the following can be demonstrated:

- its ability to measure reliably the expenditure attributable to the asset under development;
- the product or process is technically and commercially feasible;
- its future economic benefits are probable;
- its ability to use or sell the developed asset; and
- the availability of adequate technical, financial and other resources to complete the asset under development.

The Companies assesses its software products and capitalises all relevant expenses for those contracts, where title to the end product remains with the Companies, where costs can be directly attributable to an end-product; and where the end-product is either in commercial roll-out or reasonably expected to do so.

The capitalised software development costs are all internally generated, have finite useful economic lives and are amortised on a straight line based over 5 years from the point the underlying technology is brought to use. The amortisation charge for these capitalised costs is included in Cost of Sales in the Income Statement and detailed in Note 6 to these financial statements.

2.5 **Leases**

The Group leases certain property, plant and equipment. Leases of plant and equipment where the Group has substantially all the risks and rewards of ownership are classified as finance leases under IFRS 16. Finance leases are capitalised on the lease's commencement at the lower of the fair value of the leased assets and the present value of the minimum lease payments. Other leases are either small in value or cover a period of less than 12 months.

The lease liability is initially measured at the present value of the lease payments that are not paid. Lease payments generally include fixed payments less any lease incentives receivable. The lease liability is discounted using the interest rate implicit in the lease or, if that rate cannot be readily determined, the Group's incremental borrowing rate. The Group estimates the incremental borrowing rate based on the lease term, collateral assumptions, and the economic environment in which the lease is denominated. The lease liability is subsequently measured at amortized cost using the effective interest method. The lease liability is remeasured when the expected lease payments change as a result of new assessments of contractual options and residual value guarantees.

The right-of-use asset is recognised at the present value of the liability at the commencement date of the lease less any incentives received from the lessor. Added to the right-of-use asset are initial direct costs, payments made before the commencement date, and estimated restoration costs. The right-of-use asset is subsequently depreciated on a straight-line basis from the commencement date to the earlier of the end of the useful life of the right-of-use asset or the end of the lease term. The right-of-use asset is periodically reduced by impairment losses, if any, and adjusted for certain remeasurements of the lease liability.

Each lease payment is allocated between the liability and finance charges. The corresponding rental obligations, net of finance charges, are included in lease liabilities, split between current and non-current depending on when the liabilities are due. The interest element of the finance cost is charged to the Statement of Profit and Loss over the lease period so as to produce a constant periodic rate of interest on the remaining balance of the liability for each period. Assets obtained under finance leases are depreciated over their useful lives. The lease liabilities are shown in Note 13.

2.6 **Property, plant and equipment**

Property, plant and equipment is stated at cost less accumulated depreciation and any accumulated impairment losses. All repairs and maintenance are charged to the Income Statement during the financial period in which they are incurred. The composition and measurement basis for each class is as follows:

- Furniture and Equipment include computer hardware and software, other computer equipment, office furniture and equipment. The gross carrying amount is the historic cost of acquisition.
- Automobile comprises a single car lease (see Notes on Leases)
- Leasehold improvements comprise any improvements to the Companies' offices. The Gross carrying amount is the invoiced contractual value of the work undertaken.

Depreciation is calculated using the straight-line method to allocate their cost or revalued amounts to their residual values over their estimated useful lives, as follows. The depreciation charge for these assets is included in Administrative expenses in the Income Statement and detailed in Note 6 to these financial statements.

- Computer equipment and software 3 to 5 years on a straight line basis
- Office Furniture 7 years on a straight line basis
- Automobile 5 years on a straight line basis
- Leasehold improvements 15 years on a straight line basis

The assets' residual values and useful lives are reviewed, and adjusted if appropriate, at the end of each reporting period. An asset's carrying amount is written down immediately to its recoverable amount if the asset's carrying amount is greater than its estimated recoverable amount.

The gain or loss arising on the disposal of an asset is determined as the difference between the sale proceeds and the carrying value of the asset and is recognised in the income statement.

2.7 **Impairment of non-current assets**

At each reporting period end date, the Companies review the carrying amounts of its tangible and intangible assets to determine whether there is any indication that those assets have suffered an impairment loss. If any such indication exists, the recoverable amount of the asset is estimated in order to determine the extent of the impairment loss (if any). Where it is not possible to estimate the recoverable amount of an individual asset, the Companies estimate the recoverable amount of the cash-generating unit to which the asset belongs.

Intangible assets not yet ready to use and not yet subject to amortisation are reviewed for impairment whenever events or circumstances indicate that the carrying value may not be recoverable.

Recoverable amount is the higher of fair value less costs to sell and value in use. In assessing value in use, the estimated future cash flows are discounted to their present value using a pre-tax discount

rate that reflects current market assessments of the time value of money and the risks specific to the asset for which the estimates of future cash flows have not been adjusted.

If the recoverable amount of an asset (or cash-generating unit) is estimated to be less than its carrying amount, the carrying amount of the asset (or cash-generating unit) is reduced to its recoverable amount. An impairment loss is recognised immediately in profit or loss, unless the relevant asset is carried at a revalued amount, in which case the impairment loss is treated as a revaluation decrease.

2.8 **Cash and cash equivalents**

Cash and cash equivalents include cash in hand and deposits held at call with banks.

2.9 **Other receivables**

Other receivables are mainly revenue related, which are current assets and expected to be received within the next 12 months. All receivables are held at amortised cost less any provision for impairment. A loss allowance for expected credit losses is made to reflect changes in credit risk since initial recognition.

2.10 **Trade payable and accrued liabilities**

Trade payables are obligations to pay for goods or services that have been acquired in the ordinary course of business from suppliers. Trade payables are classified as current liabilities if payment is due within one year or less. If not, they are presented as non-current liabilities.

Trade payables are recognised initially at fair value, and subsequently measured at amortised cost using the effective interest method.

2.11 **Financial assets and liabilities**

Financial assets are recognised in the Companies' statement of financial position when the Companies become party to the contractual provisions of the instrument.

Financial assets are classified into specified categories at initial recognition and subsequently measured at amortised cost, fair value through other comprehensive income, or fair value through profit or loss. The classification of financial assets at initial recognition that are debt instruments depends on the financial assets cash flow characteristics and the business model for managing them.

Financial assets are initially measured at fair value plus transaction costs. In order for a financial asset to be classified and measured at amortised cost, it needs to give rise to cash flows that are "solely payments of principal and interest SPPI" on the principal amount outstanding.

Financial assets at amortised cost (debt instruments)

Financial assets at amortised cost are subsequently measured using the effective interest rate method and are subject to impairment. The Companies' financial assets at amortised cost comprise trade and other receivables and cash and cash equivalents.

Interest is recognised by applying the effective interest rate, except for short-term receivables when the recognition of interest would be immaterial. The effective interest method is a method of calculating the amortised cost of a debt instrument and of allocating the interest income over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash receipts through the expected life of the debt instrument to the net carrying amount on initial recognition.

Impairment of financial assets

Financial assets are assessed for indicators of impairment at each reporting end date.

Financial assets are impaired where there is objective evidence that, as a result of one or more events that occurred after the initial recognition of the financial asset, the estimated future cash flows of the investment have been affected. Impairment costs are expensed to profit and loss on recognition of an impairment.

Derecognition of financial assets

Financial assets are derecognised only when the contractual rights to the cash flows from the asset expire, or when it transfers the financial asset and substantially all the risks and rewards of ownership to another entity.

Financial liabilities

Other financial liabilities, including borrowings, are initially measured at fair value, net of transaction costs. They are subsequently measured at amortised cost using the effective interest method, with interest expense recognised on an effective yield basis.

The effective interest method is a method of calculating the amortised cost of a financial liability and of allocating interest expense over the relevant period. The effective interest rate is the rate that exactly discounts estimated future cash payments through the expected life of the financial liability to the net carrying amount on initial recognition.

Derecognition of financial liabilities

Financial liabilities are derecognised when the Companies' contractual obligations expire or are discharged or cancelled.

Borrowing costs

Borrowing costs comprise interest expense on borrowings. Borrowing costs are recognised in profit or loss in the period in which they are incurred.

2.12 Taxation

Income tax represents the sum of current and deferred tax.

Current tax

The tax currently payable is based on taxable profit or loss for the period. Taxable profit or loss differs from net profit or loss as reported in the income statement because it excludes items of income or expense that are taxable or deductible in other years and it further excludes items that are never taxable or deductible. The Companies' liability for current tax is calculated using tax rates that have been enacted or substantively enacted by the reporting end date.

Deferred tax

Deferred tax is the tax expected to be payable or recoverable on differences between the carrying amounts of assets and liabilities in the financial statements and the corresponding tax bases used in the computation of taxable profit and is accounted for using the balance sheet liability method. Deferred tax liabilities are generally recognised for all taxable temporary differences and deferred tax assets are recognised to the extent that it is probable that taxable profits will be available against which deductible temporary differences can be utilised. Such assets and liabilities are not recognised if the temporary difference arises from goodwill or from the initial recognition of other assets and liabilities in a transaction that affects neither the tax profit nor the accounting profit.

Deferred tax is charged or credited in the income statement, except when it relates to items charged or credited directly to equity, in which case the deferred tax is also dealt with in equity. Deferred tax assets and liabilities are offset when the Companies have a legally enforceable right to offset current tax assets and liabilities and the deferred tax assets and liabilities relate to taxes levied by the same tax authority.

2.13 Employee benefits

The costs of short-term employee benefits are recognised as a liability and an expense unless those costs are required to be recognised as part of the cost of non-current assets.

The cost of any unused holiday entitlement is recognised in the period in which the employee's services are received.

Termination benefits are recognised immediately as an expense when the Companies are demonstrably committed to terminate the employment of an employee or to provide termination benefits.

2.14 **Retirement benefits**

Payments to defined contribution retirement benefit schemes are charged as an expense as they fall due.

2.15 **Members' capital**

Members' capital is classified as any direct cash contributions made to the Companies on becoming a member.

2.16 **Members' interests**

Members' interests are classified as any Members' capital provided or reimbursed together with any equity reserves accruing during the year, net of any members' drawings.

2.17 **Foreign currencies**

The financial statements are presented in the functional currency of US Dollars, since the majority of its revenue and operating expenditure is denominated in this currency.

Foreign currency transactions are translated into the functional currency using the rates of exchange prevailing at the dates of the transactions. At each reporting end date, monetary assets and liabilities that are denominated in foreign currencies are retranslated at the rates prevailing on the reporting end date. Gains and losses arising on translation are included in administrative expenses in the income statement for the period.

2.18 **Exceptional items**

Items are disclosed separately in the financial statements where it is necessary to do so to provide further understanding of the financial performance of the Companies. They are items that are material, either because of their size or nature, or that are non-recurring.

2.19 **Financial risk management**

The Company's activities expose it to a variety of financial risks: market risk and credit risk. The Company's overall risk management programme focuses on the unpredictability of financial markets and seeks to minimise potential adverse effects on the Companies' financial performance. Risk management is carried out by the Members.

Market risk

The Companies are exposed to market risk, primarily relating to interest rate and foreign exchange. The Companies do not hedge against market risks as the exposure is not deemed sufficient to enter into forward contracts. The Companies have not sensitised the figures for fluctuations in interest rates or foreign exchange as the Members are of the opinion that these fluctuations would not have a significant impact on the financial statements of the Companies at the present time. The Members will continue to assess the effect of movements in market risks on the Companies' financial operations and initiate suitable risk management measures where necessary.

Credit risk

Credit risk arises from cash and cash equivalents as well as outstanding receivables. To manage this risk, the Companies periodically assesses the financial reliability of customers and counterparties. The amount of exposure to any individual counter party is subject to a limit, which is assessed by the Members. The Companies consider the credit ratings of banks in which it holds funds in order to reduce exposure to credit risk.

2.20 **Capital risk management**

The Companies' objectives when managing capital are to safeguard the Companies' ability to continue as a going concern, in order to enable the Companies to continue their software development and sales activities, and to maintain an optimal capital structure to reduce the costs of capital.

The Companies define capital based on the total current assets less current liabilities of the Companies. The Companies monitor their level of cash resources available against future planned operational activities.

2.21 **Financial risk management**

The preparation of the financial statements in conformity with IFRSs requires the Members to make estimates and assumptions that affect the reported amounts of assets and liabilities and disclosure of contingent assets and liabilities at the date of the financial statements and the reported amount of expenses during the year. Actual results may vary from the estimates used to produce these financial statements.

3 **Judgements and key sources of estimation uncertainty**

In the application of the accounting policies, the Members are required to make judgements, estimates and assumptions about the carrying amount of assets and liabilities that are not readily apparent from other sources. The estimates and associated assumptions are based on historical experience and other factors that are considered to be relevant. Actual results may differ from these estimates.

The estimates and underlying assumptions are reviewed on an ongoing basis. Revisions to accounting estimates are recognised in the period in which the estimate is revised where the revision affects only that period, or in the period of the revision and future periods where the revision affects both current and future periods.

Key judgements

The following judgements and estimates have had the most significant effect on amounts recognised in the financial statements.

3.1 **Revenue**

The Companies have three main areas where the Members exercise judgement over accounting for Revenue.

Revenue in excess of billing

The Companies invoice clients based on billing schedules contained within the related contracts. Generally, the Companies identify significant performance obligations in its contracts and bills as each performance obligation is completed, or over time if the performance obligation requires services over an extended period. The Companies warrant that its deliverables will perform within parameters contained in the statements of work contained in the contracts and can measure such performance independent of the client. Costs incurred to obtain contracts are expensed as incurred.

As (or when) the Companies complete performance on each significant contract obligation, revenue is accrued in a contract asset entitled Revenue in Excess of Billings and represents a conditional right to consideration. As amounts are billed, the account Revenue in Excess of Billings is relieved and the billings are included in the caption Accounts Receivable, also a conditional right to consideration. The Companies consider Accounts Receivable to be fully collectible; accordingly, no allowance for doubtful accounts has been recorded. If the financial condition or operations of the Companies' customers deteriorate, the risks associated with selling on credit could increase substantially.

When amounts billed and collected exceed completed performance on a contract, a contract liability Billings in Excess of Revenue is recorded and is recognized as revenue as (or when) the Companies complete such performance.

Evaluation of when customer obtains control of goods or services

Judgement is used when goods to be delivered must satisfy performance metrics contained within the respective statements of work. Generally, for goods other than those related to SaaS subscriptions, control of goods passes to customers upon formal acceptance by the customers which involve the satisfaction of various performance metrics. The Companies can independently measure such performance metrics during the development of the goods; accordingly, such performance metrics are deemed a formality and do not prohibit recognition of service revenue over time.

Estimates of hours worked

Estimates on total labour hours are updated periodically by management. Revisions in labour hour estimates are reflected in the period in which the conditions that require the revision become known and are estimable. Losses on contracts are recognized in the period when determined.

Impairment of contract assets

Contract assets are considered impaired (typically resulting from contract cancellations) and are decreased upon the determination of such impairment. No contract impairments were recorded in the years ended 31 December 2020, 2019 and 2018.

3.2 Software Capitalisation (see note 14)

Management makes judgements in respect of the timing as to when research projects move into the development stages and the linked costs are subject to capitalisation. They also make judgements in respect of the time and cost spent on such projects and therefore the amounts that are capitalised. They also consider whether these costs are impaired using an NPV model with the key estimates being revenue growth and discount factor (20 per cent.).

3.3 Financial Risks

The Companies activities expose it to a variety of financial risks: market risk, credit risk and liquidity risk. The overall risk management programme focusses on currency and working capital management.

Market Risk

The governmental sector accounted for approximately 70 per cent. of the Companies' contract revenue and five clients accounted for all contract revenue. The Members believe that these customers pose minimal risk of default on payment of contracts.

Foreign Exchange Risk

The Companies currently operate almost exclusively in the US and are consequently minimally exposed to foreign exchange risk. It is the intention of the Companies to expand internationally and market its products to new customers outside of the US, which will in future potentially expose itself to foreign currency risk.

Credit and Interest Rate Risk

The Companies have minimal borrowings with non-related parties and a low level of trade creditors and have minimal credit or interest rate risk exposure.

Working Capital and Liquidity Risk

Cashflow and working capital forecasting is performed by the Members to ensure the Companies have sufficient cash to meet its operational needs. The Companies consider all highly liquid investments with a maturity of three months or less at the date of acquisition to be cash equivalents. From time to time cash balances may exceed FDIC insured limits of \$250,000. It is the opinion of management that the solvency of the Companies' financial institutions is not a concern.

4 Revenue

The Companies derive revenue from the provision of services over time and at a point in time in the following three main contract areas.

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Research and development services	1,630,337	1,297,380	1,264,003
Installation services	170,000	170,000	150,000
SaaS subscriptions	975,058	838,694	149,500
	<u>2,775,395</u>	<u>2,306,074</u>	<u>1,563,503</u>

The following table shows how much of the revenue recognised in each reporting period related to carried-forward contract liabilities and how much related to performance obligations that were satisfied in a prior period.

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
<i>Revenue recognised that was included in the contract liability balance at the beginning of the period</i>			
Research and development services	(48,500)	–	–
Installation services	–	–	–
SaaS subscriptions	76,066	34,500	–
	<u>27,566</u>	<u>34,500</u>	<u>–</u>
<i>Revenue recognised from performance obligations satisfied in previous periods</i>			
Research and development services	69,716	118,127	13,865
Installation services	–	–	–
SaaS subscriptions	–	–	–
	<u>69,716</u>	<u>118,127</u>	<u>13,865</u>

The following table presents performance obligations remaining on fixed fee contracts in progress at 31 December 2020 (this table excludes contracts on a variable fee for service basis).

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Total contract price	12,142,376	10,101,466	7,481,400
Obligations satisfied from inception to period end	(10,565,116)	(7,929,315)	(6,473,912)
Unsatisfied obligations at period end	1,577,260	2,172,151	1,007,488
Unsatisfied obligations by contract type	438,937	1,888,749	1,007,488
Research and development services	170,000	–	–
Installation services	968,323	283,402	–
SaaS subscriptions	<u>1,577,260</u>	<u>2,172,151</u>	<u>1,007,488</u>

5 Segmental reporting

During the three years to 31 December 2020, the Companies operated entirely within the USA, which includes Puerto Rico. Accordingly, the chief operating decision maker, who is Steve Bassi, reviews all revenues, assets and liabilities and has classified them as within the USA.

6 Operating Profit

This is stated after charging:

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Audit Fees	–	–	–
Legal and Professional Fees	80,060	92,289	54,815
Rent (related party)	13,456	22,523	87,056
Depreciation and Amortisation	344,953	300,636	120,593

Auditors Remuneration

The Companies are exempt from the requirement for an audit in the United States and consequently no audit fees have been incurred in the period. These Financial Statements together have been audited solely for the purposes of inclusion in the HFI that accompany the Prospectus. This HFI work has been undertaken solely in 2021 and consequently the cost of this audit will be included in the Companies' financial statements for 2021.

Depreciation and amortisation of non-financial assets

The breakdown of the total charge noted above is as follows. Included within depreciation of Tangible Assets for 2018 was \$29,420 relating to the Car lease. Depreciation charges for this asset are included within depreciation of Rights of Use Asset with effect from 1 January 2019.

<i>All numbers in US\$</i>	<i>2020</i>	<i>2019</i>	<i>2018</i>
Depreciation of Tangible Fixed Assets	24,773	29,764	67,217
Depreciation of Rights of Use Assets	86,171	86,171	
Amortisation of Intangible Assets	234,010	184,704	53,376
Total	<u>344,954</u>	<u>300,639</u>	<u>120,593</u>

Rental lease charges

As detailed in Note 2, the Companies' rental lease in San Diego was accounted for under IAS 17 until 31 December 2018. Up until this date, the operating lease charge of \$56,400 per annum was included in Rental charges under the Companies' previous accounting policies. On 1 January 2019, the Companies adopted IFRS 16, which has resulted in the recognition of right-of-use assets, which are depreciated, and lease liabilities.

Expenses relating to leases of low value assets that have not been reclassified on the adoption of IFRS 16 on 1 January 2019 are included above in rental expenses.

7 Members and Employee Costs

7.1 Staff Numbers

The average monthly number of persons (including directors) employed by the Companies during the periods were:

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Members	4	4	4
Employees	6	6	5
	<u>10</u>	<u>10</u>	<u>9</u>

7.2 All Staff costs

Aggregate remuneration expenses of the group include \$328,383 (2019: \$409,253, 2018: \$544,590) of costs capitalised and included within intangible assets of the group. Average costs per person were \$138,874 (2019: \$98,159, 2018: \$89,097)

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Wages and Salaries	1,175,969	810,438	677,098
Social Security Costs	83,470	55,678	48,475
Pension Costs	129,302	115,474	76,302
	<u>1,388,741</u>	<u>981,590</u>	<u>801,875</u>

Narf US sponsors a 401(k) Profit Sharing Plan (the "Plan") for eligible employees. Matching and profit-sharing contributions to the Plan are discretionary and are decided by the members on a year-by-year basis. Employer matching contributions and profit-sharing contributions for the years ended 31 December 2020, 2019 and 2018 were \$44,953, \$40,062 and \$28,238, respectively. Compensated absences for the Companies are not accrued as the amounts cannot be reasonably estimated.

