

**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](http://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 the subject of this Document, or its Ordinary Shares. Investors should make their own assessment as to the suitability of investing in the Ordinary Shares of CYBA PLC.

Applications will be made to the FCA for all of the shares in the Company (the **Ordinary Shares**) to be admitted to the Official List of the FCA (the **Official List**) (by way of a standard listing under Chapter 14 of the listing rules published by the FCA under section 73A of FSMA as amended from time to time (the **Listing Rules**) and to the London Stock Exchange plc (the **London Stock Exchange**) for such Ordinary Shares to be admitted to trading on the London Stock Exchange’s main market for listed securities (together, **Admission**). It is expected that Admission will become effective, and that unconditional dealings in the Ordinary Shares will commence, at 8.00 a.m. on 8 March 2021.

**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 7 OF THIS DOCUMENT.**

The Directors, whose names appear on page 22, and the Company accept responsibility for the information contained in 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 does not omit anything likely to affect the import of such information.

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## **CYBA PLC**

*(incorporated in England and Wales with company number 11701224)*

### **Admission of the Entire Issued 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**

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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 (**Tennyson**), 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 Admission and the arrangements referred to in this document. Tennyson will not regard any other person (whether or not a recipient of this document) as its client in relation to Admission and will not be responsible to anyone other than the Company for providing the protections afforded to clients of Tennyson or for providing any advice in relation to Admission, the contents of this document or any transaction or arrangement referred to herein. No liability whatsoever is accepted by Tennyson 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 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 has been made for the Ordinary Shares to be admitted to a Standard Listing on the Official List. A Standard Listing will afford shareholders in the Company a lower level of regulatory protection than that afforded to shareholders 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.

## CONTENTS

<b>SUMMARY</b>	1
<b>RISK FACTORS</b>	7
<b>CONSEQUENCES OF A STANDARD LISTING</b>	17
<b>EXPECTED TIMETABLE OF PRINCIPAL EVENTS</b>	21
<b>STATISTICS</b>	21
<b>DIRECTORS, AGENTS AND ADVISERS</b>	22
<b>PART I - THE COMPANY'S STRATEGY</b>	23
<b>PART II – THE COMPANY, BOARD AND CORPORATE GOVERNANCE</b>	36
<b>PART III – SHARE CAPITAL, LIQUIDITY, CAPITAL RESOURCES</b>	42
<b>PART IV – FINANCIAL INFORMATION ON THE COMPANY</b>	44
<b>PART V - TAXATION</b>	63
<b>PART VI – ADDITIONAL INFORMATION</b>	65
<b>PART VII – NOTICES TO INVESTORS AND DISTRIBUTORS</b>	76
<b>PART VIII – DEFINITIONS</b>	78

## SUMMARY

### INTRODUCTION

The following text is a summary of this Document, which is a Prospectus for the purposes of the Prospectus Regulation Rules. It has been prepared by CYBA PLC, whose LEI is 213800K484JEC4RK284. CYBA PLC's registered office is 5 Fleet Place, London EC4M 7RD and its telephone number is +44 (0)20 3468 2212. The ISIN of CYBA PLC's Ordinary Shares is GB00BMH18M70.

This Document has been approved by the Financial Conduct Authority in the United Kingdom acting as the competent authority for the purposes of the Prospectus Regulation Rules. The address of the Financial Conduct Authority is 12 Endeavour Square, London, E20 1JN, +44 (0)20 7066 1000. The date of approval was 3 March 2021.

This 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. An Investor could lose all or part of any invested capital in CYBA PLC.

Where a claim relating to the information contained in this Document is brought before a court the plaintiff Investor might, under national law, have to bear the costs of translating this Document before legal proceedings are initiated. Civil liability attaches only to those persons who have tabled this summary including any translation thereof but only where this summary is misleading, inaccurate or inconsistent when read together with the other parts of this Document or it does not provide, when read together with the other parts of this Document, key information in order to aid investors when considering whether to invest in such securities.

KEY INFORMATION ON THE ISSUER														
6(A) I-V	Who is the issuer of the Securities?	<p>(i) The legal and commercial name of the issuer is CYBA PLC (<b>CYBA</b> or the <b>Company</b>). 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.</p> <p>(ii) CYBA was established in November 2018 to acquire and then act as the holding company for various target businesses operating in the Cyber Sector industry. CYBA will seek to acquire targets which offer the opportunity for fast scale growth. Following its initial acquisition, CYBA will look to execute complementary strategic acquisitions. CYBA has not yet commenced operations, other than in respect of its proposed listing.</p> <p>(iii) CYBA's major shareholders as at the date of this Document are set out in the following table:</p> <table border="1"><thead><tr><th>Shareholder</th><th>No. Ordinary Shares</th><th>Percentage Ordinary Shares</th></tr></thead><tbody><tr><td>Hadron Master Fund Series II</td><td>61,000,000</td><td>11.63%</td></tr><tr><td>Racsor LLC</td><td>48,500,000</td><td>9.25%</td></tr><tr><td>John Story</td><td>45,000,000</td><td>8.58%</td></tr></tbody></table>	Shareholder	No. Ordinary Shares	Percentage Ordinary Shares	Hadron Master Fund Series II	61,000,000	11.63%	Racsor LLC	48,500,000	9.25%	John Story	45,000,000	8.58%
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		<p>Pershing Nominees Limited 39,000,000 7.44%</p> <p>Banque Heritage 35,000,000 6.67%</p> <p>Steve Bassi 32,000,000 6.10%</p> <p>John Herring 26,000,000 4.96%</p> <p>Platform Securities Nominees Limited 17,850,000 3.40%</p> <p>(iv) CYBA's board of directors as at the date of the Document are Steve Bassi, John Herring, Bob Mitchell and Rory Heier.</p> <p>(v) CYBA's statutory auditors are PKF Littlejohn LLP.</p>																				
6(B)	<p><b>What is the key financial information regarding the issuer?</b></p>	<p>The Company was incorporated on 28 November 2018 and the following tables set out the summary audited historical financial information of the Company as derived from the financial information of the Company drawn up as at 31 March 2020 and is not extracted from any statutory financial statements. The Company has not yet commenced business. The Company has no operational track record or revenue generating operations. The Company recorded an audited total comprehensive loss of £(1,423,016) and as at 31 March 2020, had net assets of approximately £389,167.</p> <p><b>Selected Financial Information of the Company</b></p> <p><b>Statement of Comprehensive Income</b></p> <table style="width: 100%; border-collapse: collapse;"> <thead> <tr> <th style="width: 80%;"></th> <th style="text-align: right; vertical-align: bottom;">Period ended 31-Mar-20 (audited)</th> </tr> <tr> <th></th> <th style="text-align: right;">£</th> </tr> </thead> <tbody> <tr> <td colspan="2"><b>Continuing operations</b></td> </tr> <tr> <td>Operating expenses</td> <td style="text-align: right;">(1,422,878)</td> </tr> <tr> <td><b>Operating Loss</b></td> <td style="text-align: right;"><b>(1,422,878)</b></td> </tr> <tr> <td>Interest expense</td> <td style="text-align: right;">(138)</td> </tr> <tr> <td><b>Loss before taxation</b></td> <td style="text-align: right;"><b>(1,423,016)</b></td> </tr> <tr> <td>Other comprehensive loss</td> <td style="text-align: right;">-</td> </tr> <tr> <td><b>Loss and comprehensive loss for the period</b></td> <td style="text-align: right;"><b>(1,423,016)</b></td> </tr> <tr> <td>Basic and diluted earnings per share</td> <td style="text-align: right;">(0.80p)</td> </tr> </tbody> </table> <p>Between April 2020 and December 2020 the Company completed a further placing round of £1,925,726, resulting in a total of 214,750,000 new ordinary shares being issued at a price of 1p per share.</p> <p>Other than the above, there has been no significant change in the financial condition and operating results of the Company since 31 March 2020.</p>		Period ended 31-Mar-20 (audited)		£	<b>Continuing operations</b>		Operating expenses	(1,422,878)	<b>Operating Loss</b>	<b>(1,422,878)</b>	Interest expense	(138)	<b>Loss before taxation</b>	<b>(1,423,016)</b>	Other comprehensive loss	-	<b>Loss and comprehensive loss for the period</b>	<b>(1,423,016)</b>	Basic and diluted earnings per share	(0.80p)
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Basic and diluted earnings per share	(0.80p)																					

<b>Statement of Financial Position</b>		<b>As at 31-Mar-20</b>
		<b>(audited)</b>
		<b>£</b>
<b>Assets</b>		
<b>Current assets</b>		
Trade and other receivables		44,486
Cash and cash equivalents		552,977
<b>Total Assets</b>		<b>597,463</b>
<b>Equity and liabilities</b>		
<b>Current liabilities</b>		
Trade and other payables		208,296
<b>Total Liabilities</b>		<b>208,296</b>
<b>Equity attributable to equity holders of the Company</b>		
Share Capital – Ordinary shares		30,978
Share Premium Account		1,757,068
Warrant reserve		24,137
Accumulated other comprehensive loss		(1,423,016)
<b>Total Equity</b>		<b>389,167</b>
<b>Statement of Cash Flows</b>		
		<b>Period ended 31-Mar-20 (audited)</b>
		<b>£</b>
<b>Cash flows from operating activities</b>		
Operating loss		(1,423,016)
Adjustments for:		
Share-based payment		24,137
Foreign exchange translation		-
Decrease/(increase) in receivables		(44,486)

		<p>Increase/(decrease) in payables 208,296</p> <p><b>Cash flow from operating activities (1,235,069)</b></p> <p><b>Cash flow from financing activities</b></p> <p>Proceeds from issuance of shares 1,906,776</p> <p>Costs related to share issues (118,730)</p> <p><b>Net cash from/(used in) financing activities 1,788,046</b></p> <p><b>Net increase/(decrease) in cash and cash equivalents 552,977</b></p> <p>Cash and cash equivalents at the beginning of the period -</p> <p><b>Cash and cash equivalents at the end of the period 552,977</b></p> <p><b>Represented by – Bank balances and cash 552,977</b></p>
6(C)	<p><b>What are the key risks that are specific to the issuer?</b></p>	<p><u><i>The Company is a newly established company with limited operating history in its own right</i></u></p> <p>The Company was incorporated in November 2018 and has no operational track record other than its preparations for Admission. Therefore, Investors have no way of assessing any past performance.</p> <p><u><i>Difficulties in acquiring suitable targets</i></u></p> <p>The Company's strategy relies on being able to identify suitable opportunities and to execute these transactions in line with the Company's strategy. If the Company cannot do so, this will have an adverse effect on the Group's financial and operational performance.</p> <p><u><i>Due diligence risk</i></u></p> <p>The Company will carry out a full due diligence exercise in relation to potential acquisitions. In doing so, the Company 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 that may be necessary and, if that is the case, issues may arise following completion which could, if they are sufficiently material, result in a material adverse effect on the Company's operations.</p> <p><u><i>The Company will aim to use Ordinary Shares as consideration for acquisition targets</i></u></p> <p>The Company intends to use its Ordinary Shares as consideration for assets. There is no guarantee that such this will be an attractive offer for the owners of any proposed targets. If the Company needs to use cash financing or debt financing rather than Ordinary Shares, there is no guarantee it will be able to do so on terms acceptable to it. In such a circumstance the Company could be left with substantial unrecovered transaction costs, potentially including fees, legal costs, accounting costs, due diligence or other expenses.</p>

## KEY INFORMATION ON THE SECURITIES

7(A)	<b>What are the main features of the securities</b>	<p>(i) The securities being admitted to trading on the Main Market of the London Stock Exchange with a Standard Listing are Ordinary Shares of £0.0001 each. The Ordinary Shares will be registered with ISIN GB00BMH18M70 and SEDOL number BMH18M7.</p> <p>(ii) the Ordinary Shares are denominated in pounds sterling. The number of Ordinary Shares in the Entire Issued Share Capital is 524,525,000.</p> <p>(iii) 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.</p> <p>(iv) 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.</p> <p>(v) The Ordinary Shares are freely transferable save in certain specified circumstances noted under 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.</p> <p>(v) Whilst the Company does not envisage being able to declare dividends within the first couple of years following Admission, the Company's dividend policy is to declare and pay dividends to Shareholders.</p>
7(B)	<b>Where will the securities be traded?</b>	<p>Application has been made for the Ordinary Shares to be listed on the Official List and to be traded on the main market of the London Stock Exchange with a Standard Listing. It is expected that Admission will become effective and that unconditional dealings will commence at 8.00 a.m. on 8 March 2021.</p>
7(D)	<b>What are the key risks that are specific to the securities?</b>	<p>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, can be sustained.</p> <p>If an active trading market is not developed or maintained, the liquidity and trading price of the Ordinary Shares could be adversely affected. The Company may issue Ordinary Shares from time to time as consideration for future acquisitions and investments.</p> <p>It is considered likely that the Company's first transaction will trigger a reverse takeover under the Listing Rules. The Listing Rules provide that the FCA will generally seek to cancel the listing of a listed company's securities when it completes a reverse takeover. The Company may seek re-admission of its enlarged group to the Main Market on completion of</p>

		any such acquisition but there is no guarantee that such re-admission would be granted by the FCA.
<b>KEY INFORMATION ON THE ADMISSION TO TRADING ON A REGULATED MARKET</b>		
<b>8(A)</b>	<b>Under which conditions and timetable can I invest in this security?</b>	The Company is not undertaking a fundraise in connection with Admission and therefore it is not possible to invest in the Company's Ordinary Shares until such time as Admission occurs and the Ordinary Shares are trading.
<b>8(C)</b>	<b>Why is this prospectus being produced?</b>	<p>This Document, which constitutes a Prospectus pursuant to the Prospectus Regulation Rules, is being produced in connection with the application made by the Company for the Ordinary Shares to be admitted to trading on the Main Market of the London Stock Exchange with a standard listing. There are no material conflicts of interest relating to the proposed admission to trading.</p> <p>The net proceeds of the Company's pre-IPO fundraise of £3,501,174 are expected to be deployed as follows:</p> <p>Directors fees: £508,975</p> <p>Advisor fees: £781,703</p> <p>Listing costs: £117,000</p> <p>General and administrative: £695,644</p> <p>Cash held for use in acquiring target: £1,397,852</p>

## RISK FACTORS

*Investment in the Company and the Ordinary Shares carries a significant degree of risk, including risks in relation to the Company'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 Company, 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 Shares. However, as the risks which the Company 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 Company and the Directors consider to be the material risks relating to the Company. However, there may be additional risks that the Company and the Directors do not currently consider to be material or of which the Company and the Directors are not currently aware that may adversely affect the Company'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.*

### **A. RISKS RELATING SPECIFICALLY TO THE ISSUER**

#### **RISKS RELATING TO THE COMPANY'S STATUS**

***The Company is a newly established company with a limited operating history in its own right***

The Company was incorporated in 2018 and it has not commenced trading. Therefore, it has no operating results and it will not materially commence operations prior to Admission. As the Company lacks an operating history, Investors have no basis on which to evaluate the Company's and Directors' ability to achieve its business objectives.