8 Other Operating Income / Expenses

Other operating income and expenses relate primarily to transactions with related parties of the Companies, which are detailed in Note 23 below.

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Related Party Revenue	–	–	(421,551)
Other	–	87	285
	<u>–</u>	<u>87</u>	<u>(421,266)</u>

Related party revenue

In 2018, Swarm Technologies Inc paid for certain expenses totalling \$421,551 on behalf of Narf US. Such amounts were presented as related party revenue on the accompanying combined statements of income and members' equity.

9 Finance income / expenses

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Interest income	2	3	2
Interest expense	(2,684)	(7,150)	(1,990)

Interest income relates to interest received on cash balances.

Interest expense relates in part to interest on the Automobile finance lease, which is detailed in Note 13.

10 Exceptional Items

An analysis of the amount presented as exceptional items in these financial statements is given below:

<i>All numbers in US\$</i>	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
Fee from CYBA Plc	250,000	–	–

During 2020, the Companies' members began negotiations to sell the membership interests of the Companies to a CYBA Plc, a special purpose acquisition company (SPAC) listed on the London Stock Exchange. As part of the negotiations, the SPAC agreed to pay to the Companies a non-refundable fee of \$250,000 (the "Fee") to fund due diligence and other costs for such negotiations. These related expenses were incurred prior to 31 December 2020.

11 Taxation

The Companies file income tax returns in the U.S. federal, California state and the Government of the Commonwealth of Puerto Rico jurisdictions. The Companies' members have elected to treat the limited liability companies as a partnership for income tax reporting purposes. As a partnership, the Companies are not subject to federal income tax and the federal tax effect of its activities accrue to the members.

As a partnership, Narf US is subject to a California franchise tax, the range for which is from \$800 to \$11,790 depending on gross revenue. This franchise tax is a license to operate in California and the annual charge of \$6,800 (in 2018, 2019 and 2020) has been expensed to the income statement under "Administrative Expenses."

Narf PR is subject to a Government of the Commonwealth of Puerto Rico income tax at a rate of 4 per cent. Differences between Narf PR's taxable income per Generally Accepted Accounting Principles (GAAP) and the basis used for the Government of the Commonwealth of Puerto Rico are not material and, accordingly, no deferred tax assets or liabilities are reflected in the accompanying combined financial statements.

The Companies income tax expense is as follows:

	<i>Year ended</i> <i>31 December</i> <i>2020</i>	<i>Year ended</i> <i>31 December</i> <i>2019</i>	<i>Year ended</i> <i>31 December</i> <i>2018</i>
<i>All numbers in US\$</i>			
Income tax charge for Narf US	–	–	–
Income tax charge for Narf PR	38,697	745	11,599
Total current tax	<u>38,697</u>	<u>745</u>	<u>11,599</u>

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows.

	<i>Year ended</i> <i>31 December</i> <i>2020</i>	<i>Year ended</i> <i>31 December</i> <i>2019</i>	<i>Year ended</i> <i>31 December</i> <i>2018</i>
<i>All numbers in US\$</i>			
Profit on ordinary activities before taxation	1,154,873	754,658	756,665
Impact of IFRS adjustments	(94,022)	(224,198)	(491,214)
Combined taxable profit under US GAAP Narf PR	1,060,851	530,460	265,451
Tax calculated at domestic tax rates applicable to profits in the respective countries	42,434	21,218	10,618
Tax effects of Income not subject to tax	(3,737)	(20,473)	981
Tax Charge	<u>38,697</u>	<u>745</u>	<u>11,599</u>

The weighted average applicable tax rate was 4 per cent. (2019: Nil per cent., 2018 4 per cent.). The increase is caused by a change in the profitability of the Companies in their respective regions.

12 Tangible Fixed Assets

As detailed in Note 2, the Companies adopted IFRS 16 on 1 January 2019 and with effect from that date, the cost and accumulated depreciation balances relating to the Car Lease were transferred from Tangible Fixed Assets to Right-of-use Assets. The impact is shown below alongside general movements in Tangible Fixed Assets.

<i>All numbers in US\$</i>	<i>Furniture and equipment</i>	<i>Automobile</i>	<i>Leasehold improvements</i>	<i>Total</i>
Cost (US Dollars)				
Cost at 1 January 2018	216,866	147,098	25,425	389,389
Additions	3,230	–	–	3,230
Cost at 31 December 2018	220,096	147,098	25,425	392,619
Additions	–			
Reclassified to Right of Use Assets		(147,098)	–	–
Cost at 31 December 2019	220,096	(0)	25,425	245,521
Additions	2,628	–	–	2,628
Cost at 31 December 2020	222,724	(0)	25,425	248,149
Depreciation (US Dollars)				
Total Accumulated at 1 January 2018	(111,111)	(2,452)	(4,192)	(117,755)
Charge for the period	(36,102)	(29,420)	(1,695)	(67,217)
Total Accumulated at 31 December 2018	(147,213)	(31,872)	(5,887)	(184,972)
Charge for the period	(28,069)		(1,695)	(29,764)
Reclassified to Right of Use Assets		31,872		31,872
Total Accumulated at 31 December 2019	(175,282)	–	(7,582)	(182,864)
Charge for the period	(23,078)	–	(1,695)	(24,773)
Total Accumulated at 31 December 2020	(198,360)	–	(9,277)	(207,637)
Net Book Value at 1 January 2018	105,755	144,646	21,233	271,634
Net Book Value at 31 December 2018	72,883	115,226	19,538	207,647
Net Book Value at 31 December 2019	44,814	(0)	17,843	62,657
Net Book Value at 31 December 2020	24,364	(0)	16,148	40,512

The depreciation charges shown above have been charged to 'Administrative Expenses' in the Income Statement.

13 Lease Liabilities and Right of Use Assets

Lease Liabilities

Leases are recognised as right of use assets and corresponding lease liabilities at the date at which the leased assets are available to the Companies. Lease liabilities are initially measured at an amount equal to the present value of the expected future lease payments for the underlying right-of-use assets during the lease term. The lease payments are discounted using the interest rate implicit in the lease, if that rate can be readily determined. The lease term is the non-cancellable period of the lease.

Movements in lease liabilities during the period were as follows:

<i>All numbers in US\$</i>	<i>Automobile</i>	<i>Rental Lease</i>	<i>Total</i>
Balance at 1 January 2018	120,983	–	120,983
Finance Costs			–
Payments	(20,772)	–	(20,772)

<i>All numbers in US\$</i>	<i>Automobile</i>	<i>Rental Lease</i>	<i>Total</i>
Balance at 31 December 2018	100,211	–	100,211
Recognised on adoption of IFRS 16	–	193,900	193,900
Finance Costs	1,254	–	1,254
Payments	(20,772)	(56,400)	(77,172)
Cost at 31 December 2019	80,693	137,500	218,193
Finance Costs	2,686	–	2,686
Payments	(20,772)	(56,400)	(77,172)
Cost at 31 December 2020	62,607	81,100	143,707

Split between current and non-current

Balance at 31 December 2018			
Current	19,438	–	19,438
Non-Current	80,773	–	80,773
	100,211	–	100,211
Balance at 31 December 2019			
Current	19,718	56,400	76,118
Non-Current	60,975	81,100	142,075
	80,693	137,500	218,193
Balance at 31 December 2020			
Current	20,003	57,100	77,103
Non-Current	42,604	24,000	66,604
	62,607	81,100	143,707

The lease commitments in respect of leases held within the group are as follows:

<i>All numbers in US\$</i>	<i>As at 31 December 2020</i>	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
Due in less than 1 year	75,972	75,975	75,972
Due between 1 and 5 years	70,875	146,847	221,088
Due longer than 5 years	–	–	1,731
	<u>146,847</u>	<u>222,819</u>	<u>297,060</u>

Right of Use Assets

Right of use assets are measured initially at cost comprising:

- The amount of the initial measurement of the lease liability,
- Any lease payments less lease incentives at or before the lease commencement date,
- Any initial direct costs, and
- Restoration costs

Subsequently the right-of-use assets are measured at cost less accumulated depreciation and any accumulated impairment losses, and adjusted for remeasurement of the lease liability due to reassessments or lease modifications. The right-of-use assets are depreciated over the lease term on a straight-line basis.

Movements in the right-of-use assets were as follows:

<i>All numbers in US\$</i>	<i>Automobile</i>	<i>SD Lease</i>	<i>Total</i>
Cost (US Dollars)			
Cost at 1 January 2018	–	–	–
Additions	–	–	–
Cost at 31 December 2018	–	–	–
Additions	–	–	–
Reclassified to Right of Use Assets	147,098	193,900	340,998
Cost at 31 December 2019	147,098	193,900	340,998
Additions	–	–	–
Cost at 31 December 2020	147,098	193,900	340,998
Depreciation (US Dollars)			
Total Accumulated at 1 January 2018	–	–	–
Charge for the period	–	–	–
Total Accumulated at 31 December 2018	–	–	–
Reclassification to Right of Use Assets	(31,872)	–	(31,872)
Charge for the period	(29,420)	(56,751)	(86,171)
Total Accumulated at 31 December 2019	(61,292)	(56,751)	(118,043)
Charge for the period	(29,420)	(56,751)	(86,171)
Total Accumulated at 31 December 2020	(90,712)	(113,502)	(204,214)
Net Book Value at 1 January 2018	–	–	–
Net Book Value at 31 December 2018	–	–	–
Net Book Value at 31 December 2019	85,806	137,149	222,955
Net Book Value at 31 December 2020	56,386	80,398	136,784

14 Intangible Assets

Capitalised software development costs are all internally generated, have finite useful economic lives and are amortised on a straight line based over 5 years. The amortisation expense noted below has been expensed to 'Cost of Sales' in the Income Statement. The aggregate amounts capitalised under IAS 38 are as follows:

Cost (US Dollars)	
Cost at 1 January 2018	811,801
Additions	544,590
Cost at 31 December 2018	1,356,391
Additions	409,253
Cost at 31 December 2019	1,765,644
Additions	328,383
Cost at 31 December 2020	2,094,027
Amortisation (US Dollars)	
Total Accumulated at 1 January 2018	(48,928)
Charge for the period	(53,376)
Total Accumulated at 31 December 2018	(102,304)
Charge for the period	(184,704)
Total Accumulated at 31 December 2019	(287,008)
Charge for the period	(234,010)
Total Accumulated at 31 December 2020	(521,018)
Net Book Value at 1 January 2018	762,873
Net Book Value at 31 December 2018	1,254,087
Net Book Value at 31 December 2019	1,478,636
Net Book Value at 31 December 2020	1,573,009

15 Trade and other receivables

	<i>As at</i> 31 December 2020	<i>As at</i> 31 December 2019	<i>As at</i> 31 December 2018
<i>All numbers in US\$</i>			
Accounts receivable	84,088	159,866	174,129
Revenue in excess of billings	69,716	118,127	13,865
Other current assets	–	10,854	18,465
	<u>153,804</u>	<u>288,847</u>	<u>206,459</u>

The Members consider that the carrying value amount of trade and other receivables approximates to their fair value.

16 Cash and cash equivalents

	<i>As at</i> 31 December 2020	<i>As at</i> 31 December 2019	<i>As at</i> 31 December 2018
<i>All numbers in US\$</i>			
Cash and cash equivalents	457,607	224,558	175,071

Cash at bank comprises balances held by the Company in current bank accounts. The carrying value of these approximates to their fair value. The cash is held in a bank with a BBB credit rating

17 Trade and other payables

	<i>As at</i> 31 December 2020	<i>As at</i> 31 December 2019	<i>As at</i> 31 December 2018
<i>All numbers in US\$</i>			
Accounts payable and accrued expenses	48,990	9,130	27,879
Accrued payroll and related liabilities	26,969	22,755	476
Credit cards	24,856	5,060	21,430
Billings in excess of revenue	–	27,566	34,500
	<u>100,815</u>	<u>64,511</u>	<u>84,285</u>

Trade payables and accruals principally comprise amounts outstanding for trade purchases and continuing costs. The Directors consider that the carrying value amount of trade and other payables approximates to their fair value.

18 Members Capital

Members' capital is classified as a non-current financial liability. The carrying value of members' capital is consistent with fair value throughout the period.

To date, existing members have not been required to provide any capital contributions to date. Future capital contributions will be determined by existing members and any future contributions will not be repayable until a member retires or leaves the partnership.

19 Members Interests

	<i>Capital</i>	<i>Reserves</i>	<i>Members</i>	<i>Total</i>
Balance at 1 January 2018	–	1,010,589		1,010,589
Profit for the financial year 2018		745,066		745,066
Profit allocated to Members		(150,000)	150,000	–
Contributions / Repayments by Members	–			–
Members' drawings			(150,000)	(150,000)
	<u>–</u>	<u>–</u>	<u>(150,000)</u>	<u>(150,000)</u>

	<i>Capital</i>	<i>Reserves</i>	<i>Members</i>	<i>Total</i>
Balance at 31 December 2018	–	1,605,655	–	1,605,655
Profit for the financial year 2019		753,913		753,913
Profit allocated to Members		(525,000)	525,000	–
Contributions / Repayments by Members				–
Members' drawings			(525,000)	(525,000)
Balance at 31 December 2019	–	1,834,568	–	1,834,568
Profit for the financial year 2020		1,116,176		1,116,176
Profit allocated to Members		(927,249)	927,249	–
Contributions / Repayments by Members				–
Members' drawings			(927,249)	(927,249)
Balance at 31 December 2020	–	2,023,495	–	2,023,495

Amounts due to (from) members represent allocated profits not yet paid to members and are due within one financial year. In the event of a winding-up, members' reserves rank after unsecured creditors

20 Capital commitments

There were no capital commitments at 31 December 2020 aside from those disclosed in Note 13.

21 Contingent liabilities

There were no contingent liabilities at 31 December 2020.

22 Financial instruments and risk management

The Companies' financial instruments comprise primarily cash and various items such as trade debtors and trade payables which arise directly from operations. The main purpose of these financial instruments is to provide working capital for the Companies' operations. The Companies do not utilise complex financial instruments or hedging mechanisms

	<i>As at 31 December 2020</i>	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
<i>All numbers in US\$</i>			

Financial assets by category

The categories of financial assets are as follows:

Current Assets at amortised cost:

Trade and other receivables	153,804	288,847	206,459
Cash and cash equivalents	457,607	224,558	175,071

Financial liabilities by category

The categories of financial liabilities are as follows

Current Liabilities at amortised cost:

Trade and other payables	100,815	64,511	84,285
Loan	150,592	–	–
Lease Liabilities	77,103	76,118	19,438

Non-Current Liabilities at amortised cost:

Lease Liabilities	66,604	142,075	80,773
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Categorised as financial liabilities measured at amortised cost

All amounts are short term and payable in 0 to 3 months.

<i>All numbers in US\$</i>	<i>As at 31 December 2020</i>	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
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Credit risk

The maximum exposure to credit risk at the reporting date by class of financial asset was

Trade and other receivables	153,804	288,847	206,459
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Interest rate risk

The maximum exposure to interest rate risk at the reporting date by class of financial asset was

Bank balances	457,607	224,558	175,071
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The nature of the Companies activities and the basis of funding are such that the Companies have sufficient liquid resources. The Companies use these resources to meet the cost of operations.

The Companies are not financially dependent on the income earned on these resources and therefore the risk of interest rate fluctuations is not significant to the business and the Members have not performed a detailed sensitivity analysis.

All deposits are placed with main clearing banks to restrict both credit risk and liquidity risk. The deposits are placed for the short term, between one and three months, to provide flexibility and access to the funds.

Credit and liquidity risk

Credit risk is the risk of an unexpected loss if a counter party to a financial instrument fails to meet its commercial obligations. The Companies maximum credit risk exposure is limited to the carrying amount of cash of \$457,607 in 2020 (2019: \$224,558 and 2018: \$175,071) and trade and other receivables of \$153,804 in 2020 (2019: \$288,847 and 2018: \$206,459). Credit risk is managed on a Company basis. Funds are deposited with financial institutions with a credit rating equivalent to, or above, the main UK clearing banks. The Companies liquid resources are invested having regard to the timing of payment to be made in the ordinary course of the Companies activities. All financial liabilities are payable in the short term (between 0 to 3 months) and the Companies maintains adequate bank balances to meet those liabilities.

Currency risk

The Companies currently operate primarily in the US market with income and costs in US Dollars. As the Companies roll out their products overseas, this may arise in the use of a number of other currencies. The majority of the operating costs are incurred in US Dollars. The Companies does not hedge potential future income or costs, since the existence, quantum and timing of such transactions cannot be accurately predicted. The Companies did not have foreign currency exposure at period end.

23 Capital management

The Companies manages its capital to ensure that it will be able to continue as a going concern while maximising the return to members through the optimisation of the balance between debt and equity.

The capital structure of the Companies as at 31 December 2020 consisted of equity attributable to Members, totalling \$2,023,492 (2019: \$1,834,568, 2018: \$1,605,655).

The Companies reviews the capital structure on an on-going basis.

24 Related party transactions

The Companies related parties include the following:

- Narf PR and Narf US are related parties to each other
- The Companies' Members as detailed in Note 2 above. These members also comprise the Companies Key Management Personnel.

- The Swarm group of companies, which comprises:
 - Swarm Technologies, Inc. (“Tech”) – A Puerto Rican C-Corp with wholly owned subsidiaries in Japan and Singapore, which provides subscription-based threat intelligence and anti- malware services called PolySwarm. PolySwarm leverages an innovative crowdsourced blockchain model primarily to detect threats and produce useful intelligence about malware and their actors that distribute such malware. A member of the Companies, Steve Bassi, is a stockholder and chief executive officer of Tech.
 - Swarm Industries (“Industries”) - A Delaware C-Corp, which provides software development services to Swarm Tech for components of the PolySwarm platform. A member of the Companies, Steve Bassi, is the sole stockholder and chief executive officer of Industries.
- CYBA Plc, which is acquiring 100 per cent. of the members’ interests in the Companies. On completion of the acquisition, CYBA will become the parent of the Companies and consolidate its results.

The following related party transactions were made to or from these parties and were all made on terms equivalent to those that prevail in arm’s length transactions only when such terms can be substantiated.

24.1 **Consulting Services between Narf PR and Narf US**

Narf PR preforms consulting services for Narf US. The fair value of such services was estimated by management and have been eliminated from the accompanying combined financial statements. Subsequent to 31 December 2020, management has begun formulating a revised transfer pricing arrangement between Narf PR and Narf US. Management does not plan to retroactively apply any resulting transfer pricing parameters to transactions prior to 31 December 2020.

24.2 **Costs incurred with Members**

Key management personnel costs

Key management personnel are those persons having authority and responsibility for planning, directing and controlling the activities of the Company, including the Members of the Company. Their total remuneration comprises the following:

- Salaries, associated social security and pension costs, which were all short term in nature;
- Distributions to Members: The Companies distribute amounts to members of the Companies at the discretion of management. Such distributions may not be in proportion to the “LLC Percentages” as defined in the Companies’ operating agreements;
- Member Guaranteed Payments: Certain cash payments to members of Narf US were considered partner guaranteed payments for tax purposes and were expensed to ‘Cost of Sales’ in the Income Statement; and
- Members drawings

	<i>Year ended 31 December 2020</i>	<i>Year ended 31 December 2019</i>	<i>Year ended 31 December 2018</i>
<i>All numbers in US\$</i>			
Wages and Salaries	176,447	49,894	49,890
Social Security Costs	14,147	3,816	3,816
Pension Costs	10,762	7,300	5,622
Members guaranteed payments	227,393	86,980	59,833
Members Drawings	927,249	525,000	150,000
	<u>1,355,998</u>	<u>672,990</u>	<u>269,161</u>

Average costs per member were \$339,000 in 2020 (2019: \$168,248. 2018: \$67,290).

Office Lease

Narf US leases office space under operating lease agreement in San Diego, California from an entity owned in part by a member, Steve Bassi. Narf PR subleases office space under an operating sublease agreement in San Juan, Puerto Rico from Tech. Rent expenses under these leases were \$56,400 for each the years ended 31 December 2020, 2019 and 2018. The San Diego lease expires on 1 June 2022 and future minimum rental payments under this lease are \$57,100 and \$24,000 for the years ending 31 December 2021 and 2022, respectively.

24.3 Advances to and from the Swarm group of companies

For cash management purposes, the Companies advance cash to and from the Swarm group of companies. These cash advances are not secured, do not bear interest and have no formal repayment terms but are considered inherently short term in nature. Repayment may take the form of cash transfers or the provision of services of a commensurate value. When management has determined there is a legal right of offset between advances to/from these entities, the amounts are netted.

Management asserts that although the Companies operate independently of Tech and Industries, nonetheless, they have the same controlling shareholder, being Steve Bassi.

The following presents advances to and from Tech and Industries at December 31:

<i>All numbers in US\$</i>	<i>Year ended 31 Dec'20</i>	<i>Year ended 31 Dec'19</i>	<i>Year ended 31 Dec'18</i>
Advances to: Tech	72,904	–	–
Advances from: Industries Tech	16,013	160,382	53,113

25 Loans

<i>All numbers in US\$</i>	<i>As at 31 December 2020</i>	<i>As at 31 December 2019</i>	<i>As at 31 December 2018</i>
Loan	150,592	–	–

In 2020, to mitigate the risk to the Companies for any adverse financial cash flow impact of the coronavirus pandemic, management applied for and was granted loans in the amounts of \$132,892 (Narf US) and \$17,700 (Narf PR) under the Paycheck Protection Program (“PPP”) as administered by the Small Business Administration (“SBA”). Interest accrued on the loans at a rate of 1 per cent., payments for which were automatically deferred until the SBA made a determination of forgiveness. The Companies paid or incurred certain expenses (“Qualified Expenses”) listed in section 1106(b) of the Coronavirus Aid, Relief and Economic Security (“CARES”) Act which substantially utilized the loan proceeds and met other requirements for forgiveness and, subsequent to 31 December 2020, the SBA forgave the principal amounts and all accrued interest on the loans.

In accordance with IFRS, management treated the PPP loans as debt. The Qualified Expenses are expensed as incurred and the PPP loan amounts and accrued interest forgiven will be reflected as “exceptional items” in the statement of income for the year ending 31 December 2021.

26 Post Balance Sheet events

In May 2021, CYBA Plc agreed to pay a further \$2,000,000 as an advance on the acquisition of the Companies. Accordingly, the advance has been recorded as part of Members equity.

SECTION (C) – INTERIM FINANCIAL STATEMENTS OF NARF INDUSTRIES LLC AND NARF INDUSTRIES PR LLC

These financial statements combine the accounts of Narf Industries LLC (“Narf US”) and Narf Industries PR LLC (“Narf PR”) (together the “Companies”). The Companies are considered a group of companies from an operational standpoint and are being acquired by CYBA Plc as such. Both Companies were under common control during the period and therefore the financial statements can be presented in a combined form. All material intercompany transactions have been eliminated. On conclusion of the acquisition of the Companies by CYBA, Narf US and Narf PR will be consolidated as fully owned subsidiary companies.

Since the Companies are both partnerships, certain disclosures that would normally be made for companies, are not included as they are not applicable. These include Earnings per share (EPS), Share Capital and Share Premium. The Companies do include disclosures on the Members’ capital and reserves.

Statements of Comprehensive income for the 6 months to 30 June 2021

	<i>Note</i>	<i>6 Months ended 30 June 2020</i>	<i>6 Months ended 30 June 2021</i>
<i>All numbers in US\$</i>			
Revenue		1,595,768	1,051,447
Cost of Sales		<u>(626,022)</u>	<u>(472,196)</u>
Gross Profit		<u>969,746</u>	<u>699,261</u>
Administrative expenses		(309,747)	(603,548)
Other Operating Income		–	–
Exceptional Items	5	–	<u>150,592</u>
Operating Profit		<u>659,999</u>	<u>126,295</u>
Finance Expenses	4	<u>(2,193)</u>	<u>(419)</u>
Profit on ordinary activities before taxation		<u>657,806</u>	<u>125,876</u>
Taxation	6	<u>(15,616)</u>	<u>–</u>
Profit for the financial Year		<u>642,190</u>	<u>125,876</u>
Total comprehensive income for financial year attributable to the Members		<u>642,190</u>	<u>125,876</u>

The above results relate entirely to continuing activities.

The accompanying notes form part of these interim financial statements

Statements of financial position at 30 June 2021

<i>All numbers in US\$</i>	<i>Note</i>	<i>As at 30 June 2020</i>	<i>As at 30 June 2021</i>	<i>As at 31 December 2020</i>
Non-Current Assets				
Tangible Assets		50,417	30,061	40,512
Right of Use Assets		179,871	93,700	136,785
Intangible Assets		1,525,823	1,514,506	1,573,009
Total Non-Current Assets		<u>1,756,111</u>	<u>1,638,267</u>	<u>1,750,307</u>
Current Assets				
Trade and other receivables		199,604	619,516	153,804
Cash and cash equivalents		676,338	2,168,053	457,607
Advances to Related Parties		65,000	72,904	72,904
Total current assets		<u>940,942</u>	<u>2,860,473</u>	<u>684,315</u>
Total Assets		<u>2,697,053</u>	<u>4,498,740</u>	<u>2,434,622</u>
Current liabilities				
Trade and other payables		69,636	443,165	100,815
Loans	8	150,592	–	150,592
Lease Liabilities – current portion		129,160	72,697	77,103
Total Current Liabilities		<u>349,388</u>	<u>515,862</u>	<u>328,510</u>
Non-Current liabilities				
Lease Liabilities – non-current portion		52,641	32,494	66,604
Advances from Related Parties		228,266	16,013	16,013
Members' Capital	7			
Total Non-Current Liabilities		<u>280,907</u>	<u>48,507</u>	<u>82,617</u>
Total Liabilities		<u>630,295</u>	<u>564,369</u>	<u>411,127</u>
Net Assets		<u>2,066,758</u>	<u>3,934,371</u>	<u>2,023,495</u>
Equity				
Members' reserves		2,066,758	3,934,371	2,023,495
Total Equity		<u>2,066,758</u>	<u>3,934,371</u>	<u>2,023,495</u>
Members' Interests				
Members' capital		–	–	–
Members' reserves	7	2,066,758	3,934,371	2,023,495
Total Members' interests		<u>2,066,758</u>	<u>3,934,371</u>	<u>2,023,495</u>

The above results relate entirely to continuing activities.

The accompanying notes form part of these financial statements

Statements of cashflows for the 6 months to 30 June 2021

<i>All numbers in US\$</i>	<i>Note</i>	<i>6 Months ended 30 June 2020</i>	<i>6 Months ended 30 June 2021</i>	<i>Year ended 31 December 2020</i>
Cash flow from operating activities				
Operating profit for the period		659,999	172,664	1,157,555
Adjustments for:				
Finance Expenses		(2,193)	(419)	(2,682)
Tax Paid		(15,616)	–	(38,697)
Decrease / (Increase) in trade and other receivables		89,243	(368,246)	135,043
Increase in trade and other payables		5,125	124,875	36,304
Forgiveness of PPP Loan		–	(150,592)	–
Movement in Lease Liability		(28,200)	(28,550)	(56,400)
Depreciation and amortization		173,676	185,261	344,953
Net cash outflow from operating activities		<u>882,034</u>	<u>(64,588)</u>	<u>1,576,076</u>
Cashflow from investing activities				
Investment in Intangible Assets		(164,192)	–	(328,383)
Purchases of property and equipment		(1,346)	–	(2,628)
Advances from (to) related parties, net		2,884	–	(217,273)
Net cash provided by (used in) investing activities		<u>(162,654)</u>	<u>–</u>	<u>(548,284)</u>
Cashflow from financing activities				
Proceeds from notes payable – Paycheck Protection Program		150,592	–	150,592
Principal payments on note payable		(8,192)	(9,966)	(18,086)
Principal payments on a loan from a related party		–	–	–
Advance from CYBA		–	2,000,000	–
Distributions to members		(410,000)	(215,000)	(927,249)
Net cash used in financing activities		<u>(267,600)</u>	<u>1,775,034</u>	<u>(794,743)</u>
Net increase in cash and cash equivalents		<u>451,780</u>	<u>1,710,446</u>	<u>233,049</u>
Cash and cash equivalents at the beginning of the period		<u>224,558</u>	<u>457,607</u>	<u>224,558</u>
Cash and cash equivalents at the end of the period		<u>676,338</u>	<u>2,168,053</u>	<u>457,607</u>

The above results relate entirely to continuing activities. There are no non-cash movements that require disclosure.

The accompanying notes form part of these financial statements

Statements of changes in equity for the 6 months to 30 June 2021

	<i>Note</i>	<i>Capital</i>	<i>Reserves</i>	<i>Total</i>
Balance at 1 January 2021		–	2,023,495	2,023,495
Comprehensive income for the 6 months to 30 June 2021		–	172,664	172,664
Members Drawings		–	(215,000)	(215,000)
Contributions / Repayments by Members		–	2,000,000	2,000,000
Balance at 30 June 2021		–	3,981,159	3,981,159

The above results relate entirely to continuing activities.

The accompanying notes form part of these financial statements

1 General Information

The principal activities of Narf Industries LLC (“Narf US”) and Narf Industries PR LLC (“Narf PR”) are the provision of cyber security services to its customers. The Companies are considered to operate as if in a Group.

Narf US is a United States (California) limited liability company with registered number 201719110256 and its registered office at 548 Market St #37005, San Francisco, California CA 94104. It provides tailored information security (InfoSec) services and software as a service (SaaS) subscription to government and commercial clients. The holders of member interests in Narf US are as follows, Steve Bassi 85 per cent., Nick Davis 10 per cent. and Ben Schmidt 5 per cent.

Narf PR is a Puerto Rican limited liability company with registered number 411501-1511 and its registered office at 1413 Avenue Ponce de León, San Juan, Puerto Rico 00907. It provides management, computer security research and development, and computer security services to Narf US. Additionally, Narf PR provides advanced computer security and technology consulting services to customers outside of Puerto Rico. The holders of member interests in Narf PR are as follows, Steve Bassi 70 per cent., Nick Davis 15 per cent. and Ben Schmidt 15 per cent.

2 Accounting Policies

2.1 Basis of consolidation

These financial statements combine the accounts of Narf US and Narf PR (together the “Companies”). The Companies are considered a group of companies from an operational standpoint and are being acquired by CYBA Plc as such. All material intercompany transactions have been eliminated.

2.2 Basis of Preparation

These unaudited interim financial statements have been prepared under the historical cost convention unless otherwise stated. The Companies have adopted IAS 34 “Interim Financial Statements” in preparing these interim financial statements. The unaudited interim financial statements should be read in conjunction with the audited Historic Financial Information Statements produced for the three years ended 31 December 2020, which have been prepared in accordance with International Financial Reporting Standards (IFRS) IFRIC Interpretations Committee (‘IFRS IC’).

The unaudited interim financial statements do not constitute statutory financial statements within the meaning of the Companies Act 2006. They have been prepared on a going concern basis in accordance with the recognition and measurement criteria of UK adopted international accounting standards.

The same accounting policies, presentation, accounting judgements and methods of computation are followed in these unaudited interim financial statements as were applied in the preparation of the audited Historic Financial Information Statements produced for the three years ended 31 December 2020.

The financial statements are presented in US Dollars rounded to the nearest dollar.

The Companies are not subject to any seasonal variations.

2.3 **Going concern**

The financial statements have been prepared on a going concern basis. The Members of both Companies have a reasonable expectation that the Companies have adequate resources to continue in operational existence for the foreseeable future. Thus, they continue to adopt the going concern basis of accounting in preparing the financial statements.

The Members have reviewed the ongoing situation with COVID-19 and do not consider its effects to have a material impact on the Companies' going concern.

3 **Segmental reporting**

During the three years to 31 December 2020, the Companies operated entirely within the USA, which includes Puerto Rico. Accordingly, the chief operating decision maker, who is Steve Bassi, reviews all revenues, assets and liabilities and has classified them as within the USA.

4 **Finance income / expenses**

	<i>6 Months ended 30 June 2020</i>	<i>6 Months ended 30 June 2021</i>
<i>All numbers in US\$</i>		
Interest income	1	–
Interest expense	2,194	419

Interest income relates to interest received on cash balances.

Interest expense relates in part to interest on the Automobile finance lease, which is detailed in Note 13.

5 **Exceptional Items**

Items that are material either because of their size or their nature, or that are non-recurring are considered as exceptional items and are presented within the line items to which they best relate. During the year, the exceptional items as detailed below have been included in the income statement.

An analysis of the amount presented as exceptional item in these financial statements is given below:

	<i>6 Months ended 30 June 2020</i>	<i>6 Months ended 30 June 2021</i>
<i>All numbers in US\$</i>		
Forgiveness of PPP Loan (see Note 9)	–	150,592

6 **Taxation**

The Companies file income tax returns in the U.S. federal, California state and the Government of the Commonwealth of Puerto Rico jurisdictions. The Companies' members have elected to treat the limited liability companies as a partnership for income tax reporting purposes. As a partnership, the Companies are not subject to federal income tax and the federal tax effect of its activities accrue to the members.

As a partnership, Narf US is subject to a California franchise tax, the range for which is from \$800 to \$11,790 depending on gross revenue. This franchise tax is a license to operate in California and the charge of \$6,800 (2020: \$6,800) has been expensed to the income statement under "Administrative Expenses."

Narf PR is subject to a Government of the Commonwealth of Puerto Rico income tax at a rate of 4 per cent. Differences between Narf PR's taxable income per Generally Accepted Accounting Principles (GAAP) and the basis used for the Government of the Commonwealth of Puerto Rico are not material and, accordingly, no deferred tax assets or liabilities are reflected in the accompanying combined financial statements.

The Companies income tax expense is as follows:

	<i>6 Months ended 30 June 2020</i>	<i>6 Months ended 30 June 2021</i>
<i>All numbers in US\$</i>		
Income tax charge for Narf US	–	–
Income tax charge for Narf PR	–	15,616
Total current tax	–	–

The tax on the Group's profit before tax differs from the theoretical amount that would arise using the weighted average tax rate applicable to profits of the consolidated entities as follows.

	<i>6 Months ended 30 June 2020</i>	<i>6 Months ended 30 June 2021</i>
<i>All numbers in US\$</i>		
Profit on ordinary activities before taxation	125,876	657,806
Impact of IFRS adjustments	138,329	(47,011)
Taxable profit under US GAAP	<u>264,205</u>	<u>610,795</u>
Narf PR		
Tax calculated at domestic tax rates applicable to profits in the respective countries	10,588	24,432
Tax effects of Income not subject to tax	(10,568)	(8,816)
Tax Charge	–	15,616

The weighted average applicable tax rate was Nil per cent. (2020: 3 per cent.). The decrease is caused by a change in the profitability of the Companies in their respective regions.

7 Members Interests

	<i>Capital</i>	<i>Reserves</i>	<i>Members</i>	<i>Total</i>
Balance at 1 January 2021	–	2,023,495	–	2,023,495
Profit for the 6 Months to 30 June 2021		125,876		125,876
Profit allocated to Members		(215,000)	215,000	–
Contributions / Repayments by Members	–	2,000,000		2,000,000
Members' drawings			(215,000)	(215,000)
Balance at 30 June 2021	<u>–</u>	<u>3,934,371</u>	<u>–</u>	<u>3,934,371</u>

Amounts due to (from) members represent allocated profits not yet paid to members and are due within one financial year. In the event of a winding-up, members' reserves rank after unsecured creditors.

8 Loans

	<i>As at 30 June 2020</i>	<i>As at 30 June 2021</i>
<i>All numbers in US\$</i>		
Loan	150,592	–

In 2020, to mitigate the risk to the Companies for any adverse financial cash flow impact of the coronavirus pandemic, management applied for and was granted loans in the amounts of \$132,892 (Narf US) and \$17,700 (Narf PR) under the Paycheck Protection Program ("PPP") as administered by the Small Business Administration ("SBA"). Interest accrued on the loans at a rate of 1 per cent., payments for which were automatically deferred until the SBA made a determination of forgiveness. The Companies paid or incurred certain expenses ("Qualified Expenses") listed in section 1106(b) of the Coronavirus Aid, Relief and Economic Security ("CARES") Act which substantially utilized the loan proceeds and met other requirements for

forgiveness and, subsequent to 31 December 2020, the SBA forgave the principal amounts and all accrued interest on the loans.

In accordance with IFRS, management treated the PPP loans as debt. The Qualified Expenses are expensed as incurred and the PPP loan amounts and accrued interest forgiven are reflected as “exceptional items” in the statement of income for the 6 months ended 30 June 2021.

PART IX

UNAUDITED PRO FORMA FINANCIAL INFORMATION

**SECTION (A) – ACCOUNTANT’S REPORT ON THE UNAUDITED PRO FORMA
STATEMENT OF NET ASSETS**

PKF Littlejohn LLP



The Directors
Cyba Plc
30 Percy Street
London
W1T 2DB

Dear Sirs

Introduction

We report on the unaudited pro forma statement of net assets at 30 June 2021 ('the Pro Forma Financial Information') set out in Part IX (B) of the Company's Prospectus dated 17 February 2022, which has been prepared on the basis described in Part IX (B) of this document, for illustrative purposes only, to provide information about how the Placing, acquisition of the Narf Group and Admission might have affected the net assets presented on the basis of the accounting policies adopted by the Company in preparing the audited financial information for the period ended 31 December 2020 and the unaudited financial information for the six month period ending 30 June 2021. This report is required by Annex 20, Section 3 of the PR Regulation and is given for the purpose of complying with that requirement and for no other purpose.

Responsibilities

It is the responsibility of the Directors of the Company to prepare the Pro Forma Financial Information in accordance with Annex 20 of the PR Regulation.

It is our responsibility to form an opinion, as to the proper compilation of the Pro Forma Financial Information and to report that opinion to you in accordance with Annex 20, section 3 of the PR Regulation.

Save for any responsibility arising under Prospectus Regulation Rule 5.3.2R(2)(f) to any person as and to the extent there provided, to the fullest extent permitted by law we do not assume any responsibility and will not accept any liability to any other person for any loss suffered by any such other person as a result of, arising out of, or in connection with this report or our statement, required by and given solely for the purposes of complying with Annex 1, Item 1.3 of the PR Regulation, consenting to its inclusion in the Prospectus.

In providing this opinion we are not updating or refreshing any reports or opinions previously made by us on any financial information used in the compilation of the Pro Forma Financial Information, nor do we accept responsibility for such reports or opinions beyond that owed to those to whom those reports or opinions were addressed by us at the dates of their issue.

Basis of opinion

We conducted our work in accordance with Standards for Investment Reporting issued by the Auditing Practices Board in the United Kingdom. The work that we have performed for the purpose of making this report, which involved no independent examination of any of the underlying financial information, consisted

primarily of comparing the unadjusted financial information with the source documents, considering the evidence supporting the adjustments and discussing the Pro Forma Financial Information with the Directors.

We planned and performed our work so as to obtain the information and explanations we considered necessary in order to provide us with reasonable assurance that the Pro Forma Financial Information has been properly compiled on the basis stated and that such basis is consistent with the accounting policies of the Company.

Our work has not been carried out in accordance with auditing or other standards and practices generally accepted in jurisdictions outside the United Kingdom, including the United States of America, and accordingly should not be relied upon as if it had been carried out in accordance with those standards and practices.

Opinion

In our opinion:

- (a) the Pro Forma Financial Information has been properly compiled on the basis stated; and
- (b) such basis is consistent with the accounting policies of the Company.

Declaration

For the purposes of Prospectus Regulation Rule 5.3.2R(2)(f) we are responsible for this report as part of the Prospectus and declare that the information contained in this report is, to the best of our knowledge, in accordance with the facts and contains no omission likely to affect its import. This declaration is included in the Prospectus in compliance with Annex 1, Item 1.2 of the PR Regulation.

Yours faithfully

PKF Littlejohn LLP
15 Westferry Circus
Reporting Accountant
Canary Wharf
London E14 4HD
17 February 2022

SECTION (B) – UNAUDITED PRO FORMA STATEMENT OF NET ASSETS

Set out below is an unaudited pro forma statement of net assets as at 30 June 2021 (the “Pro Forma Financial Information”) of Cyba Plc (“the Company”) and the combined financial position of Narf Industries LLC and Narf Industries PR LLC (together “the Narf Group”) together known as the “Enlarged Group”. The Pro Forma Financial Information of the Enlarged Group has been prepared on the basis set out in the notes below to illustrate the impact of the £5 million Placing and proposed acquisition of the Narf Group as if it had taken place on 1 July 2021.

The Pro Forma Financial Information has been prepared for illustrative purposes only and, by its nature, addresses a hypothetical situation and does not, therefore, represent the Enlarged Group’s actual financial position or results. Such information may not, therefore, give a true picture of the Enlarged Group’s financial position. The Pro Forma Financial Information is based on the unaudited net assets as at 30 June 2021 of the Company, as shown in Part VII and the unaudited net assets as at 30 June 2021 for the Narf Group, as shown in Part VIII (Historical Financial Information). No adjustments have been made to take account of trading, expenditure or other movements subsequent to 30 June 2021, being the date of the last published balance sheet of the Company.