The Company intends to generate revenue via its acquisitions who will have, and/or be developing, their own technologies, solutions, services and products as well as agreeing licensing deals on existing technologies and products. However, there can be no guarantee that the Company will be able to successfully complete any acquisitions. Further, there can no guarantee that any targets which are acquired will be able to provide the Company with any cashflows or that their operations will prove to be commercially viable, and if the Company acquires pre-revenue companies, this risk will be enhanced.

#### **RISKS RELATING TO THE COMPANY'S BUSINESS ACTIVITIES**

***Difficulties in acquiring suitable targets***

The Company's strategy is dependent to a significant extent on its ability to identify sufficient suitable acquisition opportunities and to execute these transactions at a price and on terms consistent with the Company's strategy. If the Company cannot identify suitable acquisitions, or successfully execute any such transactions, this will have an adverse effect on its financial and operational performance.

The Company is dependent upon the Directors to manage the Company's business. None of the Directors are required to commit any specified amount of time to the Company's affairs and, accordingly, they may have conflicts of interest in allocating time among their business activities. The Company does not have

key-man insurance on the lives of the Directors. The unexpected loss of the services of any of the Directors could have a material adverse effect on the Company's ability to identify and acquire targets.

Some 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. The service agreements and letters of appointment will determine the level of involvement of each of the Executive and Non-Executive Directors respectively.

***Due diligence performed in connection with potential acquisitions***

The Company 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 Company 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 certain circumstances, the Company may 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 Company paid for them and the Company may not have any recourse against the vendor. In such an event, the Company's results of operations will be adversely affected.

***The Company will use Ordinary Shares as consideration for acquisition targets***

The Company intends to issue Ordinary Shares as consideration for assets. There is no guarantee that such non-cash consideration will be an attractive offer for the shareholders of any company or business which the Company identifies as a suitable acquisition opportunity. If the sellers of a potential target company are unwilling to accept share consideration, the Company 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 Company's results of operations.

***Even if the Company successfully executes an acquisition, there is no assurance that any such acquired business will be cash flow positive***

Whilst the Company will undertake a financial assessment of potential acquisition targets and assets, companies acquired by the Company may not generate positive cashflow once acquired even if historically such entities have done so. In this event, the Company may need to spend unanticipated management time and/or further costs to try to improve the financial performance of such acquired businesses, and this may have an adverse impact on its own financial performance.

***The Company may face significant competition for acquisition opportunities***

The Company is dependent upon the Directors and the senior management to select target acquisitions. Whilst they have an extended network globally 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 Company for such targets will be well-established entities with greater resources than the Company. The Company will be competing for targets against both larger listed and private equity entities who may have greater cash resources than the Company.

Although the Company has entered into letters of intent in relation to two potential acquisitions, the exclusivity period in respect of Narf is expired and therefore a third party could commence negotiations to acquire Narf. In addition the exclusivity period in respect of Polyswarm expires on 30 April 2021 and, if not

extended, following that date, the Company would be unable to stop any third party commencing negotiations to acquire Polyswarm.

***Once the Company has executed its initial acquisition, its operating business will face competition for market share***

Cyber Security is an emerging market segment and whilst the market is growing, any acquired business of the Company will be likely to have a number of commercial competitors who may have greater market share or products which customers view more favourably. These competitors may be listed on a stock exchange or backed by private equity and may have greater facilities to maintain and grow market share than any business acquired by the Company. Whilst the Company will make certain assessments and assumptions of an acquired businesses' market position and growth potential and base any transaction on those assessments and assumptions, any underperformance whether or absolute or relative to its competitors will have an adverse effect on the Company's operations and financial performance.

Each of Polyswarm and Narf, in respect of which the Company has entered into letters of intent, face competition from larger and/or better funded competitors. Therefore if the Company was to execute either transaction it may find that such competitors grow market share at a greater than anticipated rate which would likely have an adverse effect on the Company and its enlarged group's results of operations.

***The Company may be unable to complete acquisitions if it does not obtain additional funding***

There is a risk that failure to raise funding in circumstances where a potential seller requires cash consideration, or where a seller is based in a jurisdiction in which the Company is unable to make an offer of its Ordinary Shares or where due diligence investigations reveal that additional unanticipated working capital will be needed to support a business post-acquisition this may jeopardise the Company's ability or desire to acquire that target. In such circumstances, the Company may need to look to alternative targets and may suffer wasted due diligence and other transaction costs undertaken in looking at the failed deal.

***The Company may be subject to foreign investment and exchange risks***

The Company's functional and presentational currency is pounds sterling. As a result, the Company's consolidated financial statements will carry the Company's assets in sterling. The Company may denominate its financial information in a currency other than sterling, conduct operations or make sales in currencies other than sterling, in particular if it acquires a business which is domiciled or operational in the United States where a large number of potential targets are incorporated and/or operational (including Narf and Polyswarm). Changes in exchange rates between sterling and other currencies could lead to significant changes in the Company's reported financial results between financial periods. Among the factors that may affect currency values are trade balances, levels of short-term interest rates, differences in relative values of similar assets in different currencies, long-term opportunities for investment and capital appreciation and political or regulatory developments. Although the Company 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 Company wishes to use them or that they will be sufficient to cover the risk.

***On-going COVID-19 outbreak***

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 Cyba, most of which are currently unascertainable. The following are potential risks relating to the disruption of the Company'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.

At this time, it is unclear as to whether COVID-19 will represent a material disruption to Cyba'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 Company's liquidity and operating results.

## **RISKS SPECIFIC TO THE CYBER SECURITY INDUSTRY**

### ***The Cyber Security industry is underpinned by proprietary technology***

The IT 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 against any acquired assets or corporate entities could subject the Company to significant liability for damages and invalidation of the Company's proprietary rights. Litigation, particularly if undertaken in the United States may involve significant costs for the Company 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 Company's results of operations and the Company may not be able to fully achieve its aims whilst it deals with the litigation.

Further, the Company may be unable to adequately protect any of its own intellectual property proprietary rights and/or prevent others from making unauthorised use of its products and technology. In the event that the Company or any of its acquired assets and businesses are subject to litigation relating to the use of any key intellectual property rights, this could have a material impact on the Company's results, in particular if it were to be subject to an adverse judgement which may include costs and/or if the Company was no longer able to use such intellectual property without making payment to the claimant.

As concerns Narf and Polyswarm, the main risk is that they are inadvertently using intellectual property of a third party to carry on their business without a licence from such third party which could give rise to litigation. As far as the Company is aware, this is not the case, but as and when the Company decides to proceed with either or both acquisitions, this issue will be subject to due diligence, and any required licences put in place as part of the terms of the acquisition. However, if an issue arises following the completion of any acquisition it could adversely affect the expected performance of the business.

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

The products and services the Company plans to offer via potential acquisition targets to the market will be complex and, as such, they may contain design or manufacturing defects or errors that are not detected until after their commercial release and deployment by end customers. These defects may cause the Company's planned products or services to be vulnerable to security attacks, cause them to fail to help secure networks, temporarily interrupt end customers' networking traffic, and fail to detect or prevent viruses, worms or similar threats. Further, due to the evolving nature of threats and the continual emergence of new threats, the Company 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 Company'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 Company 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 Company'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 Company's systems. The Company's business would be harmed if any of the events described above caused its end customers or potential end customers to believe the Company's services are unreliable.

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

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

As concerns Narf and Polyswarm, the main risk is that the products that they licence to their clients do not fulfil their specification and/or that a leak of confidential client data occurs. As far as the Company is aware, no claims of such nature have been made to date, and the risk that such claims arise in the future are reduced by appropriate limitations in the agreements with clients and security systems to protect confidential data within the information technology infrastructure of both Narf and Polyswarm. If and when the Company decides to proceed with either or both acquisitions, these issues will be subject to due diligence, and any required changes to client agreements or security systems made as part of the terms of the acquisitions. However, if an issue arises following the completion of any acquisition it could adversely affect the expected performance of the business

#### ***The Company may be unable to hire or retain personnel required to support the Company***

The Company may determine that it requires increased support to operate and manage the business in accordance with the Company's overall business strategy. There can be no assurance that the Company will be able to hire or retain experienced, qualified employees to carry out the Company's strategy. It is important that any Cyber Security company is able to attract and retain appropriately qualified resources. The Company will need to recruit highly qualified staff with an appropriate background in Cyber Security. The Company 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 Company's business plan, operations, trading performance and prospects.

The Company is particularly aware that the Cyber Security sector is growing at a rapid pace and staff skilled and experienced in this sector are in short supply. As a consequence, the Company may have difficulty securing the services of and retaining long term staff, as competition from other companies in this and connected fields is high or may have to offer enhanced above-market packages to potential employees. If the Company is unable to secure the services of and retain suitably qualified long term staff, this will have a material impact on the financial position, opportunities and prospects of the Company, and by extension, on its share price and if the Company is required to over-pay for employees and such costs cannot be passed on to customers, this will have an adverse impact on the Company's financial position and results.

## **LEGAL AND REGULATORY RISK**

### ***Industry Regulations***

The market which the Company will seek to address is, by its very nature, unregulated as Cyber Security involves protecting networks, devices, and programs from any type of illegal and/or malicious attacks. However, corporate entities in certain sectors, such as banking and financial services are themselves

subject to increasing and changing regulation in regards to their own Cyber Security procedures and requirements. In addition, the 2018 General Data Protection Regulation has increased the focus on data protection for companies and individuals across all sectors and industries and has greatly increased the obligations on organisations to maintain, store and protect data obtained by them – data which is likely to be the focus of attempted illegal and/or malicious attacks. In the event that these procedures and requirements change and the Company and its offerings can no longer meet such new standards, this will likely have a material adverse impact on its ability to service such sector(s) and this will have a further adverse impact on the financial position, opportunities and prospects of the Company, and by extension, on its share price.

### **General taxation**

This document has been prepared in accordance with current UK tax legislation, practice and concession and interpretation thereof. Any change in the Group's tax status or the tax applicable to a holding of the Company's Ordinary Shares or in taxation legislation or its interpretation, could affect the value of the investments held by the 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 V of this document relating to the taxation of the Group and its investors is based upon current 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.

### **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.

## **INTERNAL CONTROL RISKS**

### ***Dependence on key personnel and service providers and management risks***

The Company's business is dependent on retaining the services of its Directors, and in particular, the Cyber Security knowledge, sector reputation and contacts of Steve Bassi and John Herring. The loss of a key individual could have an adverse effect on the future of the Company's business as it may reduce the Company's ability to find and execute a suitable transaction.

***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.

Whilst the two letters of intent which the Company has entered into in connection with entities connected to Steve Bassi were approved by the Independent Acquisitions Committee and all deliberations of the Company relating to any such transaction would be conducted only by the Independent Acquisitions Committee (and so excluding Steve Bassi), the terms of any such transaction arising from the letters of intent could give rise to conflicts of interest which the Company will need to manage appropriately.

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.

***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 II (*The Company, 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.

Whilst certain information is included in this Document regarding Narf and Polyswarm in respect of which the Company has entered into letters of intent, and which are associated with Steve Bassi, there is no guarantee of any future performance of such entities, whether or not the Company ultimately acquires either of them.

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.

## **B. RISKS RELATING TO THE ORDINARY SHARES**

### **RISKS RELATING TO THE NATURE OF THE SECURITIES**

***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 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 price movements. Investors should not expect that they will necessarily be able to realise their investment in Ordinary Shares within a period that they would regard as reasonable. Accordingly, the Ordinary Shares may not be suitable for short-term investment. Admission 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 Admission 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 determines appropriate and in accordance with applicable law, but expects to be principally reliant upon dividends received on shares held by it in any operating subsidiaries in order to do so. Payments of such dividends will be dependent on the availability of any dividends or other distributions from such subsidiaries. The Company can therefore give no assurance that it will be able to pay dividends going forward or as to the amount of such dividends, if any. The Company does not anticipate declaring dividends in the first couple of years following Admission or prior to any transaction.

### **RISKS RELATING TO THE ADMISSION OF SECURITIES TO TRADING**

***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, 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.

***Investors will experience a dilution of their percentage ownership of the Company if the Company decides to offer additional Ordinary Shares in the future***

If the Company decides to offer additional Ordinary Shares in the future, which is considered likely under the Company's business plan, this could dilute the interests of Investors and/or have an adverse effect on the market price of the Shares.

***The proposed Standard Listing of the Shares will afford Investors a lower level of regulatory protection than a Premium Listing***

Application has been made for the Ordinary Shares 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 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 valuation 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 17.

***The Company may be unable to transfer to a Premium Listing or other appropriate listing venue***

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.

***If the Company proposes undertaking a transaction which constitutes a Reverse Takeover and the FCA determines that there is insufficient information in the market about the transaction, the Company's Ordinary Shares are likely to be suspended from listing and may not be readmitted to listing thereafter, which will reduce liquidity in the Ordinary Shares, potentially for a significant period of time, and this may adversely affect the ability of a Shareholder to sell such Shares and the price which may be obtained for them.***

The first transaction carried out by the Company, if it occurs, will be treated as a Reverse Takeover (within the meaning given to that term in the Listing Rules).