The Pro Forma Financial Information does not constitute financial statements within the meaning of section 434 of the Companies Act. Investors should read the whole of this Admission Document and not rely solely on the summarised financial information contained in this Part.

Unaudited pro forma statement of net assets at 30 June 2021

	<i>The Company</i> <i>Net assets</i> <i>as at</i> <i>30 June</i> <i>2021</i> <i>(Note 1)</i> £	<i>Narf Group</i> <i>Net assets</i> <i>as at</i> <i>30 June</i> <i>2021</i> <i>(Note 2)</i> £	<i>Intercompany</i> <i>Adjustments</i> <i>(Note 3)</i> £	<i>Issue of</i> <i>Placing</i> <i>Shares</i> <i>net of costs</i> <i>(Note 4)</i> £	<i>Unaudited</i> <i>pro forma</i> <i>net assets</i> <i>of the</i> <i>Enlarged</i> <i>Group on</i> <i>admission</i> £
Non-current Assets					
Intangible Assets	–	1,095,325	–	–	1,095,325
Tangible Assets	–	21,741	–	–	21,741
Right of Use Assets	–	67,766	–	–	67,766
Total Non-Current Assets	–	1,184,832	–	–	1,184,832
Current Assets					
Cash and Cash Equivalents	889,352	1,567,985	–	5,400,000	7,857,337
Short term investments	1,445,296		(1,445,296)	–	–
Advances to Related Parties		52,726	–	–	52,726
Trade and other receivables	31,537	448,048	–	–	479,585
Total Current Assets	2,366,185	2,068,759	(1,445,296)	5,400,000	8,389,648
Total Assets	2,366,185	3,253,591	(1,445,296)	5,400,000	9,574,480
Non-current Liabilities					
Non-current Lease Liabilities	–	23,500	–	–	23,500
Advances from Related Parties	–	11,581	–	–	11,581
Total Non-Current Liabilities	–	35,081	–	–	35,081
Current Liabilities					
Trade and other payables	395,026	320,507	–	–	715,533
Lease Liabilities – current	–	52,576	–	–	–
Notes payable	–	–	–	–	52,576
Total Current Liabilities	395,026	373,083	–	–	768,109
Total Liabilities	395,026	408,164	–	–	803,190
Total Assets less total liabilities	1,971,159	2,845,426	(1,445,296)	5,400,000	8,771,289

Notes

The pro forma statement of net assets has been prepared on the following basis:

1. The net assets of the Company as at 30 June 2021 have been extracted without adjustment from the unaudited interim financial information for the 6 month period ended 30 June 2021 as shown in Part VII.
2. The net assets of the Narf Group as at 30 June 2021 have been extracted without adjustment from the unaudited financial information for the 6 month period ended 30 June 2021 as shown in Part VIII and converted to GBP at the closing rate on 30 June 2021 of US\$1 to £0.72.
3. An adjustment has been made to reflect the investment made by Cyba plc in the amount of \$2 million USD to provide working capital to the Narf Group during the 6 month period to 30 June 2021.
4. An adjustment has been made to reflect the proceeds of a placing of 300,000,000 Ordinary Shares of the Company at an issue price of 2p per Ordinary Share net of an adjustment to reflect the payment in cash of admission costs estimated at approximately £600,000.
5. No adjustments have been made to the historical results of any entities within the Enlarged Group to reflect the trading or other transactions.
6. The pro forma statement of net assets does not constitute financial statements.

PART X

TAXATION

It should be noted that the following section presumes that the Company is resident in the United Kingdom for tax purposes. Any person who is in any doubt as to their tax position, or who is subject to taxation in any jurisdiction other than the UK, should consult their own professional adviser without delay. The tax legislation of an Investor's Member State and of the Company's country of incorporation may have an impact on the income received from the securities.

Taxation in the United Kingdom

The following information is based on UK tax law and HMRC practice currently in force in the UK. Such law and practice (including, without limitation, rates of tax) is in principle subject to change at any time. The information that follows is for guidance purposes only. Any person who is in any doubt about his or her position should contact their professional advisor immediately.

1. Tax treatment of UK investors

The following information, which relates only to UK taxation, is applicable to persons who are resident in the UK and who beneficially own Ordinary Shares as investments and not as securities to be realised in the course of a trade. It is based on the law and practice currently in force in the UK. The information is not exhaustive and does not apply to potential investors:

- who intend to acquire, or may acquire (either on their own or together with persons with whom they are connected or associated for tax purposes), more than 10 per cent., of any of the classes of shares in the Company; or
- who intend to acquire Ordinary Shares as part of tax avoidance arrangements; or
- who are in any doubt as to their taxation position.

Such Shareholders should consult their professional advisers without delay. Shareholders should note that tax law and interpretation can change and that, in particular, the levels, basis of and reliefs from taxation may change. Such changes may alter the benefits of investment in the Company.

Shareholders who are neither resident nor temporarily non-resident in the UK and who do not carry on a trade, profession or vocation through a branch, agency or permanent establishment in the UK with which the Ordinary Shares are connected, will not normally be liable to UK taxation on dividends paid by the Company or on capital gains arising on the sale or other disposal of Ordinary Shares. Such Shareholders should consult their own tax advisers concerning their tax liabilities.

Dividends

Where the Company pays dividends no UK withholding taxes are deducted at source, Shareholders who are resident in the UK for tax purposes will, depending on their circumstances, be liable to UK income tax or corporation tax on those dividends.

UK resident individual Shareholders who are domiciled in the UK, and who hold their Shares as investments, will be subject to UK income tax on the amount of dividends received from the Company.

Dividend income received by UK tax resident individuals will have a £2,000 per annum dividend tax allowance. Dividend receipts in excess of £2,000 will be taxed at 7.5 per cent. for basic rate taxpayers, 32.5 per cent. for higher rate taxpayers, and 38.1 per cent. for additional rate taxpayers.

Shareholders who are subject to UK corporation tax should generally, and subject to certain anti-avoidance provisions, be able to claim an exemption from UK corporation tax in respect of any dividend received but will not be entitled to claim relief in respect of any underlying tax.

Disposals of Ordinary Shares

Any gain arising on the sale, redemption or other disposal of Ordinary Shares will be taxed at the time of such sale, redemption or disposal as a capital gain.

The rate of capital gains tax on disposal of Ordinary shares by basic rate taxpayers is 10 per cent., and for upper rate and additional is 20 per cent.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19 per cent. (although note that this will rise to 25 per cent. with effect from 1 April 2021).

Further information for Shareholders subject to UK income tax and capital gains tax

“Transactions in securities”

The attention of Shareholders (whether corporates or individuals) within the scope of UK taxation is drawn to the provisions set out in, respectively, Part 15 of the Corporation Tax Act 2010 and Chapter 1 of Part 13 of the Income Tax Act 2007, which (in each case) give powers to HM Revenue and Customs to raise tax assessments so as to cancel “*tax advantages*” derived from certain prescribed “*transactions in securities*”.

2. Stamp Duty and Stamp Duty Reserve Tax

No UK stamp duty or stamp duty reserve tax (**SDRT**) will be payable on the allotment and issue of the new Ordinary Shares pursuant to the Placing.

Paperless transfers of Ordinary Shares within CREST are liable to SDRT rather than stamp duty. An agreement (whether oral or written) to transfer the ordinary shares, attracts SDRT unless an exemption or relief applies. This is usually at the rate of 0.5 per cent. of the consideration given in money or money's worth but in certain cases may apply by reference to the market value of the rights acquired. Any SDRT arising on the transfer of the ordinary shares held in CREST should be collected and accounted for to HMRC by CREST. Notwithstanding this, the purchaser of the shares is still liable to any outstanding SDRT on a joint and several basis.

An instrument effecting the transfer on sale of Ordinary Shares will generally be liable to stamp duty at the rate of 0.5 per cent. (rounded up to the nearest multiple of £5) of the amount or value of the consideration payable. However, where the amount or value of the consideration is £1,000 or less, and provided that the transfer does not form part of a larger transaction or series of transactions where the combined consideration exceeds £1,000, such instrument should generally be exempt from charge upon certification of such facts.

The above comments are intended as a guide to the general stamp duty and stamp duty reserve tax position and may not relate to persons such as charities, market makers, brokers, dealers, intermediaries and persons connected with depositary arrangements or clearance services to whom special rules apply.

THIS SUMMARY OF UK TAXATION ISSUES CAN ONLY PROVIDE A GENERAL OVERVIEW OF THESE AREAS AND IT IS NOT A DESCRIPTION OF ALL THE TAX CONSIDERATIONS THAT MAY BE RELEVANT TO A DECISION TO INVEST IN THE COMPANY. THE SUMMARY OF CERTAIN UK TAX ISSUES IS BASED ON THE LAWS AND REGULATIONS IN FORCE AS OF THE DATE OF THIS DOCUMENT AND MAY BE SUBJECT TO ANY CHANGES IN UK LAWS OCCURRING AFTER SUCH DATE. LEGAL ADVICE SHOULD BE TAKEN WITH REGARD TO INDIVIDUAL CIRCUMSTANCES. ANY PERSON WHO IS IN ANY DOUBT AS TO HIS TAX POSITION OR WHERE HE IS RESIDENT, OR OTHERWISE SUBJECT TO TAXATION, IN A JURISDICTION OTHER THAN THE UK, SHOULD CONSULT HIS PROFESSIONAL ADVISER.

PART XI

ADDITIONAL INFORMATION

1 RESPONSIBILITY

- 1.1 The Directors, whose names appear on page 28, and the Company, accept responsibility for the information contained in this Document. To the best of the knowledge of the Directors and the Company, the information contained in this Document is in accordance with the facts and makes no omission likely to affect the import of such information.
- 1.2 For the purposes of Rule 19.2 of the City Code only, each member of the Concert Party, whose names are set out in Part VI of this document, accepts responsibility for the information contained in this document relating to themselves. To the best of the knowledge and belief of each member of the Concert Party (having taken all reasonable care to ensure that such is the case), the information contained in this document for which he is responsible is in accordance with the facts and does not omit anything likely to affect the import of such information.
- 1.3 In connection with this document and/or the Transaction and Readmission, no person is authorised to give any information or make any representations other than as contained in this document and, if given or made, such information or representation must not be relied upon as having been so authorised.

2 THE COMPANY

- 2.1 The Company was incorporated as a public limited company under the Companies Act on 28 November 2018 with number 11701224, under the name GCQC plc. On 17 January 2019, the Company changed its name to CYBA plc. The Company's LEI is 213800K484JEC4RK284.
- 2.2 The Company is subject to the Listing Rules and the Disclosure Guidance and Transparency Rules (and the resulting jurisdiction of the FCA) to the extent such rules apply to companies with a Standard Listing pursuant to Chapter 14 of the Listing Rules. The Company also operated in conformity with its Articles.
- 2.3 The principal legislation under which the Company operates, and pursuant to which the Ordinary Shares have been allotted and issued, is the Companies Act.
- 2.4 The Company's registered office is at 5 Fleet Place, London EC4M 7RD and the Company's telephone number is +44 (0)20 3468 2212.
- 2.5 The Company operates in conformity with its Articles and the laws of the United Kingdom.
- 2.6 The liability of the members of the Company is limited to the amounts, if any, due to the Company in respect of Shares held by them.
- 2.7 The accounting reference date of the Company is 31 December and the current accounting period will end on 31 December 2021.
- 2.8 As at the LPD, being the latest practicable date prior to publication of this Document, the Company did not have any subsidiaries. However, on Readmission the Company will be the holding company for Narf. The Enlarged Group will comprise the Company and the following subsidiaries;

<i>Company</i>	<i>Location</i>	<i>Holding</i>
Narf Industries LLC	USA	100% (direct)
Narf Industries PR LLC	Puerto Rico	100% (direct)

3 SHARE CAPITAL

3.1 The issued share capital of the Company at the date of this Document and as it will be on Readmission is as follows:

<i>Class of Share</i>	<i>Existing Share Capital Issued and Credited as Fully Paid</i>		<i>Enlarged Share Capital</i>	
	<i>Number</i>	<i>Nominal value</i>	<i>Number</i>	<i>Nominal value</i>
Ordinary	624,525,000	£0.0001	1,624,125,000	£0.0001

3.2 The following is a summary of the changes in the issued share capital of the Company since its incorporation:

3.2.1 on incorporation, Rory Heier and Robert Mitchell were each issued one Ordinary Share of £1.00 and on the same day, the issued Ordinary Shares in the Company were sub-divided so that each of the two issued shares of £1.00 were subdivided into 10,000 Ordinary Shares of £0.0001 each.

3.2.2 On 1 December 2018, the Company issued 120,230,000 Ordinary Shares at par to subscribers.

3.2.3 Between the period 1 January 2019 and 3 December 2020, the Company issued and allotted an additional 404,275,000 Ordinary Shares at £0.01 per share in the pre-IPO placing and in lieu of cash amounts owed by the Company to third parties for certain consulting and introductory services provided to it.

3.2.4 On 17 May 2021, the Company issued and allotted an additional 100,000,000 Ordinary Shares at £0.02 per share in a placement to new and existing investors.

3.2.5 As at the LPD, the Company has 624,525,000 ordinary shares of £0.0001 each.

3.3 At the General Meeting of the Company to be held on 14 March 2022, resolutions will be proposed to authorise the Directors to:

3.3.1 approve the waiver by the Takeover Panel of the requirement on the Concert Party to make an offer for the Company under Rule 9 of the City Code;

3.3.2 approve an increase of the directors authority to issue new Ordinary Shares sufficient to issue the Consideration Shares and Placing Shares, plus shares up to a nominal value of £500,000, representing just over 300 per cent. of the enlarged share capital ("**Additional Shares**");

3.3.3 approve the dis-application of pre-emption rights relating to the issue of Consideration Shares, Placing Shares, and Additional Shares; and

3.3.4 approve that a general meeting, other than an annual general meeting, may be called on not less than 14 clear days' notice.

3.4 As at the date of the Document, the Company has issued Warrants to enable the holders to subscribe for, in aggregate, 25,000,000 Ordinary Shares.

3.5 Details of the warrants outstanding are as follows:

<i>Issued</i>	<i>Exercisable from</i>	<i>Expiry date</i>	<i>Number outstanding</i>	<i>Exercise price</i>
20 October 2019	Anytime until	8 March 2022	12,000,000	£0.01
16 March 2022	Readmission	12 months from Readmission	13,000,000	£0.02

3.6 The Enlarged Group intends, post-Readmission, to implement an employee share option scheme. The options to be awarded to certain employees pursuant to the scheme will be for an aggregate of 10 per cent. of the Enlarged Group's share capital.

- 3.7 Save as disclosed in this paragraph 3.7 of this Part XI:
- 3.7.1 the Company holds no Ordinary Shares in treasury;
 - 3.7.2 no issued Ordinary Shares of the Company are under option or have been agreed conditionally or unconditionally to be put under option;
 - 3.7.3 no share or loan capital of the Company has been issued or is now proposed to be issued, fully or partly paid, either for cash or for a consideration other than cash;
 - 3.7.4 no commission, discount, brokerage or any other special term has been granted by the Company or is now proposed in connection with the issue or sale of any part of the Share or loan capital of the Company;
 - 3.7.5 no persons have preferential subscription rights in respect of any share or loan capital of the Company or any subsidiary; and
 - 3.7.6 no amount or benefit has been paid or is to be paid or given to any promoter of the Company.
- 3.8 The Ordinary Shares will be listed on the Official List and will be traded on the main market of the London Stock Exchange. The Ordinary Shares are expected to be also listed on the OTCQB market based in the US. An initial application was made to OTC Markets on 27 April 2021 for the listing of the entire share capital of the Company on the OTCQB market, however, pending Readmission, the application process has also been suspended. No application has been or is being made for the admission of the Ordinary Shares to listing or trading on, any other stock exchange or securities market, aside from the two aforementioned.
- 3.9 As at the date of this Document, the Company has no short, medium or long term indebtedness.

4 DIRECTORSHIPS AND PARTNERSHIPS

In addition to their directorships of the Company, the Directors are, or have been, members of the administrative, management or supervisory bodies (**directorships**) or partners of the following companies or partnerships, at any time in the five years prior to the date of this Document:

Rory Heier

Current directorships and partnerships

Brayerth Limited
 Harpers Capital Limited
 Roscar plc
 Polyswarm Group Limited
 Polyswarm Limited
 Narf Industries Limited
 Narf Group Limited

Former directorships and partnerships

Alpha Growth plc
 Fidel Limited
 Octava Consulting Limited (dissolved)

Bob Mitchell

Current directorships and partnerships

BIA Resources plc
 Bioenergy Group Limited
 Bioenergy (Medical Waste) Limited
 Bluehone Capital Limited
 Bluehone Investors LLP
 Bluehone Ventures Limited

Former directorships and partnerships

Bluehone General Partner (DCP) Limited (dissolved)
 Bluehone Limited (dissolved)
 Bluehone Partner Limited (dissolved)
 Bluehone Ventures Nominees Limited (dissolved)
 BNP Bioenergy Limited
 Entertainment AI Limited

Current directorships and partnerships

Brayerth Limited
Giant Energy Limited
Intosol plc
Roscar plc
Tribune Pictures Limited
Tribune Bay Pictures Limited

Former directorships and partnerships

Investments West Midlands plc (dissolved)
Media AI Limited
Myutility Ltd (dissolved)
NRW Utilities Limited
Qconnectis Group Ltd
Qconnectis Technologies Limited (dissolved)
Resources In Insurance Group plc (dissolved)
Water Intelligence plc
Water Intelligence International Ltd

Steve Bassi

Narf Industries LLC
Narf Industries PR LLC
Swarm Technologies Inc
Swarm Industries Inc

None

John Herring

Fasoo Inc

iMove Inc

5 DIRECTORS' CONFIRMATIONS

5.1 As at the date of this Document none of the Directors:

5.1.1 has any convictions in relation to fraudulent offences for at least the previous five years;

5.1.2 has been associated with any bankruptcy, receivership or liquidation while acting in the capacity of a member of the administrative, management or supervisory body or of senior manager of any company for at least the previous five years; or

5.1.3 has been subject to any official public incrimination and/or sanction of him by any statutory or regulatory authority (including any designated professional bodies) or has ever been disqualified by a court from acting as a director of a company or from acting as a member of the administrative, management or supervisory bodies of an issuer or from acting in the management or conduct of the affairs of any issuer for at least the previous five years.

5.2 Steve Bassi, a Director of the Company, is a principal Narf Member and, therefore, did not take part in any of the deliberations of the Company in negotiating the Acquisition Agreement. The Company's Independent Acquisitions Committee (consisting of all Directors other than Steve Bassi) reviewed and agreed that the terms of the Acquisition Agreement are fair and reasonable.

5.3 Steve Bassi, a Director of the Company, is a principal shareholder in Polyswarm and, therefore, did not take part in any of the deliberations of the Company in negotiating the Polyswarm LOI. The Company's Independent Acquisitions Committee (consisting of all Directors other than Steve Bassi) reviewed and agreed that the terms of the Polyswarm LOI are fair and reasonable.

5.4 In respect of the Directors, save for Mr Bassi in relation to the Acquisition (as set out in paragraph 5.2) and the Polyswarm LOI (as set out in paragraph 5.3), there are no conflicts of interest or potential conflicts between any duties they have to the Enlarged Group and their private interests and/or other duties they may have. If a Director introduces a potential transaction to the Enlarged Group in which they have an interest it will be dealt with by the Independent Acquisitions Committee.

6 DIRECTORS' AND OTHER INTERESTS

6.1 Save as disclosed in this paragraph 6, none of the Directors, nor any member of their immediate families, has or will have on or following Readmission any interests (beneficial or non-beneficial) in the Ordinary Shares of the Company:

<i>Director</i>	<i>No. of Ordinary Shares prior to Readmission</i>	<i>Percentage of issued ordinary share capital prior to Admission</i>	<i>No. of Ordinary Shares following Readmission</i>	<i>Percentage of ordinary shares following Readmission</i>
Robert Mitchell	10,000,000	1.60%	10,000,000	0.62%
Rory Heier	5,000,000	0.80%	5,000,000	0.31%
Steve Bassi	32,000,000	5.12%	537,920,000	33.12%
John Herring	26,000,000	4.16%	26,000,000	1.60%

6.2 As at the date of this Document, the Directors and their respective connected persons (within the meaning of section 252 of the Companies Act) do not hold any options or warrants or other rights over any unissued Ordinary Shares of the Company, save for Rory Heier who at the date of this Document is the holder of 5,000,000 Warrants.

6.3 Save as disclosed in paragraph 6, immediately following Readmission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

6.4 Save for the Directors and their connected persons, at the date of this Document, so far as the Directors are aware, no person is interested in more than three per cent. of the issued Ordinary Shares other than as set out below. Such persons will be required to notify such interests to the Company in accordance with the provisions of Chapter 5 of the Disclosure Guidance and Transparency Rules, and such interests will be notified by the Company to the public.

<i>Member</i>	<i>Total Number of Shares</i>	<i>Percentage (%)</i>
Steve Bassi	32,000,000	5.12
Hadron Master Fund Series II	65,064,542	10.42
Banque Heritage S.A.	35,000,000	5.60
Racsor LLC	48,500,000	7.77
John Herring	26,000,000	4.16
Oberon Investments Limited	39,000,000	6.24

In addition, on 16 February 2022, the Company created and issued to Hadron Master Fund Series II 13 million Warrants to subscribe for Ordinary Shares at an exercise price of £0.02 per Ordinary Share.

6.5 As at the LPD, the Company was not aware of any person or persons who, directly or indirectly, jointly or severally, exercise or could exercise control over the Company nor is it aware of any arrangements, the operation of which may at a subsequent date result in a change in control of the Company.

6.6 Those interested, directly or indirectly, in three per cent. or more of the issued Ordinary Shares of the Company do not now, and, following Readmission, will not, have different voting rights from other holders of Ordinary Shares.

7 DIRECTORS' LETTERS OF APPOINTMENT

7.1 Robert Mitchell, Independent Non-executive

On 2 October 2020, Robert Mitchell entered into a letter of appointment with the Company to act as Non-Executive Director pursuant to which Robert Mitchell receives fees of £60,000 per annum. The letter of appointment is capable of termination by either party giving to the other not less than six months' notice in writing.

7.2 **Rory Heier, Non-executive**

On 2 October 2020, Rory Heier entered into a letter of appointment with the Company to act as Non-Executive Director pursuant to which Rory Heier receives fees of £60,000 per annum. The letter of appointment is capable of termination by either party giving to the other not less than six months' notice in writing.

7.3 **Steve Bassi, Non-executive**

On 30 January 2019, Steve Bassi entered into a letter of appointment with the Company to act as Non-Executive Director. Under this agreement Steve Bassi is to be paid \$60,000 per annum. Following his reappointment as a director at the Company's annual general meeting held on 21 October 2020, the appointment was extended for a further 12 months and after such period is capable of termination by either party giving to the other not less than three months' notice in writing.

7.4 **John Herring, Independent Non-executive**

On 1 February 2019, John Herring entered into a letter of appointment with the Company to act as Non-Executive Director. Under this agreement John Herring is to be paid \$60,000 per annum. The appointment was for an initial period of 12 months. Following his reappointment as a director at the Company's annual general meeting held on 21 October 2020, the appointment was extended for a further 12 months and after such period is capable of termination by either party giving to the other not less than three months' notice in writing.

8 WORKING CAPITAL

- 8.1 The Company is of the opinion that, taking into account the Net Placing Proceeds, the working capital available to the Enlarged Group is sufficient for the Enlarged Group's present requirements, that is for at least the 12 months from the date of this Document.

9 INTELLECTUAL PROPERTY RIGHTS, CONTRACTS AND MANUFACTURING PROCESSES

Company

There are no patents or other intellectual property rights, licences, particular contracts or new manufacturing processes which are of fundamental importance to the business of the Company.

Narf

Narf Industries LLC has three patents, which all relate to the software-hardening element of Narf's cyber security research services. The patents can be summarised as follows

- ***System and method for identifying and preventing vulnerability exploiting using symbolic constraints***

This patent covers the system and methodology used in two Narf products: VulnDiff and Semantic Firewall. The patented methodology is a unique version of a firewall that has the ability to update without having to upload or download new versions or "patches". This differs from other software available in the market as it can automatically recognise any attacker within the new patch without any human intervention. The ability for the patch to be updated seamlessly without any manual input is carried out by a method of "symbolic constraints".

- ***System and method for probabilistic defence against remote exploitation of memory***

This patent covers the system and methodology developed by Narf to prevent attackers from exploiting vulnerabilities in a computer's system by finding out specific addresses that are then used as a point of attack. Narf's solution "hides" the location of the address. "ASLR" was a previous method developed in the market to defeat such attacks, however, attackers have now found a way to defeat this application. Narf's solution is therefore a "defeat defeat" which causes the targeted programme to crash or quit before an attacker can exploit it and run its malicious code.

- **Method and system for co-privileged security domains**

This patent covers the system and methodology used in Narf's Cobalt product. Within a computer, the kernel is the system with the highest level of privilege and the most trusted source of code. However, attackers have developed methods of attacking kernels and so developers within this market have found a more privileged level of security called "hypervisor extension", which is essentially a form of hardware designed to provide a higher level of protection. However, to be able to use "hypervisor extension", devices often require upgrades and therefore cannot be used by many users due to the prohibitive costs involved. The Cobalt software solution procures this additional security for devices without the need for the user to carry out expensive upgrades.

10 SIGNIFICANT CHANGE

Save for the Acquisition and the Placing, there has been no significant change in the financial position or financial performance of the Company or the Enlarged Group since 30 June 2021, being the date as at which the financial information contained in Part VII (*Financial Information on the Company*) and Part VIII (*Financial Information on the Narf Group*) has been prepared. There are no significant trends affecting the Enlarged Group since 30 June 2021.

11 LITIGATION

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company or the Enlarged Group are aware) in the last 12 months which may have, or have had in the recent past, significant effects on the financial position or profitability of the Company or the Enlarged Group.

12 MATERIAL CONTRACTS

The following are all of the contracts (not being contracts entered into in the ordinary course of business) that have been entered into by the Enlarged Group in the course of the two years immediately preceding the date of this Document, which: (i) are, or may be, material to the Enlarged Group; or (ii) contain obligations or entitlements which are, or may be, material to the Enlarged Group as at the date of this Document:

12.1 Registrars' Agreement

On 17 December 2020, the Company and Link Market Services Limited (**Link**) entered into an agreement pursuant to which Link agreed to provide certain registrar services to the Company from Readmission for an annual fixed fee. The agreement runs for an initial period for two years and then automatically renews for successive 12-month periods, save that notice can be given six months prior to the end of any such period to terminate the agreement. The agreement contains customary warranties given by the Company to Link.

12.2 Warrant Instruments

12.2.1 On 20 October 2019, the Company entered into a warrant instrument pursuant to which it issued Warrants over 12,000,000 Ordinary Shares with an exercise price of £0.01 per share. The Warrants vested on 8 March 2021 and have an exercise period of 12 months, expiring on 7 March 2022.

12.2.2 On 16 February 2022, the Company entered into a warrant instrument pursuant to which it issued Warrants over 13,000,000 Ordinary Shares with an exercise price of £0.02 per share. The Warrants will vest on Readmission and have an exercise period of 12 months.

12.3 Acquisition Agreement

On 28 July 2021, the Company and the Sellers entered into the Acquisition Agreement. The key terms of the Acquisition Agreement are as follows:

- 12.3.1 The Company will acquire 100 per cent. of the equity issued in the capital of each of Narf Industries LLC (Narf US) and Narf Industries PR LLC (Narf PR) from the shareholders in Narf US and Narf PR (the Sellers) (the Sale Equity) subject to satisfaction of the Conditions.
- 12.3.2 An aggregate amount of US\$25,600,000 (the **Purchase Price**) shall be payable by the Company to the Sellers in consideration for the Sale Equity, US\$2,000,000 of which has already been satisfied by the payment of a non-refundable deposit (the **Deposit**) on the date of execution of the Binding Heads. The balance of the Purchase Price will be satisfied by the issue of shares in the capital of the Company to the Sellers (the **Consideration Shares**) at a price of £0.02 per share, of which \$6 million worth will be sold pursuant to a vendor placing.
- 12.3.3 The aggregate of the Purchase Price shall be apportioned US\$7,000,000 in respect of Narf US and US\$18,600,000 in respect of Narf PR.
- 12.3.4 Completion of the sale and purchase of the Sale Equity is conditional, *inter alia*, on the following Conditions:
 - (a) a waiver by the Takeover Panel under Rule 9 of the City Code;
 - (b) Readmission;
 - (c) passing of the Resolutions at the General Meeting, including the Rule 9 Waiver Resolution;
 - (d) the Placing; and
 - (e) obtaining any required CFIUS or other US regulatory approval relating to foreign ownership, control or influence for the Narf Acquisition.
- 12.3.5 All parties shall use their reasonable endeavours to achieve satisfaction of the Conditions, but if they are not satisfied, the Acquisition Agreement terminates.
- 12.3.6 In the period between exchange of contracts and completion of the Narf Acquisition (Completion), the Sellers undertake to conduct the Narf business (the Business) in the normal course. In addition, the Business will be subject to certain restrictions intended to ensure that the Business is conducted in the ordinary course and to ensure that the Company acquires the Business in the same state that it existed as at the time of signing (except for events occurring in the ordinary course of trading). Such restrictions will be tailored to the Business and its ordinary activities but anything outside this list or ordinary course of business will require the consent of the Company (such consent not to be unreasonably withheld or delayed).
- 12.3.7 The Sellers will give warranties only in relation to the company or companies in which they hold Sale Equity (the Warrantors). The Warrantors will give a suite of warranties in relation to, amongst other things, their capacity to sell and title to the Sale Equity, the state and condition of the Business, including its assets and liabilities, compliance with applicable law and regulations, customers, suppliers and employees and a tax covenant in respect of the tax affairs of Narf. The Warrantors' liability in respect of any breach of its warranties will be subject to the limitations on liability. Such limitations will mirror the limitations on the Company's liability.
- 12.3.8 The Company will give certain warranties and covenants to the Sellers in connection with the status of the Company and the Consideration Shares as well as information required to support fulfilment of any CFIUS or other US regulatory approval relating to foreign ownership, control or influence approval Condition. The Company's liability in respect of any breach of its warranties will be subject to the limitations on liability. Such limitations will mirror the limitations on the Warrantors' liability.
- 12.3.9 Liability for a breach of warranty claim or a Tax Schedule Claim shall be limited in the following ways:
 - (a) an overall aggregate cap on liability;
 - (b) subject to meeting a de minimis threshold for an individual claim;
 - (c) subject to having a single Claim or multiple Claims which together exceed a basket; and

- (d) time limited, in the case of Warranties (excluding Tax Warranties and Reverse Tax Warranties) being 2 years following Readmission and 7 years for Tax Warranties and Reverse Tax Warranties.

12.3.10 The Warrantors will also have the opportunity to make disclosures against the Warranties for their protection where any facts, matters or circumstances exist which contradict the Warranties as stated. Certain other customary limitations have also been included in the Acquisition Agreement.

12.3.11 Remedies for a breach of warranty will be cash damages for the loss arising from the breach or, if the breach is material, termination of the Acquisition Agreement prior to Completion. At the discretion of the Company, subject to any restrictions applicable to the sale of Consideration Shares, the Company may allow the Warrantors to satisfy any liability for a Claim through a sale of Consideration Shares as long as the sale is made through the Company's broker with a view to maintaining an orderly market in the shares in the Company.

12.4 Amendment Agreement to Acquisition Agreement.

On 16 February 2022, the Company and the Sellers entered into an agreement to amend the Acquisition Agreement on the following terms:

12.4.1 The Purchase Price (net of the Deposit) is to be settled by the issue of 699,600,000 Consideration Shares and £3 million in cash,

12.4.2 Any obligation of the parties in relation to the vendor placing is terminated,

12.4.3 Save as set out above, the Acquisition Agreement continues unchanged

12.5 Placing Agreement

On 16 February 2022, the Company, Tennyson and the Directors signed the Placing Agreement on the following terms:

12.5.1 Tennyson Securities will, on behalf of the Company, use its reasonable endeavours to place 300,000,000 new Ordinary Shares with institutional and other investors in the Company at a placing price of £0.02 per share,

12.5.2 The new Ordinary Shares will be placed by Tennyson Securities subject to the placing terms and conditions set out in Part XV,

12.5.3 The fees payable to Tennyson are a commission of 5 per cent. on the funds raised,

12.5.4 The Company enters into warranties relating to itself, the status of Narf and this Prospectus,

12.5.5 The Directors enter into warranties up to an amount equal to one times their annual directorship fee,

12.5.6 The company enters into indemnities in favour of Tennyson and its officers and employees for any claims arising out of the Placing save for any claims arising from their negligence, fraud or wilful default,

12.5.7 The obligations of Tennyson are subject to customary conditions including approval of this prospectus, and completion of the Acquisition

12.6 Tennyson engagement letter

12.6.1 Pursuant to an agreement dated 7 January 2021 between the Company and Tennyson Securities was appointed as broker to the Company.

12.6.2 The agreement is terminable on one months' notice from either side, and the fees are £2,500 plus VAT per month. Other standard terms and conditions apply.

12.7 Polyswarm LOI

- 12.7.1 On 6 October 2020, the Company entered into a non-binding letter of intent with (1) Swarm Technologies Inc, (2) Swarm Industries Inc (together, Polyswarm), and (3) Steven Bassi as principal shareholder (the Polyswarm LOI). The Polyswarm LOI sets out the terms on which the Company will consider acquiring each of Swarm Technologies Inc and Swarm Industries Inc and provides the Company with an exclusivity period to 30 April 2021 during which Polyswarm and Steven Bassi have agreed not to enter into, or procure the entering into, of any discussions concerning any disposal of Polyswarm or its assets to any third party.
- 12.7.2 The Polyswarm LOI presumes a valuation for Polyswarm of \$80 million and that the consideration to be paid by the Company is to be a mixture of cash and Ordinary Shares, but this is subject to due diligence and completion of any transaction would require the Company to raise further funds in order to be able to progress the enlarged group's business plan.
- 12.7.3 Under the Polyswarm LOI, the Company is not obliged to proceed with any due diligence on Swarm and is not prohibited from entering into discussions or contractual documentation with third parties in relation to any other targets.
- 12.7.4 The Polyswarm LOI makes a number of assumptions as to the structuring of any definitive transaction which will be superseded by a Conditional Sale and Purchase Agreement, or similar document, if a transaction proceeds.
- 12.7.5 The Polyswarm LOI is subject to contract and due diligence and does not create any legally binding obligations other than in respect of confidentiality, costs and other customary provisions such as governing law.
- 12.7.6 The Polyswarm LOI was negotiated by the Company's Independent Acquisitions Committee and Steve Bassi did not take part in, and was not party to, any of the discussions and deliberations of the Independent Acquisitions Committee.
- 12.8.7 On 16 June 2021, the exclusivity agreement contained in the Polyswarm LOI was extended to 30 September 2021. It has not been renewed.

12.8 Purchase of Narf Options

Each of the seven Narf US employees were granted options to acquire 5,000 units in Narf representing 0.05 per cent. of the equity. This option was contained in their employment contracts. Between 22 July and 27 September 2021, Narf agreed with each employee to buy out their option rights. The aggregate purchase price is \$863,476. 25 per cent. of the purchase price has been paid and the balance is payable within 30 days of Readmission.

13 RELATED PARTY TRANSACTIONS

The Acquisition, reported on in the Chairman's letter contained in Part I of this document is a related party transaction. Save for the Acquisition, no related party transactions have been entered into by the Company, other than the Non-Executive Director appointment letters with each of the Directors and as set out in note 17 to the Company's financial statements in Part VII of this Document.

The historical financial information contained in Part VIII of this document shows balances owing between Polyswarm and Narf as at 31 December 2020 as follows:

- Owing by Narf to Polyswarm: \$16,013
- Owing by Polyswarm to Narf: \$72,904

As at the LPD such balances were:

- Owing by Narf to Polyswarm: zero
- Owing by Polyswarm to Narf: zero

The informal arrangement between Narf and Polyswarm to make advances to one another will end as at Readmission.

14 ACCOUNTS AND ANNUAL GENERAL MEETINGS

The Company's annual report and accounts will be made up to 31 December in each year, with the first annual report and accounts following Admission for the financial year being to 31 December 2021. It is expected that the Company will make public its annual report and accounts within four months of each financial year end (or earlier if possible) and that copies of the annual report and accounts will be sent to Shareholders within six months of each financial year end (or earlier if possible). The Company will prepare its first unaudited interim report following Readmission for the period from 1 January 2021 to 30 June 2021. The Company will prepare its unaudited interim report for each six-month period ending 30 June thereafter. It is expected that the Company will make public its unaudited interim reports within two months of the end of each interim period.

The Company will hold its first annual general meeting following Admission by no later than 30 June 2022.

15 ISSUES OF NEW SHARES

The Directors are currently authorised to issue up to 1,359,600,000 Ordinary Shares. The pre-emption rights in the Articles have been disapplied, and therefore pre-emption rights do not apply, to up to 1,359,600,000 Ordinary Shares. As from Readmission, assuming that the Resolutions are passed, the Directors will have authority to issue, free from pre-emption rights, the Additional Shares in addition to the Consideration Shares and the Placing Shares.

16 GENERAL

16.1 PKF Littlejohn LLP, whose address is 15 Westferry Circus, Canary Wharf, London E14 4HD and which is registered to carry out audit work by the Institute of Chartered Accountants in England and Wales has given and has not withdrawn its consent to the inclusion in this Document of its accountants' reports in Sections (A) of Parts VII, VIII and IX and has authorised the contents of that report for the purposes of Rule 5.3.2R(2)(f) of the Prospectus Regulation Rules. PKF Littlejohn LLP has no material interest in the Company.

16.2 Tennyson Securities, whose address is 2nd Floor 65 Petty France London SW1H 9EU, is regulated by the Financial Conduct Authority and is acting in the capacity as broker and financial adviser to the Company. Tennyson Securities has given and not withdrawn its written consent to the issue of this document with references to its name in the form and context in which it appears.

16.3 Save as disclosed in this document, no person (other than the Company's professional advisers named in this document and trade suppliers) has at any time within the 12 months preceding the date of this document received, directly or indirectly, from the Company or entered into any contractual arrangements to receive, directly or indirectly, from the Company on or after Readmission any fees, securities in the Company or any other benefit to the value of £10,000 or more.

16.4 The Company has not had any employees since its incorporation and does not own any premises.

16.5 The total expenses incurred (or to be incurred) by the Company in connection with the Transaction and Readmission, inc broker's commissions are approximately £900,000. The broker's commission of £300,000 will be settled in the issue of new ordinary shares. The estimated cash balance of the Company, after deducting fees and expenses in connection with the Transaction and Readmission, will be approximately £2.79 million.

17 AVAILABILITY OF THIS DOCUMENT

17.1 Copies of this Document may be collected, free of charge during normal business hours, from the registered office of the Company.

17.2 In addition, this Document will be published in electronic form and be available on the Company's website www.cybapl.com subject to certain access restrictions applicable to persons located or resident outside the United Kingdom.

18 DOCUMENTS FOR INSPECTION

18.1 For the term of this Document, copies of the following documents may be inspected at the registered office of the Company, 5 Fleet Place, London EC4M 7RD during usual business hours on any day (except Saturdays, Sundays and public holidays) at the Company's website www.cybapl.com:

18.1.1 the Articles of Association of the Company;

18.1.2 the accountant's report by PKF Littlejohn LLP on the historical financial information of the Company for the period ended 31 December 2020 set out in Part VII (*Financial Information on the Company*);

18.1.3 the audited accounts of the Company for the period ended 31 December 2020;

18.1.4 the unaudited accounts of the Company for the period ended 30 June 2021;

18.1.5 the accountant's report by PKF Littlejohn LLP on the historical financial information of Narf Group for the period ended 30 June 2021 set out in Part VIII (*Financial Information of Narf Group*);

18.1.6 the financial information on Narf referred to in Part VIII of this document;

18.1.7 the accountant's report by PKF Littlejohn LLP on the unaudited pro forma statement of net assets for the period ended 30 June 2021 set out in Part IX (*Unaudited Pro Forma Financial Information*);

18.1.8 the unaudited pro forma statement of net assets of the Enlarged Group referred to in Part IX of this document;

18.1.9 the letters of appointment of the Directors referred to in paragraph 7 of Part XI of this document;

18.1.10 the letters of consent referred to in paragraph 16 of Part XI of this document;

18.1.11 the material contracts referred to in paragraph 12 of Part XI of this document; and

18.1.12 this Document.

The date of this Document is 17 February 2022.