Generally, when a Reverse Takeover is announced or leaked, there will be insufficient publicly available information in the market about the proposed transaction and the listed company will be unable to assess accurately its financial position and inform the market appropriately. In this case, the FCA will often consider that suspension of the listing of the listed company's securities will be appropriate. The London Stock Exchange will suspend the trading in the listed company's securities if the listing of such securities has been suspended. However, if the FCA is satisfied that there is sufficient publicly available information about the proposed transaction it may agree with the listed company that a suspension is not required. The FCA will generally be satisfied that a suspension is not required in the following circumstances: (i) the target company is admitted to listing on a regulated market or another exchange where the disclosure requirements in relation to financial information and inside information are not materially different than the disclosure requirements under the Disclosure Guidance and Transparency Rules; or (ii) the issuer is able to fill any information gap at the time of announcing the terms of the transaction, including the disclosure of relevant financial information in relation to the target and a description of the target.

If information regarding a significant proposed transaction was to leak to the market, or the Board considered that there were good reasons for announcing the transaction at a time when it was unable to provide the market with sufficient information regarding the impact of the transaction on its financial position, the Ordinary Shares may be suspended. Any such suspension would be likely to continue until sufficient financial information on the transaction was made public. Depending on the nature of the transaction (or proposed transaction) and the stage at which it is leaked or announced, it may take a substantial period of time to compile the relevant information, particularly where the target does not have

financial or other information readily available which is comparable with the information a listed company would be expected to provide under the Disclosure Guidance and Transparency Rules and the Listing Rules (for example, where the target business is not itself already subject to a public disclosure regime), and the period during which the Ordinary Shares would be suspended may therefore be significant.

If the Company proceeds with either of the Narf or Polyswarm transactions, such transaction would be classified as a reverse takeover under the Listing Rules. In such circumstances, the Company's Ordinary Shares would be suspended pending the publication of a new prospectus which would provide information on the enlarged group, including detailed financial information on Narf or Polyswarm (as the case may be). The Company would also be required to seek an eligibility review of the enlarged group and its business. The period of suspension could be significant and Shareholders will not be able to freely transfer Ordinary Shares until such period of suspension ends.

***On completion of a Reverse Takeover, the FCA will seek to cancel the listing of the Company's Ordinary Shares and they may not be readmitted to trading thereafter***

The Listing Rules provide that the FCA will cancel the listing of a listed company's securities when it completes a Reverse Takeover. In such circumstances, the Company may seek the re-admission to listing either simultaneously with completion of any such acquisition or transaction or as soon thereafter as is possible but there is no guarantee that such re-admission would be granted by the FCA.

A suspension or cancellation of the listing of the Company's Ordinary Shares will materially reduce liquidity which is likely to affect an Investor's ability to realise some or all of its investment and/or the price at which such Investor can effect such realisation. There is unlikely to be a market for Ordinary Shares where their listing has been cancelled and if a Reverse Takeover were to occur but the Company's Ordinary Shares were not readmitted to trading for any reasons, the Company would not be able to raise any equity or debt financing on the public market, or carry out a further acquisition using listed share consideration, which would restrict its business activities and particularly result in incurring unnecessary costs.

If the Company proceeds with either of the Narf or Polyswarm transactions, such transaction would be classified as a Reverse Takeover under the Listing Rules and would therefore give rise to a suspension pending publication of a new prospectus containing information on the enlarged group, including detailed financial information on Narf or Polyswarm (as the case may be). If the Company's Ordinary Shares are suspended in such circumstances the Company will not be able give any guarantees as to the length of such suspension. The Company would also be required to apply to the FCA for an eligibility review of the enlarged group and its business and the Company cannot guarantee that the FCA would approve the prospectus or the eligibility of the enlarged group. If for any reason the FCA does not give such approvals, the Company would not be able to re-list the enlarged group and in such circumstances may not be able to complete the acquisition. Such event would likely have an adverse effect on the Company's results.

***There is currently no market for the Ordinary Shares, notwithstanding the Company's intention to be admitted to trading on the London Stock Exchange. A market for the Ordinary Shares may not develop, which would adversely affect their liquidity and price***

There is currently no market for the Ordinary Shares. Therefore, Investors cannot benefit from information about prior market history when making their decision to invest. The price of the Ordinary Shares following Admission also may vary due to a number of factors, including but not limited to, general economic conditions and forecasts, the Company's general business condition and the release of its financial reports. Although the Company's current intention is that its securities should continue to trade on the London Stock Exchange, it cannot assure Investors that it will always do so. In addition, an active trading market for the Ordinary 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.

## CONSEQUENCES OF A STANDARD LISTING

Application has been made for the Ordinary Shares to be admitted 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 Admission;
- 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.**

## IMPORTANT INFORMATION

In deciding whether or not to invest in Ordinary Shares, 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 Company 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 section headed "*Section 6(c) Risks*" of 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 7 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.

### **Selling and transfer restrictions**

Prospective Investors should consider (to the extent relevant to them) the notices to residents of various countries set out in Part VII (*Notices to Investors and Distributors*).

## Investment considerations

In making an investment decision, Investors must rely on their own examination, analysis and enquiry of the Company and this Document, 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 Company's objective 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 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 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 objective, acquisition and financing strategies, results of operations, financial condition, capital resources, 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 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. In addition, even if the Company'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, those results or developments may not be indicative of results or developments in subsequent periods. Important factors that may cause these differences include, but are not limited to:

- the Company's ability to deploy its working capital on a timely basis;
- the availability and cost of equity or debt capital;

- currency exchange rate fluctuations, as well as the success of the Company's hedging strategies in relation to such fluctuations (if such strategies are in fact used); and
- legislative and/or regulatory changes, including changes in taxation regimes.

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

Forward-looking statements contained in this Document apply only as at the date of this Document and do not in any way qualify the working capital statement contained in paragraph 9 of Part VI (*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.

### **Market data and data sources**

This prospectus 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 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 prospectus 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 or any other person do not form part of this Document.

### **Definitions**

A list of defined terms used in this Document is set out in Part VIII.

## EXPECTED TIMETABLE OF PRINCIPAL EVENTS

Publication of this Document	3 March 2021
Admission and commencement of dealings in the Ordinary Shares	8.00 a.m. on 8 March 2021

*All references to time in this Document are to London, UK time unless otherwise stated and each of the times and dates are indicative only and may be subject to change.*

## STATISTICS

Number of Ordinary Shares comprising the Entire Issued Share Capital	524,525,000
Admission Price per Ordinary Share	£0.015
Market capitalisation of the Company at the Admission Price	£7,867,875

## DEALING CODES

The dealing codes for the Ordinary Shares will be as follows:

ISIN	GB00BMH18M70
SEDOL	BMH18M7
TIDM	CYBA
LEI Code	213800K484JEC4RK284

## DIRECTORS, AGENTS AND ADVISERS

Directors	Steve Bassi John Herring Rory Heier Robert Mitchell
Company Secretary	Rory Heier
Registered Office	5 Fleet Place London EC4M 7RD
Financial Adviser and Broker	Tennyson Securities 2nd Floor 65 Petty France London SW1H 9EU
Auditors and Reporting Accountant	PKF Littlejohn LLP 15 Westferry Circus London E14 4HD
Registrar	Link Market Services Limited The Registry 34 Beckenham Road Beckenham BR3 4TU
Legal advisers to the Company as to English law	Charles Russell Speechlys LLP 5 Fleet Place London EC4M 7RD

## PART I

### THE COMPANY'S STRATEGY

#### 1 INTRODUCTION

CYBA plc (**CYBA** or the **Company**) is a Cyber Security company incorporated and headquartered in the UK. The Directors believe that there is an opportunity to build a UK based group providing cyber resilience solutions through a combination of strategic acquisitions and organic growth.

To achieve this, the Directors intend that CYBA will become a leading aggregator of technologies in the Cyber Security sector.

The Directors believe that their existing network of relationships with large corporates, governments and academia will enable the Company to access a fast track to technology certification, scaled distribution channels and ultimately the monetisation of its cyber technologies. In particular, John Herring and Steve Bassi provide the Board with considerable experience and in-depth knowledge of the global Cyber Security market.

#### 2 BUSINESS STRATEGY AND EXECUTION

##### Strategic Objectives

CYBA plc is a special purpose acquisition company (**SPAC**). The purpose of the company is to seek out suitable acquisition targets in the Cyber Security sector. Such targets may be incorporated outside of the United Kingdom.

The Company and its Directors have had preliminary high-level discussions with a number of potential targets in the sector but as at the date of this Document the Company is not committed to any particular acquisition.

##### Acquisition Targets, Sourcing and Execution

CYBA has been established to generate above market average growth in the Cyber and Cyber Security markets. It will do so through a three-phase strategy of selecting capabilities in an enduring and growing market; focusing investment and management expertise to enable companies to scale and develop; and growing market share, customer satisfaction and shareholder value through high performance. CYBA will consider potential targets with various specialisms from across the Cyber Security sector and these targets are likely to range from well-established revenue generating enterprises to pre-revenue companies. Whilst potential targets may also be generalist within the sector (i.e. present various commercial offerings in the wider Cyber security sector), it is considered more likely that potential targets will have a single specific niche, for example, specialising in threat intelligence rather than threat prevention and/or designing products and services for specific industries and sectors.

The annual market for Cyber and Cyber Security globally is currently estimated to be worth more than US\$123bn<sup>1</sup>, and is expected to grow by 12.6% CAGR through to 2027 as the market and application of

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<sup>1</sup> <https://www.gartner.com/en/newsroom/press-releases/2020-06-17-gartner-forecasts-worldwide-security-and-risk-managem>

digital technology expands.<sup>2</sup> There has been a shift towards cloud based delivery models in the security market, which makes the entire sector resistant to normal swings in the business cycle.

The trend for high multiple acquisition considerations being paid for Cyber Security companies of relatively small scale and niche capabilities, highlights the potential for CYBA plc to create an aggregated Cyber Security group through a mixture of acquisitions, organic development and strategic partnering.

The Company intends to implement its strategy focussed on building a group capable of offering Cyber and Cyber Security solutions to private, public-sector, B2B and B2C organisations both within the UK and globally. Based on global market estimates, the UK and Europe in general are showing the highest growth rates globally in the cyber security space due to the increasing number of cyber projects and the investments major companies are making in their cyber security suite.

The Company will concentrate on creating value for its shareholders, aggregated companies and customers through the acquisition and effective development of businesses operating within the field of Cyber and Cybersecurity. The aim is to create value by building a group of significant scale that will serve UK and International markets and organisations.

The Company intends to leverage the deep industry knowledge of its Board and associates to undertake due diligence on the commercial attributes of a target entity's business and the Company will engage professional advisory firms to undertake legal and financial due diligence.

The Company anticipates considering a number of potential opportunities but will only seek to move to a more formal but non-binding letter of intent stage with targets which meet its internal acquisition criteria. Whilst the Company's internal acquisition criteria is necessarily wide, reflecting the fact that the Company wishes to assess targets from across the Cyber Security sector, the Directors consider that the commercial potential and appeal of a target's products and the attributes of a target's founders/management team are key aspects in evaluating any potential target.

As at the date of this document, the Company is in talks with a number of potential targets, two of which have signed Letters of Intent (**LOI**) with the Company. Both of these potential targets operate within the Threat Intelligence Sector, which the Directors consider to be a very desirable niche within the Cyber Security sector.

### **Narf LOI**

On 6 October 2020, the Company entered into an LOI for the possible acquisition of Narf Industries LLC and Narf Industries PR LLC (together, **Narf** and the **Narf Acquisition**).

Narf Industries LLC was incorporated in California in March 2013 and its sister company, Narf Industries PR LLC was incorporated in June 2018. The founder, principal shareholder and CEO of each of Narf Industries LLC and Narf Industries PR LLC is Steve Bassi, a director of the Company.

No decision has been made by the Company on whether to proceed with the Narf Acquisition, and there is no certainty that the Narf Acquisition will happen. The LOI had an exclusivity period which lapsed on 6 January 2021 and which has not been renewed.

The LOI in respect of Narf presumes (subject to due diligence) a valuation of Narf of approximately £13.8m (US\$18m), with the consideration structure being a combination of cash and Ordinary Shares at a deemed issue price of £0.02 per Ordinary Share, with 60 per cent. through the issue of new shares of the Company, and 40 per cent through cash by way of a Vendor placing.

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<sup>2</sup> <https://www.fortunebusinessinsights.com/industry-reports/infographics/cyber-security-market-101165>

Under Listing Rule 5.6, the Company is required to provide certain information regarding Narf to ensure that there is sufficient information available to the public with regard to the Narf Acquisition in order to avoid suspension of the Company's shares. As neither of Narf Industries LLC or Narf Industries PR LLC are listed on any stock exchange and is not subject to any public disclosure regime, the information required under LR 5.6.15G is set out below.

### *Background on Narf*

Narf operates within the Threat Intelligence Sector carrying out computer security research and developing and licencing software on a “software as a service” (**SaaS**) basis to detect threats to computer systems. It also provides Incident Response services to assist its clients to identify and neutralise active threats. Its clients are US governmental agencies and large US corporates.

### *Rationale for the Narf Acquisition*

The rationale for the Acquisition, if it proceeds, would be to fulfil the purpose of the Company as a special purpose acquisition company (**SPAC**) looking to establish itself in the cyber security sector, and to give Narf the benefits of a higher profile and easier access to capital that come with being part of a listed group.

Given the current status of the Company as a SPAC, the Narf Acquisition would 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

### *Key non-financial operating or performance measures*

The two key non-financial operating and performance measures (**KPIs**) used by Narf in the development of its business are: (a) the continuous development of its SaaS network infrastructure product to meet ever-changing client requirements; and (b) the number and type of key roles in advanced computer security software research and development (**R&D**) that it obtains with US Government Agencies.

The first KPI requires Narf to ensure that it anticipates new threats and can adapt its products as required. This KPI is measured from the feedback received from clients as to the efficacy of the infrastructure product, which is then applied in the further development of the product. The second KPI is measured by reference to the number and significance of the R&D mandates awarded, and also the profile and referral power of the client.

Narf released its new SaaS network infrastructure product during 2020 to one client, which generated \$1m 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, 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.

### *Trends in the Market affecting Narf*

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 compromise. 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 in 2021 if they result in further or increased demand for its services.

### *Trends since 31 December 2020*

In the period since 31 December 2020 there have been no significant trends in in production, sales, inventory, costs, or selling prices in respect of either Narf Industries LLC's or Narf Industries PR LLC's business.

Since 31 December 2020 there has been no significant change in the financial performance of either Narf Industries LLC or Narf Industries PR LLC.

### *Financial information on Narf*

The table below contains summary unaudited financial information of Narf Industries LLC and Narf Industries PR LLC on a consolidated basis for the 3 years ended 31 December 2020:

	<b>2020 USD</b>	<b>2019 USD</b>	<b>2018 USD</b>
<b>Revenue</b>	3,228,993	2,244,878	1,650,138
<b>Cost of sales</b>	(405,218)	(358,817)	(8,002)
<b>Operating expenses</b>	(1,946,644)	(1,653,668)	(1,391,777)
<b>Other expenses</b>	(3,539)	(7,234)	(2,273)
<b>Partner guaranteed payments</b>	(86,749)	(91,980)	(249,268)
<b>Profit / (loss) before tax</b>	1,311,842	133,179	10,417
<b>Net profit (loss)</b>	1,311,842	133,179	10,417
<b>Total assets</b>	1,877,991	533,645	497,415
<b>Net assets</b>	766,646	(169,951)	(68,130)
<b>Cash and bank balance</b>	860,308	224,558	175,071
<b>Shareholders equity</b>	766,646	(169,951)	(68,130)
<b>Total liabilities</b>	1,121,346	703,596	565,545
<b>Cash from / (used) in operating activities</b>	1,364,179	112,294	(286,412)

### *Key differences in accounting policies*

Each of the Narf entities prepares their financial statements in accordance with US GAAP. The Company prepares its financial information in accordance with International Financial Reporting Standards as adopted by the European Union (**IFRS**).

There are no material differences between US GAAP and IFRS which would result in any differences in the financial statements for Narf if they were prepared in accordance with IFRS and no material differences between the accounting policies adopted by the Company and those adopted by Narf.

There are however certain differences between US GAAP and IFRS in respect of how revenue is recognised, as set out below.

### *Revenue Recognition*

IFRS Approach - The five step model framework

The core principle of IFRS 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework: [IFRS 15:IN7], namely:

- (i) Identify the contract(s) with a customer
- (ii) Identify the performance obligations in the contract
- (iii) Determine the transaction price
- (iv) Allocate the transaction price to the performance obligations in the contract and
- (v) Recognise revenue when (or as) the entity satisfies a performance obligation.

US GAAP rules are detailed regarding specific industries, such as real estate or software. It starts by determining whether a sale is realised or realisable and then whether it has been earned. Revenue is not recognised until the exchange of value has actually occurred.

#### *Recognition and Valuation of Intangible non-current Assets*

Intangible assets are identifiable non-monetary assets without physical substance.

#### *R&D-*

Ordinarily under US GAAP, all R&D costs are immediately charged to expenses. Certain development costs pertaining to software development are however allowed to be capitalised similar to IFRS. Valuation is assessed and the asset is amortised over their determined benefit period.

Since each of Narf Industries LLC's and Narf Industries PR LLC's incorporation all R&D, patent and other similar costs have been charged to expenses in the period in which they occur.

#### *Other Intangible Assets-*

The treatment of Brands, Trademarks and Patents is materially the same under IFRS and US GAAP.

#### *Confirmations*

In accordance with Listing Rule 5.6.15G(3), the Directors<sup>3</sup> confirm that they consider that the information in this section contains sufficient information about Narf Industries LLC and Narf Industries PR LLC to provide a properly informed basis for assessing its financial position.

In accordance with Listing Rule 5.6.15(G)(4), the Directors confirm that the Company has made the necessary arrangements with the selling shareholders of Narf Industries LLC and Narf Industries PR LLC to enable the Company to keep the market informed without delay of any developments concerning Narf and its group that would be required to be released were each of Narf Industries LLC and Narf Industries PR LLC part of the Company.

The Directors also confirm that until such time as a prospectus is published in relation to any transaction with Narf or discussions between the parties are terminated (or such other date as required by the Financial Conduct Authority), the Company will make any announcement that would be required in order for it to be compliant with its obligations under Article 17(1) (public disclosure of inside information) of the Market Abuse Regulation (as in force in the United Kingdom) on the basis that each of Narf Industries LLC and Narf Industries PR LLC already form part of the Company's enlarged group.

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<sup>3</sup> "Directors" in this instance are those Directors of the Independent Acquisitions Committee, being John Herring, Rory Heier and Robert Mitchell. Steve Bassi is not part of the Board providing this confirmation given his interest in Narf.

## Polyswarm LOI

On 6 October 2020, the Company entered into an LOI for the possible acquisition of Swarm Industries Inc and Swarm Technologies Inc (together, **Polyswarm** and the **Polyswarm Acquisition**).

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 (company number 201804692C). The founder, principal shareholder and CEO of each of Swarm Industries Inc and Swarm Technologies Inc is Steve Bassi, a director of the Company.

No decision has been made by the Company on whether to proceed with the Polyswarm Acquisition, and there is no certainty that the Polyswarm Acquisition will happen. The LOI has an exclusivity period to 30 April 2021 which precludes Polyswarm and its shareholders from dealing with third parties in relation to any acquisition.

The LOI in respect of Polyswarm presumes (subject to due diligence) a valuation of Polyswarm of £61.6m (\$80m) to be paid 90 per cent. by the way of the issuance of Ordinary Shares (at a deemed issue price of £0.03 per Ordinary Share) and 10 per cent. by the way of cash consideration.

Under Listing Rule 5.6, the Company is required to provide certain information regarding Polyswarm to ensure that there is sufficient information available to the public with regard to the proposed transaction in order to avoid suspension of the Company's shares. As neither Swarm Industries Inc nor Swarm Technologies Inc are listed on any stock exchange and are not subject to any public disclosure regime, the information required under LR 5.6.15G is set out below.

### *Background on Polyswarm*

Polyswarm has built a Threat Intelligence Anti-Virus Platform utilising Crowd and Cloud to harvest data across a vast global network of anti-virus engines (**engines**) giving a unique data point for their global client base. Polyswarm considers its Platform to be an effective way to detect, analyse and respond to the latest threats, especially those more likely to go undetected by existing solutions. The Platform acts as a launchpad for new technologies and innovative threat detection methods, summarising crowdsourced opinions into a single authoritative number to enable Security Operations Centre automation.

Since Swarm Technology Inc's Series A fundraise in early 2018, Polyswarm has grown to over 500 enterprise user accounts and 1,500 researcher accounts on the Platform and over 50 engines participating, including CrowdStrike Falcon ML, and numerous Product Integrators including Anomali, Threat Connect, Splunk and Palo Alto's Demisto, scaling to over 5 million assertions<sup>4</sup> a day on its Platform, with a client base that includes members of the Fortune 500 in Finance and Technology.

### *Rationale for the Polyswarm Acquisition*

The rationale for the Polyswarm Acquisition, if it proceeds, would be to fulfil the purpose of the Company as a SPAC looking to establish itself in the cyber security sector, and to give Polyswarm the benefits of a higher profile and easier access to capital that come with being part of a listed group.

Given the current status of the Company as a SPAC, the Polyswarm Acquisition would see considerable value enhancement for the Company, given the potential of Polyswarm and the sector in which it operates.

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<sup>4</sup> This relates to unique or first ever seen malware artefacts.

### *Key non-financial operating or performance measures*

The four key non-financial operating and performance measures used by Polyswarm in the development of its business are: (a) the number of engines on the Platform; (b) number of first time daily assertions (being an assessment of a malware artefact by an engine); (c) number of unique or first seen malicious samples detected through the Platform; and (d) the number of enterprise users.

These key measures are reviewed by volume. Polyswarm became operational in mid-2019. Since the start of operations, growth has been significant. Currently the number of engines on the Platform is 55 (having been 30 as at 31 December 2019 and 12 as at 31 December 2018), the average number of first time daily assertions c.5m (having been c.1.26m in December 2019 and 0 in December 2018), with 1.1m unique/first seen samples detected per day (0.3m in December 2019 and 0 in December 2018) and the number of enterprise users exceeding 500 (having been 104 in December 2019 and 0 in December 2018).

### *Trends in the Market*

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 Election influence operations, medical and scientific espionage around the COVID-19 vaccines, and the Solarwinds compromise. The limited cyber human resource must be applied towards developing software to address these challenges as the scale and scope of attacker activity is only addressable through automated means.

As the volume and complexity of cyber threats increase, contextualising and prioritising becomes more critical. Building a more comprehensive and more efficient solution is the way forward. The growing volume and complexity of these threats may, if the trend continues, drive further demand for Swarm's offerings in the course of 2021.

### *Trends since 31 December 2020*

In the period since 31 December 2020 there have been no significant trends in production, sales, inventory, costs, or selling prices in respect of either Swarm Industries Inc's or Swarm Technologies Inc's business.

Since 31 December 2020, there has been no significant change in the financial performance of either Swarm Industries Inc or Swarm Technologies Inc.

### *Financial information on Polyswarm*

The table below contains summary unaudited financial information of Swarm Industries Inc and Swarm Technologies Inc on a consolidated basis for the 3 years ended 31 December 2020:

	<b>2020 USD</b>	<b>2019 USD</b>	<b>2018 USD</b>
<b>Revenue</b>	808,435	-	-
<b>Operating expenses</b>	(3,795,749)	(5,161,592)	(7,926,505)
<b>Other expenses</b>	(32,112)	49,428	(22,779)
<b>Profit / (loss) before tax</b>	(3,019,426)	(5,112,164)	(7,949,284)
<b>Net profit (loss)</b>	(3,019,426)	(5,112,164)	(7,949,284)

<b>Total assets</b>	2,346,407	4,208,934	7,925,776
<b>Net assets</b>	416,662	2,290,399	7,402,564
<b>Cash and bank balance</b>	192,042	94,764	1,258,501
<b>Shareholders equity</b>	16,698,147	15,340,975	15,340,975
<b>Total liabilities</b>	(1,929,745)	(1,918,535)	(523,212)
<b>Cash from / (used) in operating activities</b>	(2,728,910)	(3,686,625)	(11,816,440)

#### *Key differences in accounting policies*

Each of Swarm Industries Inc and Swarm Technologies Inc prepares its financial statements in accordance with US GAAP. The Company prepares its financial information in accordance with IFRS.

There are no material differences between US GAAP and IFRS which would result in any differences in the financial statements for Polyswarm if they were prepared in accordance with IFRS and no material differences between the accounting policies adopted by the Company and those adopted by Polyswarm.

There are however certain differences between US GAAP and IFRS in respect of how revenue is recognised, as set out below:

#### *Revenue Recognition*

IFRS Approach - The five step model framework

The core principle of IFRS 15 is that an entity will recognise revenue to depict the transfer of promised goods or services to customers in an amount that reflects the consideration to which the entity expects to be entitled in exchange for those goods or services. This core principle is delivered in a five-step model framework: [IFRS 15:IN7], namely

- (i) Identify the contract(s) with a customer
- (ii) Identify the performance obligations in the contract
- (iii) Determine the transaction price
- (iv) Allocate the transaction price to the performance obligations in the contract and
- (v) Recognise revenue when (or as) the entity satisfies a performance obligation.

US GAAP rules are detailed regarding specific industries, such as real estate or software. It starts by determining whether a sale is realised or realisable and then whether it has been earned. Revenue is not recognised until the exchange of value has actually occurred.

#### *Recognition and Valuation of Intangible non-current Assets*

Intangible assets are identifiable non-monetary assets without physical substance

#### *R&D-*

Ordinarily under US GAAP, all R&D costs are immediately charged to expenses. Certain development costs pertaining to software development are however allowed to be capitalised similar to IFRS. Valuation is assessed and the asset is amortised over their determined benefit period.

Since the incorporation of each of Swarm Industries Inc and Swarm Technologies Inc all R&D, platform, product and similar costs have been charged to expenses in the period in which they occur.

### *Other Intangible Assets-*

The treatment of Brands, Trademarks and Patents is the same under IFRS and US GAAP.

### *Confirmations*

In accordance with Listing Rule 5.6.15G(3), the Directors<sup>5</sup> confirm that they consider that the information in this section contains sufficient information about Swarm Industries Inc and Swarm Technologies Inc to provide a properly informed basis for assessing its financial position.

In accordance with Listing Rule 5.6.15(G)(4), the Directors confirm that the Company has made the necessary arrangements with the selling shareholders of Swarm Industries Inc and Swarm Technologies Inc to enable the Company to keep the market informed without delay of any developments concerning Polyswarm and its group that would be required to be released were Swarm Industries Inc and Swarm Technologies Inc each part of the Company's group.

The Directors also confirm that until such time as a prospectus is published in relation to any transaction with Polyswarm or discussions between the parties are terminated (or such other date as required by the Financial Conduct Authority), the Company will make any announcement that would be required in order for it to be compliant with its obligations under Article 17(1) (public disclosure of inside information) of the Market Abuse Regulation (as in force in the United Kingdom) on the basis that each of Swarm Industries Inc and Swarm Technologies group already form part of the Company's enlarged group.

In the event that, following Admission, the Company proceeds with a transaction contemplated by either LOI (or any other transaction) and/or the Company's share price sees an unexplained movement and/or the FCA determines that a reverse takeover is in contemplation, the FCA may require that the Company's Ordinary Shares will be suspended from trading pending completion of the transaction on the basis that the Company would be unable to assess accurately its financial position. If the transaction does complete, as it will be a reverse takeover, the Company will be required to apply for the listing of the enlarged share capital and to produce a further prospectus. If the transaction does not complete for any reason the suspension from trading will be lifted.

### **Independent Acquisitions Committee**

Steve Bassi, a director of the Company, is a principal shareholder of both Narf and Polyswarm and did not take part in any of the deliberations of the Company in negotiating the LOIs. The Company's Independent Acquisitions Committee (consisting of all directors other than Steve Bassi) reviewed and agreed the terms of each LOI.

The LOIs are both non-binding and do not commit the Company to proceed with either transaction or even commencing any due diligence. To date, the Company has only carried out high-level preliminary due diligence on each of Narf and Polyswarm.

Further details of the LOIs are set out at paragraphs 13.1 and 13.2 of Part VI (*Additional Information*).

Following its first acquisition, which will see the Company go from being considered a SPAC to being the holding company of an operational business, the Directors may continue to seek out further opportunities which may be bolt-on acquisitions to the acquired business, so as to create a platform, or constitute a separate standalone division. Whilst the first acquired business may enable the Company to build a platform in order to undertake complementary acquisitions, there is no specific number of such further acquisitions currently envisaged and no specific timeframe over which those acquisitions may be made.