PART XII

DEFINITIONS

The following definitions apply throughout this Document unless the context requires otherwise:

£ or UK Sterling	Pound Sterling, the lawful currency of the UK;
\$ or US Dollar	United States dollar, the lawful currency of the United States of America;
Acquisition	the acquisition by the Company of the membership interests in Narf Industries LLC and Narf Industries PR LLC;
Acquisition Agreement	the conditional agreement dated 28 July 2021 between: (1) the Company and (2) the Narf Members in relation to the Acquisition, as amended by the Amendment Agreement, further details of which are set out in Part XI of this Document;
Additional Shares	the £500,000 in nominal value of new ordinary shares over which the Directors shall have authority as stated in the Chairman's letter;
Admission	The admission of Company's share capital to the standard segment of the Official List of the London Stock Exchange on 8 March 2021;
Amendment Agreement	The agreement between the Company and the Sellers to amend the Acquisition Agreement dated 16 February 2022
Announcement	the Company's announcement of 17 February 2022 containing details, <i>inter alia</i> , of the Acquisition, and the Placing;
Articles of Association or Articles	means the articles of association of the Company in force from time to time;
Audit Committee	the audit committee of the Company, being a duly appointed sub-committee of the Board;
Binding Heads	the binding heads of agreement signed between the Narf Members and the Company for the acquisition of Narf on 17 June 2021;
Business Day	means a day (other than a Saturday or a Sunday) on which banks are open for business in London;
Capture The Flag	a computer security competition where teams of individuals compete against each other in a test of computer security skill;
Cash Consideration	the sum of £3,000,000 payable to the Sellers for the Acquisition in addition to the Consideration Shares;
certificated or in certificated form	means in relation to a share, warrant or other security, a share, warrant or other security, title to which is recorded in the relevant register of the share, warrant or other security concerned as being held in certificated form (that is, not in CREST);
CFIUS	the Committee on Foreign Investment in the United States;
CFIUS Consent	obtaining the consent of CFIUS to the Acquisition;
CFIUS Law	the Defense Production Act 1960, as amended;

Chairman	means the Chairman of the Board from time to time the first such chairman being Bob Mitchell;
City Code	means the City Code on Takeovers and Mergers as published by the Panel, as amended from time to time;
Companies Act	means the Companies Act 2006 of the United Kingdom, as amended;
Company or CYBA	means CYBA PLC, a company incorporated in England and Wales under the Companies Act with number 11701224;
Company Financial Information	the audited historical financial information of the Company for the sixteen month period from incorporation ended 31 March 2020;
Company Interim Financial Information	the unaudited interim financial information of the Company for the six-month period ended 30 June 2020;
Completion	completion of the Acquisition, the Placing and Readmission, which are all expected to occur at 8.00 a.m. on 15 March 2022;
Concert Party	each of Steve Bassi, Nick Davis and Ben Schmidt;
Connected Persons	has the meaning set out in section 252 of the Companies Act and includes a spouse, children under 18 and any company in which the relevant person is interested in shares comprising at least one-fifth of the share capital of that company;
Consideration Shares	the 699,600,000 new Ordinary Shares proposed to be issued to the Narf Members at a price of £0.02 pence per share, reflecting part of the consideration payable by the Company to the Narf Members, as set out in the Acquisition Agreement which is summarised in Part I and Part XI of this Document;
Contract Notes	the contract notes from potential investors dated on or around 16 March 2022 making conditional applications for Placing Shares to be sold under the Placing;
CREST or CREST System	means the paperless settlement system operated by Euroclear enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments;
CREST Regulations	means The Uncertified Securities Regulations 2001 (SI 2001 No. 3755), as amended;
Cryptographic Techniques	techniques used to ensure secure communication in the presence of third parties or “adversaries”, these techniques include authentication, encryption and digital signatures;
DARPA	the Defense Advanced Research Projects Agency, a research and development agency of the United States Department of Defense responsible for the development of emerging technologies for use by the military;
Dartmouth College	a private Ivy League research university in Hanover, New Hampshire, United States of America;
DevOps	a set of practices that combines software development (Dev) and IT operations (Ops) with the aim of shortening the systems development life cycle and providing continuous delivery with high software quality;

Deposit	the sum of \$2,000,000 payable to the Sellers by way of deposit for the Acquisition;
Directors or Board or Board of Directors	means the directors of the Company, whose names appear at page 28, or the board of directors from time to time of the Company, as the context requires, and Director is to be construed accordingly;
Disclosure Guidance and Transparency Rules	means the disclosure guidance and transparency rules of the FCA made in accordance with section 73A of FSMA as amended from time to time;
Document or Prospectus	this prospectus;
EEA	means the European Economic Area;
EEA States	means the member states of the European Union and the European Economic Area, each such state being an EEA State ;
Enlarged Group	the Company and, following the Acquisition, Narf, as shown in Part I and Part V of this Document;
Enlarged Share Capital	the issued equity share capital of the Company, comprising the Existing Ordinary Shares and the New Ordinary Shares and as it will be on Readmission;
EU	means the Member States of the European Union;
Euroclear	means Euroclear UK & Ireland Limited;
EUWA	European Union (Withdrawal) Act 2018;
Existing Ordinary Shares	the existing 624,525,000 Ordinary Shares of £0.0001 each in issue as at the date of this Document, being the entire issued share capital of the Company;
Existing Shareholders	Shareholders as at the date of this Document;
FCA	means the Financial Conduct Authority of the UK;
Founders	the founders of the Company, being Rory Heier and Bob Mitchell;
FSMA	means the Financial Services and Markets Act 2000 of the UK, as amended;
general meeting	means a meeting of the Shareholders of the Company or a class of Shareholders of the Company (as the context requires);
Government Purpose Rights	a licence to use, modify, reproduce, release or disclose the technical data or computer software within the government without restriction and outside the government for a government purpose;
Gross Placing Proceeds	the funds received in relation to the Placing before deduction of any Transaction Costs;
HMRC	HM Revenue and Customs;
Independent Acquisitions Committee	a committee consisting of Independent Directors set to assess any proposed acquisition or transaction involving a non-Independent Director;

Independent Director(s)	in connection with any proposed acquisition or transaction introduced by a Director or in relation to which a Director has a material conflict or which constitutes a related party transaction, the non-conflicted Directors, and in connection with Narf being Robert Mitchell, Rory Heier and John Herring;
Independent Shareholders	shareholders in the Company who are not part of or connected with the Concert Party, or who are not participating in the Placing;
IPO	the initial public offering of the Company on 8 March 2021;
Initial Prospectus	the Company's prospectus for the IPO;
Investor	means a potential purchaser of Ordinary Shares;
Listing Rules	means the listing rules made by the FCA under section 73A of FSMA as amended from time to time;
London Stock Exchange or LSE	means London Stock Exchange plc;
LPD	the latest practicable date prior to the publication of this Document, being 16 February 2022;
Main Market	the regulated market of the London Stock Exchange for officially listed securities;
Market Abuse Regulation or MAR	means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse;
Member State	any member states of the European Economic Area;
Narf	together Narf Industries LLC and Narf Industries PR LLC;
Narf Directors	means Steve Bassi, Nick Davis and Ben Schmidt and any additional director of either company from time to time;
Narf Financial Information	the audited consolidated historical financial information of Narf for the three years ended 31 December 2020 and the unaudited interim financial information of Narf for the six month period ended 30 June 2021;
Narf Industries LLC	Narf Industries LLC, a limited liability company incorporated in California (company number 201719110256) whose registered office is 548 Market St #37005, San Francisco, California CA 94104;
Narf Industries PR LLC	Narf Industries PR LLC, a limited liability company incorporated in Puerto Rico whose registered office is at 1413 Avenue Ponce de León, San Juan, Puerto Rico 00907;
Narf LOI	the letter of intent for the acquisition of Narf signed on 6 October 2020;
Narf Members	holders of Narf Membership Interests listed in Part III of this document and any transferees from any of them from time to time;
Narf Membership Interests	means all of the issued membership interests in Narf;
Narf Patents	the patents held by Narf described in paragraph 9 of Part XI of this document;

Net Placing Proceeds	£5,400,000, comprising the Gross Placing Proceeds of £6,000,000 less Transaction costs of £600,000;
New Ordinary Shares	together, the Consideration Shares and Placing Shares;
Non-Executive Director	means a non-executive director of the Board;
NYU	New York University, a private research university in New York City, New York, United States of America;
Official List	means the official list maintained by the FCA;
Ordinary Shares	means the ordinary shares of £0.0001 each in the capital of the Company;
OTCQB	means the over the counter market administered by OTC Markets Group Inc. of 304 Hudson Street, 2nd Floor New York, NY 10013 United States;
Panel	the Panel on Takeovers and Mergers;
Placees	those persons who have signed Contract Notes;
Placing Agreement	the conditional agreement dated 16 February 2022 between: (i) the Company; (ii) the Directors; and (iii) Tennyson Securities described in paragraph 12.4 of Part XI of this document;
Placing Price	the price per share offered under the Placing being two pence per Ordinary Share;
Placing	the conditional placing by Tennyson Securities on behalf of the Company of the Placing Shares at the Placing Price pursuant to the Placing Agreement;
Placing Shares	the new ordinary Shares to be issued and allotted pursuant to the Placing;
Placing Terms & Conditions	the terms and conditions to the Placing, in the form set out at Part XV of this document;
Polyswarm LOI	the letter of intent for the acquisition of Swarm Technologies described in paragraph 12.7 of Part XI of this document;
Premium Listing	means a premium listing under Chapter 6 of the Listing Rules;
Pro Forma Financial Information	the unaudited pro forma statement of financial position as at 30 June 2021 and the unaudited pro forma statement of comprehensive income for the year then ended;
Prospectus Regulation Rules	means the Prospectus Regulation Rules of the FCA made in accordance with section 73A of FSMA, as amended from time to time;
Prospectus Regulation	the EU prospectus regulation (EU 2017/1129 of the European Parliament and of the council of 14 June 2017);
RADICS	the Rapid Attack Detection, Isolation and Characterization Systems program funded by DARPA and lead by SRI International;

Readmission	the readmission of the Existing Ordinary Shares and the admission of the New Ordinary Shares to listing on the Official List, by way of a Standard Listing, and to trading on the Main Market, becoming effective;
Registrar	means Link Market Services Limited, trading as Link Group, or any other registrar appointed by the Company from time to time;
Regulatory Information Service	means a regulatory information service authorised by the FCA to receive, process and disseminate regulatory information in respect of listed companies
Remuneration Committee	the remuneration committee of the Company, being a duly appointed sub-committee of the Board;
Resolutions	resolution 1, which will be proposed as an ordinary resolution taken on a poll of the Independent shareholders and resolution 2, which is to be proposed as an ordinary resolution, and resolutions 3 and 4, which are to be proposed as special resolutions, to be voted on at the General Meeting of the Company to be held at 5 Fleet Place, London EC4M 7RD at 10.00 a.m on 14 March 2022;
Reverse Takeover	means any transaction defined as reverse takeover under Listing Rule 5;
RIS	regulatory information service;
Rule 9 Waiver	The waiver by the Takeover Panel of the obligation on the Concert Party to make an offer for the Company described in Part VI of this document;
Rule 9 Waiver Resolution	means the resolution of independent shareholders to approve the Rule 9 Waiver described in Part VI of this document;
SaaS	software as a service, a software licensing and delivery model in which software is licensed on a subscription basis and is centrally hosted;
SEC	US Securities and Exchange Commission;
Securities Act	United States Securities Act of 1933, as amended;
Shareholders	means the holders of the Ordinary Shares;
Sellers	means the Narf Members;
SolarWinds Cyber-Attack	the cyberattack of SolarWinds (a major US information technology firm) in 2020, that spread to its clients and went undetected for months believed to have been carried out by Russian intelligence officials and enabled the hackers to breach private companies such as cybersecurity firm FireEye and the US Government including the Department of Homeland Security and Treasury Department;
SPAC	special purpose acquisition company;
SRI International	Stanford Research Institute International, a non-profit scientific research institute and organisation headquartered in Menlo Park, California, United States of America;
Standard Listing	means a standard listing under Chapter 14 of the Listing Rules;

Tennyson Securities	Tennyson Securities, a trading name of Shard Capital Partners LLP which is authorised and regulated by the Financial Conduct Authority (FRN: 538762). Shard Capital Partners LLP (company number OC360394) has its registered office at 23rd Floor, 20 Fenchurch Street, London, EC3M 3BY;
TIGR	the Threat Intelligence for Grid Recovery project led by SRI International to develop technology that can be used to restore power to an electric grid that has come under a cyberattack;
Transaction	Readmission, completion of the Acquisition, the Placing and the admission of the Enlarged Share Capital to trading on the London Stock Exchange;
Transaction Costs	the costs incurred (or to be incurred) of in connection with the Placing, Readmission and the Acquisition;
Transaction Exchange Rate	the sterling: US dollar exchange rate as stated in the Acquisition Agreement, being £1.00: \$1.38
UK Corporate Governance Code	the UK Corporate Governance Code issued by the Financial Reporting Council in the UK from time to time;
uncertificated or uncertificated form	means, in relation to a share or other security, a share or other security, title to, which is recorded in the relevant register of the share or other security concerned as being held in uncertificated form (that is, in CREST) and title to which may be transferred by using CREST;
United Kingdom or U.K.	means the United Kingdom of Great Britain and Northern Ireland;
UK Prospectus Regulation	the UK version of Regulation (EU) 2017/1129, which is part of the laws of England and Wales by virtue of the EUWA and certain other enacting measures;
United States or U.S.	means the United States of America;
VAT	means (i) within the EU, any tax imposed by any Member State in conformity with the Directive of the Council of the European Union on the common system of value added tax (2006/112/EC), and (ii) outside the EU, any tax corresponding to, or substantially similar to, the common system of value added tax referred to in paragraph (i) of this definition;
Virginia Tech	Virginia Polytechnic Institute and State University, a public land-grant research university with its main campus in Blacksburg, Virginia, United States of America;
Voting Rights	all the voting rights attributable to the capital of the Company which are currently exercisable at a general meeting;
Warrants	means the warrants over Ordinary Shares in the Company;

References to a **company** in this Document shall be construed so as to include any company, corporation or other body corporate, wherever and however incorporated or established.

PART XIII

PROXY INSTRUCTIONS

This Document is furnished in connection with the solicitation of proxies by the Board of the Company for use at the general meeting of Ordinary Shareholders of the Company (the “Meeting”) to be held at 5 Fleet Place, London EC4M 7RD at 10.00 a.m. (London time) on 14 March 2022 and at any adjournment or adjournments thereof, for the purposes set out in the Notice of Meeting (the “Notice”) in this Document.

Resolution 1 will be proposed at the Meeting as an Ordinary Resolution to be held on a poll requiring approval of more than 50 per cent. of the Independent Shareholders. Resolution 2 shall be proposed as an Ordinary Resolution. Resolutions 3 and 4 will be proposed at the meeting as special resolutions, requiring approval of more than 75 per cent. of the votes cast.

Holders (“**Shareholders**”) of ordinary shares in the Company (the “**Ordinary Shares**”) may vote on all matters to come before the Meeting.

The form of proxy enclosed with the Notice affords each Shareholder the opportunity to specify the manner in which that Shareholder’s proxy is to vote with respect to any specific item by checking the appropriate space on the form of proxy in order to indicate whether the Ordinary Shares registered in the Shareholder’s name shall be voted for, voted against or withheld from voting.

The proxy must be signed by the holder of Ordinary Shares or each such Shareholder’s attorney duly authorised in writing or, if the Shareholder is a corporation, under its corporate seal or by an officer or attorney thereof duly authorised. Persons signing as executors, administrators, trustees or in any other representative capacity should so indicate and give their full title as such. A partnership should sign in the partnership’s name and by an authorised person(s).

A Shareholder may appoint more than one proxy in relation to the Meeting, provided that each proxy is appointed to exercise the rights attaching to a different Ordinary Share or Ordinary Shares held by that Shareholder. You may not appoint more than one proxy to exercise rights attached to one Ordinary Share. Should you wish to appoint more than one proxy please contact the relevant registrar and transfer agent in good time before the Meeting in order that the proxy forms are received in accordance with the times set out below. Please see the form of proxy which has more information in relation to the manner in which a proxy may be appointed.

Unless otherwise indicated any proxy will be granted in favour of the Chairman of the Meeting who will be an officer of the Company.

The registrar and transfer agent for the Ordinary Shares is Link Market Services Limited of The Registry, 34 Beckenham Road, Beckenham, BR3 4TU.

A form of proxy is enclosed with the Notice. To be effective, the form of proxy and the original authority (if any) under which it is made must be deposited at the appropriate office of the Company’s registrar and transfer agents and not at the offices of the Company so as to be received not later than 48 hours before the time appointed for holding the Meeting. An appointment of a proxy which is not received in accordance with these requirements may be invalid.

As an alternative to completing the form of proxy, Shareholders can vote and appoint a proxy electronically by going to the following website www.signalshares.com. Shareholders will need to log into their Signal Shares account or register if they have not previously done so. To register, shareholders will need their Investor code which is detailed on their share certificate or available from our registrar, Link Group. For an electronic proxy to be valid, your appointment must be received by the Company’s registrar no later than 48 hours before the time appointed for the holding of the Meeting. An appointment of a proxy which is not received in accordance with these requirements may be invalid.

You may not use any electronic address provided within this Notice or any related documents (including the form of proxy) to communicate with the Company other than as expressly stated.

To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number RA10) not later than 48 hours before the time appointed for holding the Meeting. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid an appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the CREST Regulations.

A proxy given by a Shareholder for use at the Meeting may be revoked at any time prior to its use. In addition to revocation in any other manner permitted by law, a proxy may be revoked by an instrument in writing executed by the Shareholder or by the Shareholder's attorney authorised in writing or, if the Shareholder is a corporation, by an officer or attorney thereof duly authorised in writing, and deposited either at the registered office of the Company or at the Company's registrar and transfer agents at least one hour before the commencement of the Meeting (or any adjournment thereof) or with the Chairman of the Meeting on the day of the Meeting, or any adjournment thereof. The registered office of the Company is located at 5 Fleet Place, London EC4M 7RD.

Completion of the proxy does not preclude a Shareholder from subsequently attending and voting at the Meeting in person if he or she so wishes. In this circumstance, the proxy appointment will be automatically terminated. A corporation which is a member can appoint one or more corporate representatives who may exercise, on its behalf, all its powers as a member provided that no more than one corporate representative exercises powers over the same Ordinary Share.

In accordance with the Articles and Regulation 41 of the CREST Regulations, only those Shareholders entered on the Company's register of shareholders at close of business on the day 2 days before that date of the Meeting, or, if the meeting is adjourned, Shareholders entered on the Company's register of Shareholders at close of business on the day 2 days before the date fixed for the adjourned Meeting shall be entitled to vote at the Meeting.

MANNER IN WHICH PROXIES WILL BE VOTED

The Chairman of the Meeting will vote or withhold from voting the Ordinary Shares in respect of which he is appointed by proxy on any ballot that may be called for in accordance with the instructions of the Shareholder as indicated on the form of proxy and, if the Shareholder specifies a choice with respect to any matter to be acted upon, the Ordinary Shares will be voted accordingly.

In the absence of such direction, such Ordinary Shares will be voted by the Chairman of the Meeting in favour of the passing of the matters set out in the Notice. The accompanying form of proxy confers discretionary authority upon the persons named therein with respect to amendments or variations to matters identified in the Notice, and with respect to other matters which may properly come before the Meeting or any adjournment thereof. At the date hereof, the Directors know of no such amendments, variations or other matters. **However, if any other matters should properly come before the Meeting, the proxy will be voted on such matters in accordance with the best judgement of the proxy.**

PART XIV

NOTICE OF GENERAL MEETING

CYBA PLC

(Registered in England and Wales with company number 11701224)

NOTICE OF GENERAL MEETING

NOTICE IS HEREBY GIVEN that a general meeting (the “**Meeting**”) of CYBA plc (the “**Company**”) will be held at 5 Fleet Place, London EC4M 7RD on 14 March 2022 at 10.00 a.m. for the purpose of considering and, if thought fit, passing the following Resolutions. Resolution 1 will be proposed as an Ordinary Resolution of the Independent Shareholders taken on a poll, Resolution 2 shall be proposed as an Ordinary Resolution, and Resolutions 3 and 4 will be proposed as special resolutions.

ORDINARY RESOLUTIONS

- 1 THAT, the grant of a waiver by the Panel of the obligation under Rule 9 of the City Code for the Concert Party to make a general offer to the shareholders of the Company as a result of the issue of the Consideration Shares to them pursuant to the Acquisition Agreement, be and is hereby approved.
- 2 THAT, the Directors be and they are hereby generally and unconditionally authorised pursuant to section 551 of the Companies Act 2006 (“**Act**”) to allot shares in the Company or grant rights to subscribe for or to convert any security into shares in the Company (“**Rights**”) up to a maximum aggregate nominal amount of:
 - 2.1 £69,960 in relation to the issue of the Consideration Shares (as such term is defined in the prospectus published by the Company and dated 17 February 2022 of which this Notice forms part, the “**Prospectus**”);
 - 2.2 £30,000 in relation to the issue of the Placing Shares (as such term is defined in the Prospectus); and
 - 2.3 £500,000 in relation to the Additional Shares (as such term is defined in the Prospectus),in each case to such persons and at such times and on such terms as the Directors think proper provided that this authority shall, unless previously renewed, varied or revoked by the Company in general meeting, expire on 30 June 2023 save that the Company may before such expiry make any offer or agreement which would or might require shares to be allotted, or Rights to be granted, after such expiry, and the Directors may allot shares or grant Rights in pursuance of such offer or agreement as if the authority conferred hereby had not expired.