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<sup>5</sup> "Directors" in this instance are those Directors of the Independent Acquisitions Committee, being John Herring, Rory Heier and Robert Mitchell. Steve Bassi is not part of the Board providing confirmation given his interest in Polyswarm.

Whether the first acquisition is followed by further bolt-on acquisitions will depend greatly on the profile and needs of that initial target. Once acquired, there may be a compelling reason to seek further complementary businesses. However, it is also possible that the Directors will concentrate on the business of the enlarged group following the initial acquisition and seek to grow that organically.

The Company considers that part of the attraction of companies operating in the Cyber Security sector is the ability to consolidate and scale up an offering in order to increase the range products and solutions which can be sold to customers and potential consumers.

Whilst the Company has entered into the LOIs and had some initial discussions with other potential targets, no such other discussions are currently progressed beyond high-level verbal discussions and the Directors are free to assess further potential targets as they see fit.

Shareholders and prospective Investors should note that no specific shareholder vote is required on the terms of any proposed acquisition, and the Company does not intend to offer shareholders the opportunity to vote on any such matter. However, given the likely valuation of any target to be acquired, it is highly probable that any acquisition will require the Company to seek authorities from Shareholders to allot and issue the related consideration shares. In addition, Shareholders should note that there is no specific date by which the Company is required to have completed an acquisition.

### **Sector Overview**

As businesses develop and implement digitisation strategies and implement their digital transformation plans, the rapid interconnectivity of enterprises, people, functions, systems and devices continues to grow. There is a growing pressure to ensure all enterprises on both a corporate and individual employee level can understand, manage and protect their critical data and information. At a time when Cyber-attacks are becoming more sophisticated, the increasing tempo of threat and the need to become more resilient is increasing, outpacing the ability and capability of many organisations and individuals to respond.

Organisations are continually having to re-assess their approach to Cyber Security. Many are moving from meeting just the minimum regulatory or compliance requirements and are now looking to consider the wider topic of Cyber Resilience and the potential impact to their business processes, operations, people, clients and core data and information assets they possess. Cyber Security is now very much a C-Suite consideration with businesses willing to spend significant sums and management time on ensuring they remain protected at all times. The adverse reputational consequences of businesses suffering a cyber-attack are potentially severe, both in terms of the actions of any relevant regulators and the consumer perception of the business (particularly if personal data is compromised).

The Company has witnessed a rise in workforce mobility throughout 2020, increasing the need for organizations to monitor and protect their workloads for employees not in the office. This has expanded the threat of attack and left many companies unprepared for the dangers of a breach in their system.

The Company believes that the development of Cyber Resilience is a fundamental for all organisations irrespective of size and provides an attractive market opportunity for an aggregator company in the sector to address Cyber Resilience solutions, services and technologies.

International Data Corporation (**IDC**) currently forecasts that the Cyber Security products and services market will reach US\$151.2 billion in 2023, representing a CAGR of 9.4 per cent. from 2019 to 2023, with the banking sector, manufacturing and governments leading the way in total spending globally accounting for almost 30% of the entire market spend.

### **Key trends driving growth**

The Directors believe that there are a number of key trends that are driving the need for a new approach to security and they intend to look for acquisition targets with products which seek to address these trends:

- *Growing complexity of attacks*- Today's cybersecurity threat landscape is more dangerous than ever and breaches are complex. A typical breach could start by entering a system using malware, malware-free or file-less methods to penetrate endpoints, gaining access inside the corporate perimeter. Once inside, adversaries collect credentials and escalate privileges enabling them to download a larger, more destructive malware program or connect with an external control source, providing the ability to encrypt, destroy, or silently exfiltrate sensitive data.
- *Increased sophistication of attacks*: Increasingly, adversaries are well-trained, possess significant technological and human resources, and are highly deliberate and targeted in their attacks. Adversaries today include the military and intelligence services of well-funded nation-states to sophisticated criminal organisations who are motivated by financial gains to, as well as individual hackers. These groups and individuals are responsible for many breaches that involve theft or holding hostage financial data, intellectual property, and trade secrets. These attacks are pervasive, targeting a broad range of industries including technology, transportation, healthcare, pharmaceuticals, financial services, governments and political organizations, utility, retail, and public infrastructure. On a number of occasions, adversaries have launched devastating, destructive attacks that have caused significant business disruption and billions of dollars in cumulative losses. For example, cyber risk modelling firm Cyence Inc. estimated that the overall global economic costs incurred from the 2017 WannaCry attack were between \$4 billion and \$8 billion.
- *Expanding attack surface*—Organisations are experiencing changes in the number and types of devices and operating systems that are being used within their networks. To complement traditional desktop and laptop PCs, the number and usage of smartphones and tablets to create, store, access and share corporate data are increasing rapidly in the workplace. The consumerisation of IT devices and bring your own device (“BYOD”) programmes mean organisations have less control over the ever-increasing number of devices accessing their network and the way those devices are used. In addition, the Internet of Things (“IoT”) is driving gains in wireless and the need for network-based protection for a rapidly expanding number of new Internet-connected devices and sensors.
- *Porous perimeter*—Corporations and their employees are increasingly accessing corporate data from outside the corporate perimeter, including employees working while travelling or at home and employees using cloud-delivered services across a wide variety of applications, such as customer relationship management, web and video conferencing and online file sharing services. Companies are also beginning to outsource core computer and storage functions to “infrastructure as a service” vendors, such as Amazon Web Services. This risk has particularly increased during the Covid-19 pandemic as entire workforces have been required to work from home.
- *Increasing hacker sophistication and number of data breaches*—As evidenced by a near continuous wave of widely publicised corporate IT security breaches, companies globally are facing a surge in the number of attacks and an increase in the sophistication of attacks that exploit previously unknown vulnerabilities (“zero-day vulnerabilities”). Cyber criminals, motivated mostly by financial gains and/or political reasons, are becoming more organised and better funded, with research and development capabilities that can often be compared to those of mainstream IT security providers. In turn, companies globally are looking for more robust IT security solutions that provide end-to-end security and prevent hackers from exploiting zero-day vulnerabilities in their applications and operating systems, or if hackers are successful in penetrating a system, to very quickly identify their presence and isolate and remediate the threat.
- *Growing awareness of risks*— The growing number of high-profile corporate IT security breaches will continue to increase the general awareness of risks and the associated consequences for

organisations of all sizes. For example, in the aftermath of the Target data breach in late 2013/early 2014 which saw millions of consumer credit card details compromised, both the CIO and the CEO left the company and calls were made for board members to be replaced. In addition to high profile attacks, a significant number of attacks are experienced by smaller organisations. According to the Verizon 2018 Data Breach Investigations Report, at least 51 per cent. of data breaches affect organisations with fewer than 10,000 employees. This growing awareness is also evidenced by the fact that 68 per cent. of large enterprises and 54 per cent. of small and medium enterprises provided on-going security awareness training to their staff in 2014, according to PwC<sup>6</sup>. As threats have become more advanced and hackers more sophisticated, the impact of data breaches has grown dramatically in terms of widespread and serious consequences for organisations, resulting in IT security remaining the top priority for senior management for organisations of all sizes.

### ***Regulatory environment***

The Cyber Security market is one which seeks to deal with criminal attacks on the integrity of a computer network. Whilst any such illegal and/or malicious attacks are prohibited by law in almost all jurisdictions worldwide, the ability of an enterprise to protect itself from such attacks, whether proactively or reactively, is not generally governed by any specific legislation in any jurisdiction.

However, the services of any business acquired by the Company will be informed by, and required for, customers in a wide variety of sectors who will be subject to both general law and regulation as well as sector specific regulation.

For example, the Bank of England's 2018-19 Annual Report noted that as financial services firms use technology to an ever greater extent, cyber risk is becoming inherent to them. For the larger banks and firms regulated by the Prudential Regulation Authority, their systems are continually evaluated by penetration tests and the Bank of England has drawn up standards for how quickly those critical financial institutions must be able to restore vital services following a cyber-attack. Therefore it is of material importance that any solutions offered by the Company and its acquired businesses can prevent attacks to ensure that such customers are in compliance with their regulatory obligations.

As a further example, the EU General Data Protection Regulation (**GDPR**) and the UK Data Protection Act 2018 (**DPA**), both of which came into force in 2018 increased the focus on data protection for companies and individuals across all sectors and industries, and across various jurisdictions, including outside of the UK and the EU. The GDPR and DPA greatly increased both the obligations on organisations to maintain, store and protect data obtained by them as well the financial and other penalties for failing to adhere to such requirements. The security of data is a key aspect to any Cyber Resilience policy and the Company anticipates that its products and services offered to corporates will need to address such concerns.

To the extent that the Company has customers operating in a field or sector where there is specific regulation which needs to be adhered to in connection with providing Cyber Security services, the Company will seek to ensure that its products meet such regulatory requirements and/or enable the customer to do so.

### ***Covid-19 impact on Cyber Security and on CYBA***

Whilst the current Covid-19 pandemic has not directly affected the Company, it has had an impact on the Cyber Security industry. In particular, there has been an increased focus on the need for increased cyber security with employees working from home, often on personal computer devices which may not have up-to-date (or any) cyber security software. There has also been an increase in attempted fraud and phishing

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<sup>6</sup> <https://www.pwc.com/us/en/services/consulting/cybersecurity/library/information-security-survey.html>

attacks using, for example, emails purporting to come from agencies such as the World Health Organisation containing Covid-19 information.

This increased focus on Cyber-Security may see valuations for potential targets increase, particularly for targets which have seen improved financial performance during the crisis and/or whose products become more popular. In the longer term, the Directors believe this will benefit the Company post-acquisition because of increased demand for Cyber-Security solutions. However, the wider financial impact of Covid-19, which may take many years to be fully capable of assessing, could disrupt the Cyber Security industry particularly if there is a global recession which sees job losses and less capital expenditure by corporates and individuals.

### **3 CAPITAL MANAGEMENT AND DIVIDEND POLICY**

Prior to Admission, the Company undertook the Pre-IPO Placing, which was carried out between January 2019 and December 2020 to raise money by issues of Ordinary Shares at £0.01 to assist both with the costs of Admission and to enable the Company to have sufficient funds once listed to evaluate potential targets and to execute its first transaction. The net proceeds from the Pre-IPO Placing were £3,501,174.

The Directors believe that the Company's cash at bank at Admission from the Pre-IPO Placing will enable the Company to undertake due diligence on a number of potential targets and to execute its first acquisition. The Company's cash is maintained in a bank account in respect of which two directors are on the mandate. It is likely that due diligence fees will be payable on completion of the relevant acquisition, but there may be certain due diligence fees which have to be incurred upfront and whilst the Company will seek to agree abort arrangements with providers of legal, financial and technical due diligence services, in the event that the Company is required to expend relatively significant sums on due diligence but is unable to complete a transaction for any reason, the Company may be required to seek further finance before completion of its first acquisition if it has expended significant sums on a previous due diligence exercise.

The Directors may, at that time, seek to raise further funds by way of equity and/or debt in order to support the then enlarged group's increased working capital requirements.

The Company expects that any returns for Shareholders will derive primarily from capital appreciation of the Ordinary Shares and any dividends paid pursuant to the Company's dividend policy set out in this paragraph.

However, Investors should note that until it completes its first acquisition, the Company will not be in a position to declare or pay dividends. Following such acquisition, the ability of the Company to do so will depend on a wide number of different factors, including the Company's cash requirements and the financial position and performance of its enlarged group. Shareholders should therefore be aware that the Company is unlikely to declare dividends in the foreseeable future.

### **4 CORPORATE GOVERNANCE**

The Company's corporate governance regime is further detailed at Part II below.

### **5 CONFLICTS OF INTEREST**

On 1 June 2019 the Board established an Independent Acquisitions Committee to facilitate the process of reviewing and assessing acquisitions and other similar transactions that are introduced to the Company by one of the Board of Directors or any of their affiliated parties. In the event of any such introductions, the relevant director is automatically excluded from the deliberations of the Independent Acquisitions Committee and will take no part in decisions as to whether to proceed (or not proceed) and in relation to any commercial terms.

The Directors are not party to any arrangements such that they will be rewarded or otherwise remunerated on completion of an acquisition.

## PART II

### THE COMPANY, BOARD AND CORPORATE GOVERNANCE

#### 1 THE COMPANY

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.

#### 2 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 8 of Part VI (*Additional Information*) of this Document. The Directors will seek to appoint further members to the Board in conjunction with the Company's first transaction.

##### **Steve Bassi (36)**

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 Industries LLC, a specialist niche information security R&D firm, with marquee clients from the Defense Advanced Research Projects Agency (**DARPA**) to members of the Fortune 500. 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. He previously 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 (**CTF**) 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 (64)**

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 (42)**

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 £300billion.

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 (55, Chairman)**

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.

## **3 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 equivalent to \$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 equivalent to \$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 8 of Part VI (*Additional Information*). The Directors have been paid since their appointment but have agreed that in the event that the Company's cash balance prior to executing its first acquisition falls to below £200,000 that

they will stop taking their fees in cash and will instead accrue such monthly amounts until such time as the Company completes its acquisition or its cash balance goes above £200,000. Alternatively, any amounts owed will be settled through the issue in new Ordinary Shares.

## **4 STRATEGIC DECISIONS**

### **4.1 *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.

### **4.2 *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.

### **4.3 *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 Admission.

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.

### **4.4 *Committees***

The Board has established an Audit Committee and a Nomination and Remuneration Committee with effect from Admission. 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.

#### **4.5 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 Admission. 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.

#### **4.6 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 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 17 of this Document.**

## PART III

### SHARE CAPITAL, LIQUIDITY AND CAPITAL RESOURCES AND ACCOUNTING POLICIES

#### 1 SHARE CAPITAL

The Company was incorporated on 28 November 2018 under the Companies Act.

Details of the current issued share capital of the Company are set out in paragraph 3 of Part VI (*Additional Information*). The currency of the securities issue is Pounds Sterling and the Ordinary Shares were created under the Companies Act.

The Articles permit the holding of Ordinary Shares in uncertificated form under the CREST system. CREST is the system for paperless settlement of trades in listed securities operated by Euroclear. CREST allows securities to be transferred from one person's CREST account to another's without the need to use share certificates or written instruments of transfer.

Application has been made for the Ordinary Shares to be admitted to CREST with effect from Admission. Accordingly, settlement of transactions in the Ordinary Shares following Admission may take place within the CREST System if any Shareholder (as applicable) so wishes. CREST is a voluntary system and holders of Ordinary Shares who wish to receive and retain share certificates will be able to do so.

All of the issued Ordinary Shares will be in registered form, and capable of being held in certificated or uncertificated form. The Registrar will be responsible for maintaining the share register. Temporary documents of title will not be issued. The ISIN number of the Ordinary Shares is GB00BMH18M70. The SEDOL number of the Ordinary Shares is BMH18M7.

#### 2 FINANCIAL POSITION

The financial information in respect of the Company upon which PKF Littlejohn LLP has provided the accountant's report in Section A of Part IV (*Financial Information on the Company*) of this Document as at 31 March 2020 is set out in that Part.

#### 3 LIQUIDITY AND CAPITAL RESOURCES

##### 3.1 Sources of cash and liquidity

The Company's sources of cash from Admission will be the proceeds from the Pre-IPO Placing and from its other pre-IPO equity fundraise rounds. Until such time as it is required to be deployed, the Company will maintain the cash in its account held with a UK regulated high street bank. The Company will have no cash generating operations on Admission.

The Company may raise additional capital from time to time. Such capital may be raised through share issues (such as rights issues, open offers or private offers) or borrowings.

Although the Company envisages that any capital raised will be from new equity, the Company may also choose to utilise debt financing. Any debt financing used by the Company is expected to take the form of bank financing, although no financing arrangements are currently in place.

If debt financing is utilised, there will be additional servicing costs. Furthermore, while the terms of any such financing cannot be predicted, such terms may subject the Company to financial and operating covenants or other restrictions, including restrictions that might limit the Company's ability to make distributions to Shareholders.

Substantially all of the cash raised (including cash from any subsequent share offers) is expected to be used for working capital, primarily in relation to due diligence on potential transactions.

The Company's future liquidity will depend in the medium to longer term primarily on: (i) its revenues and profitability following any acquisitions; (ii) the Company's management of available cash; (iii) cash distributions on sale of existing assets; (iv) the use of borrowings, if any, to fund short-term liquidity needs; and (v) dividends or distributions from any subsidiary companies.

### 3.2 **Cash uses**

The Company's principal use of cash will be as working capital which will be primarily utilised to enable the Company to carry out due diligence on potential acquisitions. The Company's current intention is to retain earnings for use in its business operations and it does not anticipate being able declaring any dividends in the short to medium term. In accordance with the Company's business strategy and applicable laws, it may, following completion of the first acquisition, elect to make distributions to Shareholders in accordance with the Company's dividend policy as described in Part I of this Document.

### 3.3 **Use of Proceeds**

The Company has raised gross proceeds of £3,832,500 through a pre-IPO fundraise and the total expenses incurred (or to be incurred) by the Company in connection with the pre-IPO fundraise are approximately £331,326 (such that the net proceeds will be approximately £3,501,174 (**Net Proceeds**)).

It is anticipated by the management of the Company that the Net Proceeds will be used as follows:

	£
Directors' fees	508,975
Advisor fees	781,703
Listing costs	117,000
General and administrative	695,644
Cash held for use in acquiring target	1,397,852
<b>Total</b>	<b>3,501,174</b>

### 3.4 **Indebtedness**

As at the date of this Document, the Company has no guaranteed, secured, unguaranteed or unsecured debt and no indirect or contingent indebtedness.

### 3.5 **Accounting policies and financial reporting**

The Company's financial year end is 31 March, and its first set of audited annual financial statements published following Admission will be for the period to 31 March 2021. The Company will produce and publish half-yearly financial statements as required by the Disclosure Guidance and Transparency Rules. The Company will present its financial statements in accordance with IFRS as adopted by the European Union.

## PART IV

### FINANCIAL INFORMATION ON THE COMPANY

#### (A) ACCOUNTANTS' REPORT ON THE HISTORICAL FINANCIAL INFORMATION RELATING TO THE COMPANY

PKF Littlejohn LLP



3 March 2021

Dear Sirs

#### **CYBA plc (the “Company”)**

We report on the financial information set out below relating to the Company for the period from incorporation of the Company to 31 March 2020 set out on pages 46 to 60 which comprises the Company Statement of Financial Position, the Income statement, the Statement of cash flows, the Statement of changes in equity and the related notes.

This financial information has been prepared for inclusion in the Prospectus dated 3 March 2021 of the Company on the basis of the accounting policies set out in Note 2. This report is required by Annex 1, Section 18, Item 18.3.1 of the PR Regulation and is given for the purpose of complying with that item and for no other purpose.

#### **Responsibilities**

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

It is our responsibility to form an opinion 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 Annex 1, Section 1, Item 1.2 of the PR Regulation 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 and our statement, required by and given solely for the purpose of complying with item 18.1 of Annex 1.3 of the PR Regulation, consenting to its inclusion in the Prospectus.

#### **Basis of opinion**

We conducted our work in accordance with the Standards for 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 significant estimates and judgments 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 misstatements whether caused by fraud or other irregularity or error.

### **Opinion of financial information**

In our opinion, the financial information gives, for the purposes of the Prospectus dated 3 March 2021, a true and fair view of the state of affairs of the Company as at 31 March 2020 and of its results, cash flows and changes in equity for the period ended 31 March 2020 with the basis of preparation set out in Note 2 and in accordance with IFRS.

### **Declaration**

For the purposes of Prospectus Regulation Rule 5.3.5R(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, Section 1, Item 1.2 of the PR Regulation.

Yours faithfully,

### **PKF Littlejohn LLP**

*Chartered Accountants*

15 Westferry Circus  
Canary Wharf  
London E14 4HD

## (B) HISTORICAL FINANCIAL INFORMATION ON THE COMPANY

### Statement of Comprehensive Income

	Notes	16- month period ended 31 March 2020 £
Administrative expenses		(1,422,878)
<b>Operating loss</b>		<b>(1,422,878)</b>
Finance costs		(138)
<b>Loss on ordinary activities before taxation</b>		<b>(1,423,016)</b>
Tax on loss on ordinary activities	6	-
<b>Loss and total comprehensive loss for the period attributable to the owners of the company</b>		<b>(1,423,016)</b>
Earnings per share (basic and diluted) attributable to the equity holders (pence)	7	(0.8)

The notes to the financial statements form an integral part of these financial statements.

## Statement of Financial Position

	Notes	As at 31 March 2020 £
<b>CURRENT ASSETS</b>		
Trade and other receivables	8	44,486
Cash and cash equivalents	9	552,977
		<hr/>
		597,463
		<hr/>
<b>TOTAL ASSETS</b>		<b>597,463</b>
		<hr/>
<b>CURRENT LIABILITIES</b>		
Trade and other payables	10	208,296
		<hr/>
<b>TOTAL LIABILITIES</b>		<b>208,296</b>
		<hr/>
<b>NET ASSETS</b>		<b>389,167</b>
		<hr/>
<b>EQUITY</b>		
Share capital	11	30,978
Share premium	11	1,757,068
Warrant reserve	12	24,137
Retained loss		(1,423,016)
		<hr/>
<b>TOTAL EQUITY</b>		<b>389,167</b>
		<hr/>

The notes to the financial statements form an integral part of these financial statements

## Statement of Changes in Equity

	Share Capital	Share Premium	Warrant reserve	Retained Loss	Total
	£	£	£	£	£
Balance at incorporation 28 November 2018	2	-	-	-	2
Total comprehensive loss for the period	-	-	-	(1,423,016)	(1,423,016)
Shares issued during the period	30,976	1,875,798	-	-	1,906,774
Costs related to share issues	-	(118,730)	-	-	(118,730)
Fair value of warrants issued in the period	-	-	24,137	-	24,137
<b>Balance at 31 March 2020</b>	<b>30,978</b>	<b>1,757,068</b>	<b>24,137</b>	<b>(1,423,016)</b>	<b>389,167</b>

## Statement of Cash Flows

	<b>Period ended 31 March 2020 £</b>
<b>Cash flow from operating activities</b>	
Loss for the period	(1,423,016)
Adjustments for:	
Increase in trade and other receivables	(44,486)
Increase in trade and other payables	208,296
Share based payments	24,137
Net cash outflow from operating activities	<u>(1,235,069)</u>
<b>Cashflow from financing activities</b>	
Proceeds on the issue of shares	1,906,776
Costs related to share issues	(118,730)
Net cash inflow from financing activities	<u>1,788,046</u>
Net increase in cash and cash equivalents	552,977
Cash and cash equivalents at the beginning of the period	-
Foreign exchange	-
<b>Cash and cash equivalents at the end of the period</b>	<u>552,977</u>

There were no cashflows from investing activities during the period.

## **Notes to the Financial Statements**

### **1 GENERAL INFORMATION**

The principal activity of Cyba Plc (the “Company”) is to identify potential companies, businesses or asset(s) that will increase shareholder value.

The Company is domiciled in the United Kingdom and incorporated and registered in England and Wales as a public limited company. The Company’s registered office is 5 Fleet Place, London EC4M 7RD. The Company’s registered number is 11701224.

### **2 ACCOUNTING POLICIES**

#### **2.1 Basis of preparation**

The Financial Statements of the Company have been prepared in accordance with International Financial Reporting Standards (“IFRS”) and IFRS Interpretations Committee (“IFRS IC”) as adopted by the European Union and the Companies Act 2006 applicable to companies reporting under IFRS.

The Financial Statements have been prepared under the historical cost convention unless otherwise stated. The principal accounting policies are set out below and have, unless otherwise stated, been applied consistently. The Financial Statements are prepared in pounds Sterling and presented to the nearest pound.

#### **2.2 Going concern**

The financial statements have been prepared on a going concern basis, which assumes that the Company will continue in operational existence for the foreseeable future.

The Company had a net cash outflow from operating activities for the period of £1,235,069 and at 31 March 2020 had cash and cash equivalents balance of £552,977. The Directors are confident that costs will be managed in line with expectations until a target company is acquired. The Directors have considered the management forecasts and utilisation of funds until an appropriate acquisition target has been identified, based on these factors the Directors consider that the entity is a going concern.

The Directors consider that the continued adoption of the going concern basis is appropriate having reviewed the forecasts for the 12 months from the date of signing the financial statements and the accounts do not reflect any adjustments that would be required if they were to be prepared on any basis and assessing the adverse impact that COVID-19 will have on the global economy. The Directors believe that the Company is in a strong working capital position that will mitigate any negative macroeconomic shocks.

#### **2.3 Foreign currency translation**

The financial information is presented in Sterling which is the Company’s functional and presentational currency.

Transactions in currencies other than the functional currency are recognised at the rates of exchange on the dates of the transactions. At each balance sheet date, monetary assets and liabilities are retranslated at the rates prevailing at the balance sheet date with differences recognised in the Statement of comprehensive income in the period in which they arise.

#### **2.4 Cash and cash equivalents**

Cash and cash equivalents comprise cash at hand and current and deposit balances at banks.

#### **2.5 Trade and other receivables**

Due to the short-term nature of the current receivables, their carrying amount is considered to be the same as their fair value.

## **2 ACCOUNTING POLICIES (CONTINUED)**

### **2.6 Trade and other payables**

Trade payables are recognised initially at their fair value and subsequently measured at amortised cost.

### **2.7 Financial instruments**

#### **Initial recognition**

A financial asset or financial liability is recognised in the statement of financial position of the Company when it arises or when the Company becomes part of the contractual terms of the financial instrument.

#### **Classification**

Financial assets at amortised cost

The Company measures financial assets at amortised cost if both of the following conditions are met

- the asset is held within a business model whose objective is to collect contractual cash flows; and
- the contractual terms of the financial asset generating cash flows at specified dates only pertain to capital and interest payments on the balance of the initial capital.

Financial assets which are measured at amortised cost, are measured using the Effective Interest Rate Method (EIR) and are subject to impairment. Gains and losses are recognised in profit or loss when the asset is derecognised, modified or impaired.

#### **Financial liabilities at amortised cost**

Financial liabilities measured at amortised cost using the effective interest rate method include current borrowings and trade and other payables that are short term in nature. Financial liabilities are derecognised if the Company's obligations specified in the contract expire or are discharged or cancelled.

Amortised cost is calculated by taking into account any discount or premium on acquisition and fees or costs that are an integral part of the effective interest rate ("EIR"). The EIR amortisation is included as finance costs in profit or loss. Trade payables other payables are non-interest bearing and are stated at amortised cost using the effective interest method.

#### **Derecognition**

A financial asset is derecognised when:

- the rights to receive cash flows from the asset have expired, or
- the Company has transferred its rights to receive cash flows from the asset or has undertaken the commitment to fully pay the cash flows received without significant delay to a third party under an arrangement and has either (a) transferred substantially all the risks and the assets of the asset or (b) has neither transferred nor held substantially all the risks and estimates of the asset but has transferred the control of the asset.

## **2 ACCOUNTING POLICIES (CONTINUED)**

### **Impairment**

The Company recognises a provision for impairment for expected credit losses regarding all financial assets. Expected credit losses are based on the balance between all the payable contractual cash flows and all discounted cash flows that the Company expects to receive. Regarding trade receivables, the Company applies the IFRS 9 simplified approach in order to calculate expected credit losses. Therefore, at every reporting date, provision for losses regarding a financial instrument is measured at an amount equal to the expected credit losses over its lifetime without monitoring changes in credit risk. To measure expected credit losses, trade receivables and contract assets have been grouped based on shared risk characteristics.

### **2.8 Equity**

Share capital is determined using the nominal value of shares that have been issued.

The Share premium account includes any premiums received on the initial issuing of the share capital. Any transaction costs associated with the issuing of shares are deducted from the Share premium account, net of any related income tax benefits.

Equity-settled share-based payments are credited to a share-based payment reserve as a component of equity until related options or warrants are exercised or lapse.

The warrant reserve includes share warrants issued to shareholders in connection with share capital issues that are measured at fair value at the date of issue and treated as a separate component of equity.

Retained losses includes all current and prior period results as disclosed in the income statement.

### **2.9 Earnings per share**

Basic earnings per share is calculated by dividing:

The loss attributable to owners of the company, excluding any costs of servicing equity other than ordinary shares.