SPECIAL RESOLUTIONS

- 3 THAT, subject to the passing of Resolution 2 above, the Directors be and they are hereby empowered pursuant to section 571 of the Act to allot equity securities (as defined in section 560 of the Act) for cash pursuant to the authority conferred upon them by Resolution 2, or by way of a sale of treasury shares, as if section 561 of the Act did not apply to such allotment provided that this power shall be limited to:
 - 3.1 the allotment of the Consideration Shares up to an aggregate nominal amount of £69,960;
 - 3.2 the allotment of the Placing Shares up to an aggregate nominal amount of £30,000;
 - 3.3 the allotment of the Additional Shares up to an aggregate nominal amount of £500,000 provided that this power shall, unless previously renewed, varied or revoked by the Company in general meeting, expire on 30 June 2023 save that the Company may before such expiry make any offer or agreement which would or might require equity securities to be allotted after such expiry, and the Directors may allot equity securities in pursuance of such offer or agreement as if the power conferred hereby had not expired.

- 4 THAT a general meeting of the Company, other than an annual general meeting, may be called on not less than 14 clear days' notice.

DATED the 17th day of February 2022

BY ORDER OF THE BOARD

Company Secretary

Registered Office: 5 Fleet Place, London EC4M 7RD

NOTES:

1. As a member of the Company, you are entitled to appoint another person as proxy to exercise all or any of your rights to vote at the Meeting and you should have received a proxy form with this notice of meeting. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form.
2. A proxy does not need to be a member of the Company but must attend the Meeting to represent you. To appoint the Chairman of the Meeting or another person as your proxy insert their full name into the proxy form.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, please contact the Company's registrar, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL.
4. If you do not give your proxy an indication of how to vote on any resolution, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting as he or she thinks fit) in relation to any other matter which is put before the Meeting.
5. The notes to the proxy form explain how to direct your proxy how to vote on each resolution or withhold their vote. To appoint a proxy using the proxy form, the form must be:
 - a. completed and signed (with any alteration or deletion signed and initialled);
 - b. received not later than 48 hours before the time of the Meeting (or any adjournment thereof).

In the case of a member who is a company, the proxy form must be signed on its behalf by an officer of the company or any attorney for the company. Any power of attorney or any other authority under which the proxy form is signed (or a duly certified copy of such power or authority) must be included with the proxy form.
6. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the first-named being the most senior).
7. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cut-off time will be disregarded. Where you have appointed a proxy using the hard-copy proxy form and would like to change the instructions using another hard-copy proxy form, please contact the Company's registrar, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL. If you submit more than one valid proxy appointment, the appointment received last before the latest time for the receipt of proxies will take precedence.
8. In order to revoke a proxy instruction you will need to inform the Company by sending a signed hard copy notice clearly stating your intention to revoke your proxy appointment to the Company's registrar, Link Group, 10th Floor, Central Square, 29 Wellington Street, Leeds, LS1 4DL, or by emailing nominee.enquiries@linkgroup.co.uk. In the case of a member which is a company, the revocation notice must be executed under its common seal or signed on its behalf by an officer of the company or an attorney for the company. Any power of attorney or any other authority under which the revocation notice is signed (or a duly certified copy of such power or authority) must be included with the revocation notice. The revocation notice must be received by the Company no later than 48 hours before the time of the meeting (or any adjournment thereof).
9. If you attempt to revoke your proxy appointment but the revocation is received after the time specified then, subject to the paragraph directly below, your proxy appointment will remain valid.
10. You may not use any electronic address provided within this notice or any related documents (including the proxy form) to communicate with the Company other than as expressly stated.
11. To give an instruction via the CREST system, CREST messages must be received by the issuer's agent (ID number RA10) not later than 48 hours before the time appointed for holding the Meeting.
12. For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp generated by the CREST system) from which the issuer's agent is able to retrieve the message. The Company may treat as invalid an appointment sent by CREST in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
13. In accordance with Regulation 41 of the Uncertificated Securities Regulations 2001, the Company specifies that only those members registered in the Company's register of members at 10.00 a.m. on 10 March 2022 (or in the case of adjournment 48 hours before the time of the adjourned meeting) will be entitled to vote at the meeting. Changes to entries in the register of members after that time shall be disregarded in determining the right of any person to vote at this meeting.
14. As at 16 February 2022 the Company's issued ordinary share capital was 624,525,000 ordinary shares. The Company holds no ordinary shares in treasury therefore the total voting rights as at 16 February 2022 are 624,525,000.
15. CREST members who wish to appoint a proxy or proxies through the CREST electronic proxy appointment service may do so by using the procedures described in the CREST Manual. CREST Personal Members or other CREST sponsored members, and those CREST members who have appointed a service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf. Shareholders are therefore urged to submit their votes by proxy before 10.00 a.m. on 10 March 2022 and shareholders should appoint the Chairman of the meeting as their proxy.

PART XV

PLACING TERMS & CONDITIONS

MEMBERS OF THE PUBLIC ARE NOT ELIGIBLE TO TAKE PART IN THE PLACING (THE "PLACING"). THE TERMS AND CONDITIONS SET OUT IN THIS PART XV ARE DIRECTED ONLY AT: (A) PERSONS IN MEMBER STATES OF THE EUROPEAN ECONOMIC AREA ("EEA") WHO ARE QUALIFIED INVESTORS WITHIN THE MEANING OF ARTICLE 2(E) OF THE PROSPECTUS REGULATION; AND (B) IN THE UNITED KINGDOM, (I) PERSONS WHO: (I) FALL WITHIN THE DEFINITION OF "QUALIFIED INVESTORS" OF THE PROSPECTUS REGULATION, AS IT FORMS PART OF UK DOMESTIC LAW BY VIRTUE OF THE EUWA ("UK PROSPECTUS REGULATION") AND OTHER IMPLEMENTING MEASURES (SUCH PERSONS IN (A) AND (B)(I) BEING "QUALIFIED INVESTORS"); PERSONS WHO (I) HAVE PROFESSIONAL EXPERIENCE IN MATTERS RELATING TO INVESTMENTS FALLING WITHIN ARTICLE 19(5) OF THE FINANCIAL SERVICES AND MARKETS ACT 2000 (FINANCIAL PROMOTION) ORDER 2005 (THE "ORDER"); (II) ARE PERSONS FALLING WITHIN ARTICLE 49(2)(A) TO (D) ("HIGH NET WORTH COMPANIES, UNINCORPORATED ASSOCIATIONS, ETC") OF THE ORDER; OR (III) ARE PERSONS TO WHOM IT MAY OTHERWISE BE LAWFULLY COMMUNICATED (ALL SUCH PERSONS TOGETHER BEING REFERRED TO AS "RELEVANT PERSONS"). THE TERMS AND CONDITIONS SET OUT HEREIN MUST NOT BE ACTED ON OR RELIED ON BY PERSONS WHO ARE NOT RELEVANT PERSONS. PERSONS DISTRIBUTING THESE TERMS AND CONDITIONS MUST SATISFY THEMSELVES THAT IT IS LAWFUL TO DO SO. ANY INVESTMENT OR INVESTMENT ACTIVITY TO WHICH THIS PART XV AND THE TERMS AND CONDITIONS SET OUT HEREIN RELATE IS AVAILABLE ONLY TO RELEVANT PERSONS AND WILL BE ENGAGED IN ONLY WITH RELEVANT PERSONS. THIS PART XV DOES NOT ITSELF CONSTITUTE AN OFFER FOR SALE OR SUBSCRIPTION OF ANY SECURITIES IN THE COMPANY.

THIS ANNOUNCEMENT DOES NOT CONSTITUTE OR FORM ANY PART OF AN OFFER FOR THE SALE OR ISSUE, OR A SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE ANY SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF ANY JURISDICTION. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN ANY SUCH JURISDICTION. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE SECURITIES LAWS OF SUCH JURISDICTIONS.

THIS PART XV DOES NOT CONSTITUTE OR FORM ANY PART OF AN OFFER FOR THE SALE OR ISSUE, OR A SOLICITATION OF AN OFFER TO BUY, SUBSCRIBE FOR OR OTHERWISE ACQUIRE ANY SECURITIES IN ANY JURISDICTION IN WHICH SUCH OFFER, SOLICITATION OR SALE WOULD BE UNLAWFUL UNDER THE SECURITIES LAWS OF ANY JURISDICTION. NO PUBLIC OFFERING OF THE PLACING SHARES IS BEING MADE IN ANY SUCH JURISDICTION. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF THE SECURITIES LAWS OF SUCH JURISDICTIONS.

THESE TERMS AND CONDITIONS ARE NOT FOR PUBLICATION OR DISTRIBUTION, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES OF AMERICA. THE SECURITIES MENTIONED HEREIN HAVE NOT BEEN AND WILL NOT BE REGISTERED UNDER THE SECURITIES ACT OR UNDER ANY SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES AND MAY NOT BE OFFERED, SOLD, RESOLD, TRANSFERRED OR DELIVERED, DIRECTLY OR INDIRECTLY, IN OR INTO THE UNITED STATES EXCEPT PURSUANT TO AN APPLICABLE EXEMPTION FROM, OR IN A TRANSACTION NOT SUBJECT TO, THE REGISTRATION REQUIREMENTS OF THE SECURITIES ACT AND IN COMPLIANCE WITH THE SECURITIES LAWS OF ANY STATE OR OTHER JURISDICTION OF THE UNITED STATES. THERE WILL BE NO PUBLIC OFFER OF THE SECURITIES MENTIONED HEREIN IN THE UNITED STATES.

THE SECURITIES MENTIONED HEREIN HAVE NOT BEEN AND WILL NOT BE APPROVED OR DISAPPROVED BY THE US SECURITIES AND EXCHANGE COMMISSION (THE "SEC"), ANY STATE SECURITIES COMMISSION OR ANY OTHER REGULATORY AUTHORITY IN THE UNITED STATES, NOR HAVE ANY OF THE FOREGOING AUTHORITIES PASSED UPON OR ENDORSED THE MERITS OF THE PLACING OR THE ACCURACY OR ADEQUACY OF THESE TERMS AND CONDITIONS. ANY REPRESENTATION TO THE CONTRARY IS A CRIMINAL OFFENCE IN THE UNITED STATES.

THE CONTENT OF THIS PART XV HAS NOT BEEN APPROVED BY AN AUTHORISED PERSON WITHIN THE MEANING OF FSMA. RELIANCE ON THESE TERMS AND CONDITIONS FOR THE PURPOSE OF ENGAGING IN ANY INVESTMENT ACTIVITY MAY EXPOSE AN INDIVIDUAL TO A SIGNIFICANT RISK OF LOSING ALL OF THE PROPERTY OR OTHER ASSETS INVESTED.

EACH PLACEE SHOULD CONSULT WITH ITS OWN ADVISERS AS TO LEGAL, TAX, BUSINESS AND RELATED ASPECTS OF AN ACQUISITION OF THE PLACING SHARES. Unless otherwise defined in these terms and conditions, capitalised terms used in these terms and conditions shall have the meaning given to them in this Prospectus.

If a person indicates to Tennyson Securities (“**Tennyson**”) that it wishes to participate in the Placing(s) by making an oral or written offer to acquire Placing Shares (each such person, a “**Placee**”) it will be deemed to have read and understood these terms and conditions in their entirety and to be making such offer on the terms and conditions, and to be providing the representations, warranties, indemnities, agreements and acknowledgements, contained in these terms and conditions as deemed to be made by Placees.

In particular each such Placee represents, warrants and acknowledges that:

- (a) it is a Relevant Person and undertakes that it will acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
- (b) it is and, at the time the Placing Shares are acquired, will be outside the United States and acquiring the Placing Shares in an “offshore transaction” in accordance with Rule 903 or Rule 904 of Regulation S under the Securities Act (“**Regulation S**”) and it is acquiring beneficial interests in the Placing Shares for its own account; if acquiring the Placing Shares for the account of one or more other persons, it has full power and authority to make the representations, warranties, agreements, undertakings, and acknowledgements herein on behalf of each such person; and
- (c) if it is a financial intermediary (in the case of a Placee in the United Kingdom as that term is used in Article 5(1) of the UK Prospectus Regulation, and in the case of a Placee in the EEA, as that term is used in Article 5(1) of the Prospectus Regulation), any Placing Shares acquired by it in the Placing(s) will not be acquired on a non-discretionary basis on behalf of, nor will they be acquired with a view to their offer or resale to, persons in circumstances which may give rise to an offer of securities to the public other than an offer or resale to Qualified Investors in the United Kingdom or a member state of the EEA, or in circumstances in which the prior consent of Tennyson has been given to each such proposed offer or resale.

This Part XV does not constitute an offer to sell, or a solicitation of an offer to buy, securities in the United States. Securities may not be offered or sold in the United States absent (i) registration under the Securities Act or (ii) an available exemption from, or in a transaction not subject to, registration under the Securities Act. The securities mentioned herein have not been, and will not be, registered under the Securities Act. The Placing Shares are being offered and sold outside the United States in “offshore transactions” in accordance with Regulation S. There will be no public offering of the securities in the United States.

The distribution of these terms and conditions and the offer and/or placing of Placing Shares in certain other jurisdictions may be restricted by law. No action has been taken by Tennyson or the Company that would permit an offer of the Placing Shares or possession or distribution of these terms and conditions or any other offering or publicity material relating to the Placing Shares in any jurisdiction where action for that purpose is required, save as mentioned above. Persons into whose possession these terms and conditions come are required by Tennyson and the Company to inform themselves about and to observe any such restrictions.

No prospectus or other offering document has been or will be submitted to be approved by the FCA in relation to the Placing or the Placing Shares and each Placee’s commitment will be made solely on the basis of the information set out in this Prospectus. Each Placee, by participating in the Placing(s), agrees that it has neither received nor relied on any other information, representation, warranty or statement made by or on behalf of Tennyson or the Company and none of Tennyson, the Company, nor any person acting on such person’s behalf nor any of their respective affiliates has or shall have liability for any Placee’s decision to accept this invitation to participate in the Placing(s) based on any other information, representation, warranty or statement. Each Placee acknowledges and agrees that it has relied on its own investigation of the business, financial or other position of the Company in accepting a participation in the Placing(s). Nothing in this paragraph shall exclude the liability of any person for fraudulent misrepresentation.

No undertaking, representation, warranty or any other assurance, express or implied, is made or given by or on behalf of Tennyson or any of its affiliates, their respective directors, officers, employees, agents, advisers, or any other person, as to the accuracy, completeness, correctness or fairness of the information or opinions contained in this Prospectus or for any other statement made or purported to be made by any of them, or on behalf of them, in connection with the Company or the Placing and no such person shall have any responsibility or liability for any such information or opinions or for any errors or omissions. Accordingly, save to the extent permitted by law, no liability whatsoever is accepted by Tennyson or any of its directors, officers, employees or affiliates or any other person for any loss howsoever arising, directly or indirectly, from any use of this Prospectus or such information or opinions contained herein.

All offers of the Placing Shares will be made pursuant to an exemption from the requirement to produce a prospectus.

These terms and conditions do not constitute or form part of, and should not be construed as, any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for, any Placing Shares or any other securities or an inducement to enter into investment activity, nor shall these terms and conditions (or any part of them), nor the fact of their distribution, form the basis of, or be relied on in connection with, any investment activity. No statement in these terms and conditions is intended to be nor may be construed as a profit forecast and no statement made herein should be interpreted to mean that the Company's profits or earnings per share for any future period will necessarily match or exceed historical published profits or earnings per share of the Company.

Placing of Ordinary Shares

Tennyson has today entered into an agreement with the Company and the Directors (the "**Placing Agreement**") under which, subject to the conditions set out in that agreement, it has agreed to use its reasonable endeavours to procure subscribers for the Placing Shares at the Placing Price with certain institutional and other investors.

Placees are referred to these terms and conditions and this Prospectus containing details of, *inter alia*, the Placing. These terms and conditions have been prepared and issued by the Company, and are the sole responsibility of the Company.

The new Ordinary Shares issued under the Placing, when issued and fully paid, will be identical to, and rank *pari passu* with, the existing Ordinary Shares, including the right to receive all dividends and other distributions declared, made or paid on the existing Ordinary Shares after their admission to trading on the standard listing segment of the Official List maintained by the FCA and to the London Stock Exchange's main market for listed securities.

Applications will be made to the FCA for the Placing Shares to be admitted to the Official List and to the London Stock Exchange for the Placing Shares to be admitted to trading on the London Stock Exchange's main market for listed securities ("**Admission**"). It is expected that Admission will become effective and that dealings in the Placing Shares will commence at 8.00 a.m. on or around 15 March 2022.

Principal Terms of the Placing

Tennyson is arranging the Placing as agent for and on behalf of the Company. Tennyson will determine in its absolute discretion the extent of each Placee's participation in the Placing, which will not necessarily be the same for each Placee. No element of the Placing is underwritten.

Each Placee will be required to pay to Tennyson, on the Company's behalf, the Placing Price for each Placing Share agreed to be acquired by it under the Placing in accordance with the terms set out herein. Each Placee's obligation to acquire and pay for Placing Shares under the Placing will be owed to Tennyson and the Company. Each Placee has an immediate, separate, irrevocable and binding obligation, owed to Tennyson to pay to it (or as it may direct) in cleared funds an amount equal to the product of the Placing Price and the number of Placing Shares such Placee has agreed to subscribe for. Each Placee will be deemed to have read and understood these terms and conditions in their entirety, to be participating in the Placing(s) upon the terms and conditions contained in this Part XV, and to be providing the representations, warranties, agreements, acknowledgements and undertakings, in each case as contained herein. To the fullest extent permitted by law and applicable Financial Conduct Authority ("**FCA**") rules (the "**FCA Rules**"),

neither (i) Tennyson, (ii) any of its directors, officers, employees or consultants, or (iii) to the extent not contained within (i) or (ii), any person connected with Tennyson as defined in the FCA Rules ((i), (ii) and (iii) being together “affiliates” and individually an “affiliate”), shall have any liability to Placees or to any person other than the Company in respect of the Placing.

Conditions of the Placing

The obligations of Tennyson under the Placing Agreement in respect of the Placing Shares are conditional on, amongst other things:

- (a) the Company having complied with its obligations under the Placing Agreement (to the extent that such obligations fall to be performed prior to Admission);
- (b) the delivery by the Company to Tennyson of certain documents required under the Placing Agreement;
- (c) completion of the Acquisition;
- (d) the passing of the Resolutions (without amendment) by 14 March 2022 or such later time as may be agreed between the Company and Tennyson; and
- (e) Admission having occurred not later than 8.00 a.m. on 15 March 2022 or such later date as the Company and Tennyson may agree, but in any event not later than 8.00 a.m. on 31 March 2022.

If (i) any of the conditions contained in the Placing Agreement in relation to the Placing Shares are not fulfilled or waived by Tennyson by the respective time or date where specified, (ii) any of such conditions becomes incapable of being fulfilled or (iii) the Placing Agreement is terminated in the circumstances specified below, the Placing will not proceed and the Placee’s rights and obligations hereunder in relation to the Placing Shares shall cease and terminate at such time and each Placee agrees that no claim can be made by the Placee in respect thereof.

Tennyson, at its discretion and upon such terms as it thinks fit, may waive compliance by the Company with the whole or any part of any of the Company’s obligations in relation to the conditions in the Placing Agreement. Any such extension or waiver will not affect Placees’ commitments as set out in this Part XV.

Neither Tennyson nor the Company nor any other person shall have any liability to any Placee (or to any other person whether acting on behalf of a Placee or otherwise) in respect of any decision they may make as to whether or not to waive or to extend the time and/or the date for the satisfaction of any condition to the Placing nor for any decision they may make as to the satisfaction of any condition or in respect of the Placing generally, and by participating in the Placing each Placee agrees that any such decision is within the absolute discretion of Tennyson.

Termination of the Placing Agreement

Tennyson is entitled at any time before Admission, to terminate the Placing Agreement in relation to its obligations in respect of the Placing Shares by giving notice to the Company if, amongst other things:

- (a) the Company fails, in any material respect, to comply with any of its obligations under the Placing Agreement; or
- (b) it comes to the notice of Tennyson that any statement contained in this Prospectus was untrue, incorrect or misleading or has become untrue, incorrect or misleading in each case in any respect which Tennyson reasonably considers to be material in the context of the Placing or that any matter which Tennyson reasonably considers to be material in the context of the Placing has arisen which would, if the Placing were made at that time, constitute a material omission therefrom; or
- (c) any of the warranties given by the Company in the Placing Agreement has ceased to be true and accurate in any material respect which Tennyson reasonably considers to be material in the context of the Placing by reference to the facts subsisting at the time when notice to terminate is given; or
- (d) there happens, develops or comes into effect: i) a general moratorium on commercial banking activities in London declared by the relevant authorities or a material disruption in commercial banking or securities settlement or clearance services in the United Kingdom; or ii) the outbreak or escalation of hostilities or acts of terrorism involving the United Kingdom or the declaration by the United Kingdom of a national emergency or war; or iii) any other crisis of international or national effect or any change

in any currency exchange rates or controls or in any financial, political, economic or market conditions or in market sentiment which, in any such case, in the reasonable opinion of Tennyson is materially adverse.

Placing Procedure

Payment in full for any Placing Shares allocated in respect of the Placing at the Placing Price must be made by no later than 17 March 2022 (or such other date as shall be notified to each Placee by Tennyson). Tennyson or the Company will notify Placees if any of the dates in these terms and conditions should change.

A Placee's commitment to acquire a fixed number of Placing Shares under the Placing(s) will be agreed orally with Tennyson. Such agreement will constitute a legally binding commitment on such Placee's part to acquire that number of Placing Shares at the Placing Price on the terms and conditions set out or referred to in these terms and conditions and subject to the Company's Articles of Association.

After such agreement is entered into, each Placee allocated Placing Shares in the Placing(s) will be sent contract notes stating the number of Placing Shares allocated to it at the Placing Price and settlement instructions.

Registration and Settlement

Settlement of transactions in the Placing Shares following Admission of the Placing Shares will take place within the CREST system, subject to certain exceptions. Tennyson and the Company reserve the right to require settlement for, and delivery of, the Placing Shares to Placees by such other means that they deem necessary if delivery or settlement is not possible within the CREST system within the timetable set out in this Prospectus or would not be consistent with the regulatory requirements in the Placee's jurisdiction. Each Placee will be deemed to agree that it will do all things necessary to ensure that delivery and payment is completed in accordance with either the standing CREST or certificated settlement instructions which they have in place with Tennyson.

Settlement for the Placing will be on a T+2 and delivery versus payment basis and settlement is expected to take place on or around 17 March 2022. Interest is chargeable daily on payments to the extent that value is received after the due date from Placees at the rate of 2 percentage points above prevailing LIBOR. Each Placee is deemed to agree that if it does not comply with these obligations, Tennyson may sell any or all of the Placing Shares allocated to it on its behalf and retain from the proceeds, for its own account and benefit, an amount equal to the aggregate amount owed by the Placee plus any interest due. By communicating a bid for Placing Shares, each Placee confers on Tennyson all such authorities and powers necessary to carry out any such sale and agrees to ratify and confirm all actions which Tennyson lawfully take in pursuance of such sale. The relevant Placee will, however, remain liable for any shortfall below the aggregate amount owed by it and may be required to bear any stamp duty or stamp duty reserve tax (together with any interest or penalties) which may arise upon any transaction in the Placing Shares on such Placee's behalf.

Acceptance

By participating in the Placing(s), a Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with Tennyson and the Company, the following:

1. in consideration of its allocation of a placing participation, to subscribe at the Placing Price for any Placing Shares comprised in its allocation for which it is required to subscribe pursuant to these terms and conditions;
2. it has read and understood these terms and conditions in their entirety and that it has neither received nor relied on any information given or any investigations, representations, warranties or statements made at any time by any person in connection with Admission, the Placing, the Company, the Placing Shares, or otherwise, other than the information contained in this Prospectus (including these terms and conditions), that in accepting the offer of its placing participation it will be relying solely on the information contained in this Prospectus (including these terms and conditions) and undertakes not to redistribute or duplicate such documents;

3. its oral or written commitment will be made solely on the basis of the information set out in this Prospectus and the information publicly announced to a Regulatory Information Service by or on behalf of the Company, such information being all that such Placee deems necessary or appropriate and sufficient to make an investment decision in respect of the Placing Shares and that it has neither received nor relied on any other information given, or representations or warranties or statements made, by Tennyson or the Company nor any of their respective affiliates and neither Tennyson nor the Company will be liable for any Placee's decision to participate in the Placing(s) based on any other information, representation, warranty or statement;
4. the content of this Prospectus and these terms and conditions are exclusively the responsibility of the Company and agrees that neither Tennyson nor any of its affiliates nor any person acting on behalf of any of them will be responsible for or shall have liability for any information, representation or statements contained therein or any information previously published by or on behalf of the Company, and neither Tennyson nor the Company, nor any of their respective affiliates or any person acting on behalf of any such person will be responsible or liable for a Placee's decision to accept its placing participation;
5. (i) it has not relied on, and will not rely on, any information relating to the Company contained or which may be contained in any research report or investor presentation prepared or which may be prepared by Tennyson or any of its affiliates; (ii) none of Tennyson, its affiliates or any person acting on behalf of any of such persons has or shall have any responsibility or liability for public information relating to the Company; (iii) none of Tennyson, its affiliates or any person acting on behalf of any of such persons has or shall have any responsibility or liability for any additional information that has otherwise been made available to it, whether at the date of publication of such information, the date of these terms and conditions or otherwise; and that (iv) none of Tennyson, its affiliates or any person acting on behalf of any of such persons makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of any such information referred to in (i) to (iii) above, at the date of publication of such information or otherwise;
6. it has made its own assessment of the Company and has relied on its own investigation of the business, financial or other position of the Company in deciding to participate in the Placing(s), and has satisfied itself concerning the relevant tax, legal, currency and other economic considerations relevant to its decision to participate in the Placing(s);
7. it is acting as principal only in respect of the Placing(s) or, if it is acting for any other person (i) it is duly authorised to do so and has full power to make the acknowledgments, representations and agreements herein on behalf of each such person, (ii) it is and will remain liable to the Company and Tennyson for the performance of all its obligations as a Placee in respect of the Placing(s) (regardless of the fact that it is acting for another person), (iii) it is a Relevant Person, (iv) if it is a financial intermediary (as that term is used in the UK Prospectus Regulation), the Placing Shares subscribed by it in the Placing(s) are not being acquired on a nondiscretionary basis for, or on behalf of, nor will they be acquired with a view to their offer or resale to persons in the United Kingdom or a member state of the EEA or UK in circumstances which may give rise to an offer of shares to the public, other than their offer or resale to a Qualified Investor;
8. if it has received any confidential price sensitive information about the Company in advance of the Placing, it has not (i) dealt in the securities of the Company; (ii) encouraged or required another person to deal in the securities of the Company; or (iii) disclosed such information to any person, prior to the information being made generally available;
9. it has complied with its obligations in connection with (i) the Criminal Justice Act 1993, and the Market Abuse Regulation (EU) NO. 596/2014 as it forms part of UK domestic law pursuant to the European Union (Withdrawal) Act 2018, as amended ("UK MAR"); and (ii) money laundering and terrorist financing under the Proceeds of Crime Act 2002, the Terrorism Act 2000, the Terrorism Act 2006, the Criminal Justice (Money Laundering and Terrorist Financing) Act 2010 and the Money Laundering, Terrorist Financing and Transfer of Funds (Information on the Payer) Regulations 2017 and any related or similar rules, regulations or guidelines, issued, administered or enforced by any government agency having jurisdiction in respect thereof (the "**Regulations**") and, if it is making payment on behalf of a third party, it has obtained and recorded satisfactory evidence to verify the identity of the third party as may be required by the Regulations;
10. it has only communicated or caused to be communicated and will only communicate or cause to be communicated any invitation or inducement to engage in investment activity (within the meaning of section 21 of FSMA) relating to the Placing Shares in circumstances in which section 21(1) of FSMA does not require approval of the communication by an authorised person;

11. it is not acting in concert (within the meaning given in the City Code on Takeovers and Mergers) with any other Placee or any other person in relation to the Company;
12. it has complied and will comply with all applicable provisions of the FSMA with respect to anything done by it in relation to the Placing Shares in, from or otherwise involving the United Kingdom;
13. it and any person acting on its behalf is entitled to acquire the Placing Shares under the laws of all relevant jurisdictions and that it has all necessary capacity and has obtained all necessary consents and authorities to enable it to commit to this participation in the Placing(s) and to perform its obligations in relation thereto (including, without limitation, in the case of any person on whose behalf it is acting, all necessary consents and authorities to agree to the terms set out or referred to in these terms and conditions);
14. unless otherwise agreed by the Company (after agreement with Tennyson), it is not, and at the time the Placing Shares are subscribed for and purchased will not be, subscribing for and on behalf of a resident of the United States, Canada, Australia, Japan or the Republic of South Africa (each an **"Excluded Territory"**) and further acknowledges that the Placing Shares have not been and will not be registered under the securities legislation of any Excluded Territory and, subject to certain exceptions, may not be offered, sold, transferred, delivered or distributed, directly or indirectly, in or into those jurisdictions;
15. it does not expect Tennyson to have any duties or responsibilities towards it for providing protections afforded to clients under the rules of the FCA Handbook (the **"Rules"**) or advising it with regard to the Placing Shares and that it is not, and will not be, a client of Tennyson as defined by the Rules. Likewise, any payment by it will not be treated as client money governed by the Rules;
16. any exercise by Tennyson of any right to terminate the Placing Agreement and/ or of other rights or discretions under the Placing Agreement and/ or the Placing shall be within Tennyson's absolute discretion and Tennyson shall not have any liability to it whatsoever in relation to any decision to exercise or not to exercise any such right or the timing thereof;
17. neither it, nor the person specified by it for registration as a holder of Placing Shares is, or is acting as nominee(s) or agent(s) for, and that the Placing Shares will not be allotted to, a person/person(s) whose business either is or includes issuing depository receipts or the provision of clearance services and therefore that the issue to the Placee, or the person specified by the Placee for registration as holder, of the Placing Shares will not give rise to a liability under any of sections 67, 70, 93 and 96 of the Finance Act 1986 (depository receipts and clearance services) and that the Placing Shares are not being acquired in connection with arrangements to issue depository receipts or to issue or transfer Placing Shares into a clearance system;
18. the person who it specifies for registration as holder of the Placing Shares will be (i) itself or (ii) its nominee, as the case may be, and acknowledges that Tennyson and the Company will not be responsible for any liability to pay stamp duty or stamp duty reserve tax (together with interest and penalties) resulting from a failure to observe this requirement; and each Placee and any person acting on behalf of such Placee agrees to participate in the Placing(s) on the basis that the Placing Shares will be allotted to a CREST stock account of Tennyson who will hold them as nominee on behalf of the Placee until settlement in accordance with its standing settlement instructions with it;
19. where it is acquiring Placing Shares for one or more managed accounts, it is authorised in writing by each managed account to acquire Placing Shares for that managed account;
20. if it is a pension fund or investment company, its acquisition of any Placing Shares is in full compliance with applicable laws and regulations;
21. it has not offered or sold and will not offer or sell any Placing Shares to persons in the United Kingdom, except to persons whose ordinary activities involve them in acquiring, holding, managing or disposing of investments (as principal or agent) for the purposes of their business or otherwise in circumstances which have not resulted and which will not result in an offer to the public in the United Kingdom within the meaning of section 85(1) of the FSMA;
22. it has not offered or sold and will not offer or sell any Placing Shares to persons in any member state of the EEA prior to Admission except to persons whose ordinary activities involve them acquiring, holding, managing or disposing of investments (as principal or agent) for the purpose of their business or otherwise in circumstances which have not resulted and will not result in an offer to the public in any member state of the EEA within the meaning of the Prospectus Regulation;

23. participation in the Placing(s) is on the basis that, for the purposes of that Placing, it is not and will not be a client of Tennyson and that Tennyson do not have any duties or responsibilities to it for providing the protections afforded to its clients nor for providing advice in relation to such Placing nor in respect of any representations, warranties, undertakings or indemnities contained in the Placing Agreement or the contents of these terms and conditions;
24. to provide Tennyson or the Company (as relevant) with such relevant documents as they may reasonably request to comply with requests or requirements that either they or the Company may receive from relevant regulators in relation to the Placing, subject to its legal, regulatory and compliance requirements and restrictions;
25. any agreements entered into by it pursuant to these terms and conditions shall be governed by and construed in accordance with the laws of England and Wales and it submits (on its behalf and on behalf of any Placee on whose behalf it is acting) to the exclusive jurisdiction of the English courts as regards any claim, dispute or matter arising out of any such contract, except that enforcement proceedings in respect of the obligation to make payment for the Placing Shares (together with any interest chargeable thereon) may be taken by Tennyson in any jurisdiction in which the relevant Placee is incorporated or in which any of its securities have a quotation on a recognised stock exchange;
26. to fully and effectively indemnify and hold harmless the Company, Tennyson and each of their respective affiliates (as defined in Rule 501(b) under the Securities Act) and each person, if any, who controls Tennyson within the meaning of Section 15 of the Securities Act or Section 20 of the US Exchange Act of 1934, as amended, and any such person's respective affiliates, subsidiaries, branches, associates and holding companies, and in each case their respective directors, employees, officers and agents from and against any and all losses, claims, damages and liabilities (i) arising from any breach by such Placee of any of the provisions of these terms and conditions and (ii) incurred by Tennyson and/or the Company arising from the performance of the Placee's obligations as set out in these terms and conditions;
27. to indemnify on an after-tax basis and hold the Company, Tennyson and any of their affiliates and any person acting on their behalf harmless from any and all losses, claims, damages, liabilities and expenses (including legal fees and expenses) arising out of or in connection with any breach of the representations, warranties, acknowledgments, agreements and undertakings in these terms and conditions and further agrees that the provisions of these terms and conditions shall survive after completion of the Issue;
28. in making any decision to subscribe for the Placing Shares, (i) it has knowledge and experience in financial, business and international investment matters as is required to evaluate the merits and risks of acquiring the Placing Shares; (ii) it is experienced in investing in securities of this nature and is aware that it may be required to bear, and is able to bear, the economic risk of, and is able to sustain a complete loss in connection with, the Placing; (iii) it has relied on its own examination, due diligence and analysis of the Company and its affiliates taken as a whole, including the markets in which the Group operates, and the terms of the Placing, including the merits and risks involved; (iv) it has had sufficient time to consider and conduct its own investigation with respect to the offer and purchase of the Placing Shares, including the legal, regulatory, tax, business, currency and other economic and financial considerations relevant to such investment and (v) will not look to Tennyson or any of their respective affiliates or any person acting on their behalf for all or part of any such loss or losses it or they may suffer;
29. its commitment to acquire Placing Shares will continue notwithstanding any amendment that may in future be made to the terms and conditions of the Placing, and that Placees will have no right to be consulted or require that their consent be obtained with respect to the Company's or Tennyson's conduct of the Placing; and
30. Tennyson and the Company and their respective affiliates and others will rely upon the truth and accuracy of the foregoing representations, warranties, acknowledgments and undertakings which are irrevocable.

Please also note that the agreement to allot and issue Placing Shares to Placees (or the persons for whom Placees are contracting as agent) free of stamp duty and stamp duty reserve tax in the UK relates only to their allotment and issue to Placees, or such persons as they nominate as their agents, direct from the Company for the Placing Shares in question. Such agreement assumes that such Placing Shares are not being acquired in connection with arrangements to issue depositary receipts or to transfer such Placing

Shares into a clearance service. If there were any such arrangements, or the settlement related to other dealing in such Placing Shares, stamp duty or stamp duty reserve tax may be payable, for which neither the Company nor Tennyson would be responsible and Placees shall indemnify the Company and Tennyson on an after-tax basis for any stamp duty or stamp duty reserve tax paid by them in respect of any such arrangements or dealings. Furthermore, each Placee agrees to indemnify on an after-tax basis and hold each of Tennyson and/or the Company and their respective affiliates harmless from any and all interest, fines or penalties in relation to stamp duty, stamp duty reserve tax and all other similar duties or taxes to the extent that such interest, fines or penalties arise from the unreasonable default or delay of that Placee or its agent. If this is the case, it would be sensible for Placees to take their own advice and they should notify Tennyson accordingly. In addition, Placees should note that they will be liable for any capital duty, stamp duty and all other stamp, issue, securities, transfer, registration, documentary or other duties or taxes (including any interest, fines or penalties relating thereto) payable outside the UK by them or any other person on the acquisition by them of any Placing Shares or the agreement by them to acquire any Placing Shares.

Selling Restrictions

By participating in the Placing(s), a Placee (and any person acting on such Placee's behalf) irrevocably acknowledges, confirms, undertakes, represents, warrants and agrees (as the case may be) with Tennyson and the Company, the following:

1. it is not a person who has a registered address in, or is a resident, citizen or national of, a country or countries, in which it is unlawful to make or accept an offer to subscribe for Placing Shares;
2. it has fully observed and will fully observe the applicable laws of any relevant territory, including complying with the selling restrictions set out herein and obtaining any requisite governmental or other consents and it has fully observed and will fully observe any other requisite formalities and pay any issue, transfer or other taxes due in such territories;
3. if it is in the United Kingdom, it is a person (i) who has professional experience in matters relating to investments and who falls within the definition of "investment professionals" in Article 19(5) of the Order or who falls within Article 49(2) of the Order, and (ii) is a "qualified investor" as defined in section 86 of the FSMA;
4. if it is in a member state of the EEA, or in the UK it is a Qualified Investor;
5. it is a person whose ordinary activities involve it (as principal or agent) in acquiring, holding, managing or disposing of investments for the purpose of its business and it undertakes that it will (as principal or agent) acquire, hold, manage or dispose of any Placing Shares that are allocated to it for the purposes of its business;
6. it is and, at the time the Placing Shares are acquired, will be outside the United States, purchasing in an offshore transaction pursuant to Regulation S;
7. none of the Placing Shares have been or will be registered under the Securities Act or with any securities regulatory authority of any state or other jurisdiction of the United States;
8. none of the Placing Shares may be offered, sold, taken up or delivered directly or indirectly, in whole or in part, into or within the United States except pursuant to an exemption from, or in a transaction not subject to, the registration requirements of the Securities Act and in compliance with any applicable securities laws of any state or other jurisdiction of the United States;
9. if it is in South Africa, it is a person falling within a category of person listed in section 96 of the South African Companies Act, 2008 as not being a member of the public;
10. if it is in Australia, it is a person who falls within an exemption from disclosure to investors in Australia under the Australian Corporations Act 2001 (Cth) (the "**Corporations Act**"), including a "sophisticated investor" within the meaning of Section 708(8) of the Corporations Act or a "professional investor" within the meaning of Section 708(11) of the Corporations Act or a "wholesale client" within the meaning of Section 761(G) of the Corporations Act;
11. it (on its behalf and on behalf of any Placee on whose behalf it is acting) has (a) fully observed the laws of all relevant jurisdictions which apply to it; (b) obtained all governmental and other consents which may be required; (c) fully observed any other requisite formalities; (d) paid or will pay any issue, transfer or other taxes; (e) not taken any action which will or may result in the Company or Tennyson (or either of them) being in breach of a legal or regulatory requirement of any territory in connection with the

Placing: (f) obtained all other necessary consents and authorities required to enable it to give its commitment to subscribe for the relevant Placing Shares and (g) the power and capacity to, and will, perform its obligations under the terms contained in these terms and conditions.

Miscellaneous

The Company reserves the right to treat as invalid any application or purported application for Placing Shares that appears to the Company or its agents to have been executed, effected or dispatched from the United States or an Excluded Territory or in a manner that may involve a breach of the laws or regulations of any jurisdiction or if the Company or its agents believe that the same may violate applicable legal or regulatory requirements or if it provides an address for delivery of the share certificates of Placing Shares in an Excluded Territory or the United States, or any other jurisdiction outside the United Kingdom in which it would be unlawful to deliver such share certificates.

When a Placee or person acting on behalf of the Placee is dealing with Tennyson, any money held in an account with Tennyson on behalf of the Placee and/or any person acting on behalf of the Placee will not be treated as client money within the meaning of the rules and regulations of the FCA made under the FSMA. The Placee acknowledges that the money will not be subject to the protections conferred by the client money rules; as a consequence, this money will not be segregated from Tennyson's money in accordance with the client money rules and will be used by Tennyson in the course of their own business; and the Placee will rank only as a general creditor of Tennyson.

Times

Unless the context otherwise requires, all references to time are to London time. All times and dates in these terms and conditions may be subject to amendment. Tennyson will notify Placees and any persons acting on behalf of the Placees of any changes.