By weighting the average number of ordinary shares outstanding during the financial period.

### **2.10 Share-based payments**

The Company has issued warrants to the initial investors and certain counter parties and advisers.

Equity-settled share-based payments are measured at fair value (excluding the effect of non-market based vesting conditions) at date of grant. The fair value so determined is expensed on a straight-line basis over the vesting period, based on the Company's estimate of the number of shares that will eventually vest and adjusted for the effect of non-market based vesting conditions.

Fair value is measured using the Black Scholes pricing model. The key assumption used in the model have been adjusted, based on management's best estimate, for the effects of non-transferability, exercise restrictions and behavioural considerations.

### **2.11 Taxation**

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

## 2 ACCOUNTING POLICIES (CONTINUED)

Deferred tax is recognised 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 initial recognition of goodwill or from the initial recognition (other than in a business combination) of other assets and liabilities in a transaction that affects neither the taxable profit nor the accounting profit.

Deferred tax liabilities are recognised for taxable temporary differences arising on investments in subsidiaries and associates, and interests in joint ventures, except where the Company is able to control the reversal of the temporary difference and it is probable that the temporary difference will not reverse in the foreseeable future.

The carrying amount of deferred tax assets is reviewed at each balance sheet date and reduced to the extent that it is no longer probable that sufficient taxable profits will be available to allow all or part of the asset to be recovered.

Deferred tax is calculated at the tax rates that are expected to apply in the period when the liability is settled, or the asset realised. Deferred tax is charged or credited to profit or loss, 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 there is a legally enforceable right to set off current tax assets against current tax liabilities and when they relate to income taxes levied by the same taxation authority and the Company intends to settle its current tax assets and liabilities on a net basis.

### 2.11 Critical accounting judgements and key sources of estimation uncertainty

In the process of applying the entity's accounting policies, management makes estimates and assumptions that have an effect on the amounts recognised in the financial information. Although these estimates are based on management's best knowledge of current events and actions, actual results may ultimately differ from those estimates. The Directors consider that there are no critical accounting judgements or key sources of estimation uncertainty relating to the financial information of the Company.

### Share Based Payments

The estimate of share-based payments costs requires management to select an appropriate valuation model and make decisions about various inputs into the model. The Company estimates the fair value of the issued warrants using the Black-Scholes pricing model taking into account the terms and conditions upon which the warrants were issued. Various inputs that management have estimated include the use of a comparable public company's share price volatility, the probable life of the warrants, the vesting date of warrants where non-market performance conditions have been set and the risk-free interest rate.

### 2.12 Standards, amendments and interpretations to existing standards that are not yet effective

#### Standards issued but not yet effective:

At the date of authorisation of these financial statements, the following standards and interpretations relevant to the Company and which have not been applied in these financial statements, were in issue but were not yet effective. In some cases, these standards and guidance have not been endorsed for use in the European Union.

Standard	Effective date, annual period beginning on or after
IFRS 16 Leases	1 January 2019
IFRIC 23 – Uncertainty over Income Tax Treatments	1 January 2019

Amendments to IAS 28 – Long-term Interests in Associates and Joint Ventures	1 January 2019
Annual improvements 2015-2017 cycle	1 January 2019
Amendments to References to the Conceptual Framework in IFRS Standards	1 January 2020

The directors are evaluating the impact that these standards will have on the financial statements of the Company but it is not anticipated that they will have a material impact on the company.

### 2.13 Segmental reporting

Operating segments are reported in a manner consistent with the internal reporting provided to the chief operating decision-maker.

The chief operating decision-maker, who is responsible for allocating resources and assessing performance of the operating segments, has been identified as the Board as a whole.

Given the current operations of the Company there are no reportable segments.

## 3. REVENUE

There was no revenue generated in the period.

## 4. ADMINISTRATIVE EXPENSES

This is stated after charging:

	<b>2020</b> <b>£</b>
Auditor's remuneration	
- audit of the Company	15,000
- non-audit services	
taxation compliance services	-
other taxation services	-
corporate finance services	-
Directors' remuneration	308,937
Stock exchange and regulatory expenses	17,000

## 5. DIRECTORS AND STAFF COSTS

During the period the only staff of the Company were the Directors and as such key management personnel. Management remuneration, other benefits supplied and social security costs to the Directors during the period was as follows:

	<b>2020</b> <b>£</b>
Directors' fees	308,937
	<b>308,937</b>

The average number of staff during the period, including Directors was 4.

The remuneration and associated social security costs per Director was all short term in nature and was as follows:

	Directors' Fees	Share Based Payments	2020 £
R Mitchell	111,476	-	111,476
S Bassi	58,452	-	58,452
J Herring	58,452	-	58,452
R Heier	70,500	10,057	80,557
	<b>298,880</b>	<b>10,057</b>	<b>308,937</b>

## 6. TAXATION

	2020 £
The charge / credit for the period is made up as follows:	
Corporation taxation on the results for the period	-
Deferred tax	-
Taxation charge / credit for the period	-

A reconciliation of the tax charge / credit appearing in the income statement to the tax that would result from applying the standard rate of tax to the results for the period is:

Loss per accounts	(1,423,016)
Tax credit at the standard rate of corporation tax in the UK of 19%	(270,373)
Impact of costs disallowed for tax purposes	107,685
Deferred tax in respect of temporary differences	-
Impact of unrelieved tax losses carried forward	162,688
	-

Estimated tax losses of £162,688 are available for relief against future profits. No relating deferred tax asset has been provided for in the accounts based on the uncertainty as to when profits will be generated against which to relieve said asset

### ***Factors affecting the future tax charge***

The standard rate of corporation tax in the UK is 19%. Accordingly, the Company's effective tax rate for the period was 19%.

## 7. EARNINGS PER SHARE

Basic earnings per share is calculated by dividing the loss attributable to equity holders of the Company by the weighted average number of ordinary shares in issue during the period.

	<b>2020</b> <b>£</b>
Loss from continuing operations attributable to equity holders of the company	(1,423,016)
Weighted average number of ordinary shares in issue	179,745,588
Basic and fully diluted loss per share from continuing operations (pence)	(0.8)

The calculation of the earnings per share is based on the loss for the financial period after taxation of £1,423,016 and on the weighted average of 179,745,588 ordinary shares in issue during the period.

The warrants outstanding at 31 March 2020 are considered to be non-dilutive as a loss was made for the period. The diluted loss per share is therefore equal to the non-diluted loss per share.

## 8. TRADE AND OTHER RECEIVABLES

	<b>2020</b> <b>£</b>
Prepayments and other receivables	44,486
	<b>44,486</b>

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

## 9. CASH AND CASH EQUIVALENTS

	<b>2020</b> <b>£</b>
Cash at bank	552,977
	<b>552,977</b>

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.

## 10. TRADE AND OTHER PAYABLES

	<b>2020</b> <b>£</b>
Accruals and other payables	208,296
	<b>208,296</b>

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. Refer Note 15.

## 11. SHARE CAPITAL / SHARE PREMIUM

	Number of shares on issue	Share capital £	Share premium £	Total £
Balance on incorporation as at 28 November 2018	2	2	-	2
Shares issued during the period	309,774,998	30,976	1,756,068	1,788,046
Balance as at 31 March 2020	<b>309,775,000</b>	<b>30,978</b>	<b>1,756,068</b>	<b>1,788,046</b>

As at 31 March 2020 the Company's issued and outstanding capital structure comprised 309,775,000 shares and there were no other securities in issue and outstanding.

On 28 November 2018 the Company was incorporated and issued 2 ordinary shares of £0.0001 each.

On 1 December 2018 the Company issued 115,249,998 ordinary shares of £0.0001 each in lieu of consulting fees. The shares rank pari passu in all respects to the existing ordinary shares.

## 11 SHARE CAPITAL / SHARE PREMIUM (CONTINUED)

From 1 January 2019 to March 2020 the Company issued 190,025,000 ordinary shares of £0.0001 each at a place price of £0.01 per placing share. The shares rank pari passu in all respects to the existing ordinary shares.

On 28 February 2020 the Company issued 4,500,000 ordinary shares of £0.0001 each at a placing price of £0.01 per placing share in settlement of consulting fees of a sum of £45,000 owed to a creditor. The shares rank pari passu in all respects to the existing ordinary shares.

The Company has only one class of share. All ordinary shares have equal voting rights and rank pari passu for the distribution of dividends and repayment of capital.

At 31 March 2020, there were warrants over 12,000,000 unissued ordinary shares.

Details of the warrants outstanding are as follows:

Issued	Exercisable from	Expiry date	Number outstanding	Exercise price
20 October 2019	Anytime until	12 months from Admission	12,000,000	£0.01

## 12. WARRANT RESERVE

	2020 £
At 28 November 2018	-
Fair value of warrants granted and vested during the period	24,137
At 31 March 2020	<b>24,137</b>

The Company issued 12,000,000 warrants during the period on 20 October 2019.

	Number	Fair Value £	Weighted average exercise price
At 31 March 2020	12,000,000	24,137	£0.01

The estimated fair value of the warrants granted in October 2019 was calculated by applying the Black-Scholes option pricing model. The assumptions used in the calculation were as follows:

Share price at date of grant	1.00 pence
Exercise price	1.00 pence
Expected volatility	35%
Expected dividend	Nil
Vesting criteria	Exercisable on date of grant
Contractual life	2 years
Risk free rate	0.70%
Estimate fair value of each warrant	0.20 pence

The warrants outstanding at the period end have a weighted average remaining contractual life of 1.25 years. The exercise prices of the warrants are £0.01 per share.

### 13. CAPITAL COMMITMENTS

There were no capital commitments at 31 March 2020.

### 14. CONTINGENT LIABILITIES

There were no contingent liabilities at 31 March 2020.

### 15. FINANCIAL INSTRUMENTS AND RISK MANAGEMENT

The Company's 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 Company's operations. The Company does not utilise complex financial instruments or hedging mechanisms.

#### Financial assets by category

The categories of financial assets are as follows:

	<b>2020</b>
	<b>£</b>
Current Assets at amortised cost:	
Trade and other receivables	-
Cash and cash equivalents	552,977
	<b>552,977</b>

### Financial liabilities by category

The categories of financial liabilities are as follows:

	<b>2020</b> <b>£</b>
Current Liabilities at amortised cost:	
Trade and other payables	80,392
	<hr/>
Categorised as financial liabilities measured at amortised cost	<b>80,392</b> <hr/>

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

### Credit risk

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

	<b>2020</b> <b>£</b>
Trade and other receivables	-
	<hr/>

## 15 FINANCIAL INSTRUMENTS AND RISK MANAGEMENT (CONTINUED)

### Interest rate risk

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

	<b>2020</b> <b>£</b>
Bank balances	552,977
	<hr/>

The nature of the Company's activities and the basis of funding are such that the Company has significant liquid resources. The Company uses these resources to meet the cost of operations.

The Company is 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 Directors 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 Company's maximum credit risk exposure is limited to the carrying amount of cash of £552,977 and trade and other receivables of £nil. 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 Company's liquid resources are invested having regard to the timing of payment to be made in the ordinary course of the Company's activities. All financial liabilities are payable in the short term (between 0 to 3 months) and the Company maintains adequate bank balances to meet those liabilities.

### Currency risk

The Company operates in a global market with income and costs possibly arising in a number of currencies. The majority of the operating costs are incurred in £GBP. The Company does not hedge potential future income or costs, since the existence, quantum and timing of such transactions cannot be accurately predicted. The Company did not have foreign currency exposure at period end.

## **16. CAPITAL MANAGEMENT**

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

The capital structure of the Company as at 31 March 2020 consisted of equity attributable to the equity holders of the Company, totalling £389,167.

The Company reviews the capital structure on an on-going basis. As part of this review, the directors consider the cost of capital and the risks associated with each class of capital. The Company will balance its overall capital structure through the payment of dividends, new share issues and the issue of new debt or the repayment of existing debt.

## **17. RELATED PARTY TRANSACTIONS**

The compensation payable to Key Management personnel comprised £308,937 paid by the Company to the Directors in respect of services to the Company. Full details of the compensation for each Director are provided in the Directors' Remuneration Report. At period end, an amount of £112,903 was due to the Directors in respect of Directors remuneration.

Rory Heier is the sole Director of Harpers Capital Limited that received £324,904 during the period for the provision of consulting, marketing and business development services. At the period end, an amount of £Nil was due to Harpers Capital Limited.

## **18. EVENTS SUBSEQUENT TO YEAR END**

Between 1 April 2020 and 23 December 2020, the Company issued 214,750,000 Ordinary Shares in the Pre-IPO Placing at £0.01 per share.

## **19. CONTROL**

In the opinion of the Directors there is no single ultimate controlling party.

## (C) CAPITALISATION AND INDEBTEDNESS OF THE COMPANY

The following table shows the Company's capitalisation and indebtedness as at 31 December 2020 and has been extracted without material adjustment from the financial information which is set out in Part IV(B).

<i>Total Current Debt</i>		£
Guaranteed	-	-
Secured	-	-
Unguaranteed/Unsecured	238,295	
 <i>Total Non-Current Debt</i>		
Guaranteed	-	-
Secured	-	-
Unguaranteed/Unsecured	-	-
 <i>Shareholder Equity</i>		£
Share Capital	52,453	
Legal Reserve	-	-
Other Reserves	3,627,530	
<b>Total</b>	<b>3,679,983</b>	

As at 2 March 2021, being the latest practicable date prior to the publication of this Document, there has been no material change in the capitalisation of the Company since 31 December 2020.

The following table sets out the unaudited net funds of the Company as at 31 October 2020 and has been extracted without material adjustment from the financial information which is set out in Part IV(B)

	£
A. Cash	1,397,313
B. Cash equivalent	-
C. Trading securities	-
D. <b>Liquidity (A) + (B) + (C)</b>	<hr/> 1,397,313
E. Current financial receivable	<hr/> -
F. Current bank debt	-
G. Current portion of non- current debt	-
H. Other current financial debt	226,120
I. <b>Current Financial Debt (F) + (G) + (H)</b>	226,120
J. <b>Net Current Financial Indebtedness (D) + (E) – (I)</b>	<hr/> 721,193
K. Non-current Bank loans	-
L. Bonds Issued	-
M. Other non-current loans	-
N. <b>Non-current Financial Indebtedness (K) + (L) + (M)</b>	-
O. <b>Net Financial Indebtedness (J) + (N)</b>	<hr/> <hr/> 1,171,193

Notes:

The Company had no indirect or contingent indebtedness as at 31 October 2020.

## PART V

### 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% for basic rate taxpayers, 32.5% for higher rate taxpayers, and 38.1% 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 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%, and for upper rate and additional is 20%.

Subject to certain exemptions, the corporation tax rate applicable to its taxable profits is currently 19%.

### **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 will be payable on the allotment and issue of ordinary shares pursuant to the placing.

Most investors will purchase existing ordinary shares using the crest paperless clearance system and these acquisitions will be subject to stamp duty reserve tax at 0.5% where ordinary shares are acquired using paper (i.e. non-electronic settlement) stamp duty will become payable at 0.5% if the purchase consideration exceeds £1,000.

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 VI

### ADDITIONAL INFORMATION

#### 1 RESPONSIBILITY

The Directors, whose names appear on page 22, 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 does not omit anything likely to affect the import of such information.

#### 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 not regulated by the FCA or any other financial services or other regulator. With effect from Admission the Company will be 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.
- 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 As at 2 March 2021, being the latest practicable date prior to publication of this Document, the Company did not have any subsidiaries, nor did it own any shares in any company.

#### 3 SHARE CAPITAL

- 3.1 The issued share capital of the Company at the date of this Document, and as it will be on Admission is as follows:

##### Issued and Credited as Fully Paid

<u>Class of Share</u>	<u>Number</u>	<u>Nominal value</u>
Ordinary	524,525,000	£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 subdivided 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 120,250,000 ordinary shares at par to subscribers.
- 3.2.3 Between January 2019 and December 2020, the Company issued an aggregate of 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.

- 3.3 At the Annual General Meeting of the Company held on 21 October 2020, resolutions were passed to authorise the Directors to:
- 3.3.1 to exercise all the powers of the Company to allot Ordinary Shares of £0.0001 each in the Company and grant rights to subscribe for or to convert any security into Ordinary Shares up to an aggregate nominal value of £15,000, which authority shall expire on the conclusion of the annual general meeting of the Company following Admission, save that the Company may before such expiry make an 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 an offer or agreement as if the authority conferred by the resolution had not expired; and
  - 3.3.2 to allot equity securities (within the meaning of section 560 of the Companies Act) for cash and to sell shares held as treasury shares (as defined in section 724 of the Act) as if section 561(1) of the Companies Act did not apply to such allotment or sale, provided that this power shall be limited to allotments of equity securities and the sale of treasury shares up to, in aggregate, a nominal value of £15,000), which authority shall expire on the conclusion of the annual general meeting of the Company following Admission, save that the Company before such expiry may make an offer or agreement which would or might require equity securities to be allotted or treasury shares to be sold after such expiry, and the Directors may allot equity securities or sell treasury shares in pursuance of such an offer or agreement as if the power conferred by the resolution had not expired.
- 3.4 As at the date of the Document, the Company has issued Warrants to enable the holders to subscribe for, in aggregate, 12,000,000 Ordinary Shares.
- 3.5 Save as disclosed in this paragraph 3 of this Part VI:
- 3.5.1 the Company holds no Ordinary Shares in treasury;
  - 3.5.2 no issued Ordinary Shares of the Company are under option or have been agreed conditionally or unconditionally to be put under option;
  - 3.5.3 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;
  - 3.5.4 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;
  - 3.5.5 no persons have preferential subscription rights in respect of any share or loan capital of the Company or any subsidiary; and
  - 3.5.6 no amount or benefit has been paid or is to be paid or given to any promoter of the Company.
- 3.6 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 not listed or traded on, and 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.
- 3.7 As at the date of this Document, the Company has no short, medium or long term indebtedness.

## **4 SUMMARY OF THE ARTICLES RELATING TO THE ORDINARY SHARES**

The Articles contain provisions, *inter alia*, to the following effect concerning the rights of the Ordinary Shares. The Company's objects are unlimited.

### **4.1 Voting rights**

Subject to the rights or restrictions referred to in paragraph 4.2 below and subject to any special rights or restrictions as to voting for the time being attached to any shares, on a show of hands (i) every member holding Ordinary Shares who (being an individual) is present in person or (being a corporation) is present by a duly authorised representative shall have one vote; and (ii) every proxy appointed by a member shall have one vote save that every proxy appointed by one or more members to vote for the resolution and by one or more other members to vote against the resolution, has one vote for and one vote against.

### **4.2 Restrictions on voting**

A member of the Company is not entitled, either in person or by proxy, in respect of any share held by him, to be present at any general meeting of the Company unless all amounts payable by him in respect of that share have been paid.

A member of the Company shall not, if the directors determine, be entitled to attend general meetings and vote or to exercise rights of membership if he or another person appearing to be interested in the relevant shares has failed to comply with a notice given under section 793 of the Companies Act within 14 days. The restrictions will continue for the period specified by the Board provided that such period shall end not later than seven days after the earliest of (i) due compliance to the satisfaction of the Board with the section 793 notice; or (ii) receipt by the Company of notice that the shareholding has been sold to a third party pursuant to an arm's length transfer.

### **4.3 Dividends**

The Company may, by ordinary resolution, declare a dividend to be paid to the members holding Ordinary Shares, according to their respective rights and interests in the profit. The directors may pay such interim dividends as appear to the Board to be justified by the financial position of the Company. No dividends payable in respect of an Ordinary Share shall bear interest.

The Company or its directors may fix a date as the record date for a dividend provided that the date may be before, on or after the date on which the dividend, distribution, allotment or issue is declared. A dividend unclaimed for a period of 12 years from the date when it became due for payment shall be forfeited and cease to remain owing by the Company.

### **4.4 Return of capital**

If the Company is wound up, the liquidator may, with the sanction of a special resolution and any other sanction required by law, divide among the members holding Ordinary Shares in specie the whole or any part of the assets of the Company and may, for that purpose, value any assets and determine how the division shall be carried out as between the members or different classes of members. The liquidator may with the same sanction, vest the whole or any part of the assets in trustees on trusts for the benefit of the members as the liquidator, with the same sanction, thinks fit but no member shall be compelled to accept any assets on which there is any liability.

### **4.5 Variation of rights**

All or any of the rights attaching to a class of shares in the Company may be varied with the written consent of the holders of not less than three-fourths in nominal value of the issued shares of the class (excluding any shares of the class held as treasury shares), or with the sanction of a special

resolution passed at a separate general meeting of the holders of the relevant class. The quorum for the separate general meeting shall be a person or persons holding, or represented by proxy, not less than one-third in nominal value of the issued shares of the relevant class (excluding any shares of the class held as treasury shares).

#### 4.6 **Transfer of shares**

Subject to the restriction set out in this paragraph, any member may transfer all or any of his shares in any manner which is permitted by the Statutes (as defined in the Articles) or in any other manner approved by the Board. A transfer of a certificated share shall be in writing in the usual common form or in any other form permitted by the Statutes or approved by the Board. The transferor is deemed to remain the holder of the shares concerned until the name of the transferee is entered in the register of members in respect of those shares. All transfers of uncertificated shares shall be made by means of the relevant system or in any other manner which is permitted by the Statutes and is from time to time approved by the Board.

The directors have a discretion to refuse to register a transfer of a certificated share which is not fully paid (provided that this does not prevent dealings in the shares from taking place on an open and proper basis). The directors may also decline to register a transfer of shares in certificated form unless: (i) the instrument of transfer is deposited at the office of the Company or such other place as the Board may appoint, accompanied by the certificate for the shares to which it relates if it has been issued and such other evidence as the Board may reasonably require to show the right of the transferor to make the transfer; (ii) the instrument of transfer is in respect of only one class of share as in favour of no more than four transferees. The directors may, pursuant to the provisions of the Articles relating to disclosure of interests, decline to register a transfer in respect of shares which are the subject of a notice under section 793 of the Companies Act and which represent at least 0.25 per cent. of the issued shares of their class, and in respect of which the required information has not been received by the Company within 14 days after service of the notice.

Save as aforesaid, the Articles contain no restrictions as to the free transferability of fully paid shares.

### 5 **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

##### *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

##### *Former directorships and partnerships*

Bluehone General Partner (DCP) Limited (dissolved)

Bluehone Limited (dissolved)

Bioenergy (Medical Waste) Limited	Bluehone Partner Limited (dissolved)
Bluehone Capital Limited	Bluehone Ventures Nominees Limited (dissolved)
Bluehone Investors LLP	BNP Bioenergy Limited
Bluehone Ventures Limited	Entertainment AI Limited
Brayerth Limited	Investments West Midlands plc (dissolved)
Giant Energy Limited	Media AI Limited
Intosol plc	Myutility Ltd (dissolved)
Roscar plc	NRW Utilities Limited
Tribune Pictures Limited	Qconnectis Group Ltd
Tribune Bay Pictures Limited	Qconnectis Technologies Limited (dissolved)
	Resources In Insurance Group plc (dissolved)
	Water Intelligence plc
	Water Intelligence International Ltd

**Steve Bassi**

Narf Industries LLC	None
Narf Industries PR LLC	
Swarm Technologies Inc	
Swarm Industries Inc	

**John Herring**

Fasoo Inc	iMove Inc
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**6 DIRECTORS' CONFIRMATIONS**

6.1 As at the date of this Document none of the Directors:

- 6.1.1 has any convictions in relation to fraudulent offences for at least the previous five years;
- 6.1.2 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
- 6.1.3 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.

6.2 In respect of the Directors, there are no conflicts of interest or potential conflicts between any duties they have to the Company and their private interests and/or other duties they may have. If a

Director introduces a potential transaction to the Company in which they have an interest it will be dealt with by the Independent Acquisitions Committee.

## 7 DIRECTORS' AND OTHER INTERESTS

7.1 Save as disclosed in this paragraph 7.1, none of the Directors, nor any member of their immediate families, has or will have on or following Admission any interests (beneficial or non-beneficial) in the Ordinary Shares of the Company:

Director	No. of Ordinary Shares prior to Admission	Percentage of issued ordinary share capital prior to Admission	No. of Ordinary Shares following Admission	Percentage of ordinary shares following Admission
Robert Mitchell	10,000,000	1.91%	10,000,000	1.91%
Rory Heier	5,000,000	0.95%	5,000,000	0.95%
Steve Bassi	32,000,000	6.10%	32,000,000	6.10%
John Herring	26,000,000	4.96%	26,000,000	4.96%

7.2 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.

7.3 Save as disclosed in paragraph 7.1, immediately following Admission, no Director will have any interest, whether beneficial or non-beneficial, in the share or loan capital of the Company.

7.4 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.

Shareholder	No. of Ordinary Shares	Percentage of issued ordinary share capital
Hadron Master Fund Series II	61,000,000	11.63%
Racsor LLC	48,500,000	9.25%
John Story	45,000,000	8.58%
Pershing Nominees Limited	39,000,000	7.44%
Banque Heritage	35,000,000	6.67%
Platform Securities Nominees Limited	17,850,000	3.40%

7.5 As at 2 March 2021, (being the latest practicable date prior to the publication of this Document), 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.

7.6 Those interested, directly or indirectly, in three per cent. or more of the issued Ordinary Shares of the Company do not now, and, following Admission, will not, have different voting rights from other holders of Ordinary Shares.

## **8 DIRECTORS' LETTERS OF APPOINTMENT**

### **8.1 Robert Mitchell**

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.

### **8.2 Rory Heier**

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.

### **8.3 Steve Bassi**

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.

### **8.4 John Herring**

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.

## **9 WORKING CAPITAL**

The Company is of the opinion that the working capital available to the Company is sufficient for the Company's present requirements, that is for at least the 12 months from the date of this Document.

## **10 SIGNIFICANT CHANGE**

Save for the pre-IPO Placing, there has been no significant change in the trading or financial position or financial performance of the Company since 31 March 2020, being the end of the last period for which audited financial information has been published (being the date as at which the financial information contained in Part IV (*Financial Information on the Company*) has been prepared). As the Company has not yet commenced operations, there are no significant trends affecting the Company since 31 March 2020.

## **11 LITIGATION**

There are no governmental, legal or arbitration proceedings (including any such proceedings which are pending or threatened of which the Company is aware) since 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.

## **12 CITY CODE**

The City Code applies to the Company. Under Rule 9 of the City Code, if:

- 12.1 a person acquires an interest in shares in the Company which, when taken together with shares already held by him or persons acting in concert with him, carry 30% or more of the voting rights in the Company; or
- 12.2 a person who, together with persons acting in concert with him, is interested in not less than 30% and not more than 50% of the voting rights in the Company acquires additional interests in shares which increase the percentage of shares carrying voting rights in which that person is interested,

the acquirer and, depending on the circumstances, his concert parties, would be required (except with the consent of the Panel on Takeovers and Mergers) to make a cash offer for the outstanding shares in the Company at a price not less than the highest price paid for any interests in the Ordinary Shares by the acquirer or his concert parties during the previous 12 months.

### 13 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 Company since the Company's incorporation which: (i) are, or may be, material to the Company; or (ii) contain obligations or entitlements which are, or may be, material to the Company as at the date of this Document:

#### 13.1 NARF LOI

On 6 October 2020, the Company entered into a non-binding letter of intent with (1) Narf Industries LLC, (2) Narf Industries PR LLC (together, **Narf**), and (3) Steve Bassi as principal shareholder (the **Narf LOI**). The Narf LOI sets out the terms on which the Company will consider acquiring Narf and provided the Company with an exclusivity period to 5 January 2021 during which Narf and Steve Bassi agreed not to enter into, or procure the entering into, of any discussions concerning any disposal of Narf or its assets to any third party. The exclusivity period was not extended after it lapsed on 6 January 2021.

The Narf LOI presumes a valuation for Narf of £13.8m (\$18m) 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.

Under the Narf LOI, the Company is not obliged to proceed with any due diligence on Narf and is not prohibited from entering into discussions or contractual documentation with third parties in relation to any other targets.

The Narf LOI makes a number of assumptions as to the structuring of any definitive transaction and will be superseded by a conditional Sale and Purchase Agreement, or similar document, if a transaction proceeds.

The Narf 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.

The Narf 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.

Further information on Narf is set out in Part 1 of this Document.

- 13.2 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.

The Polyswarm LOI presumes a valuation for Polyswarm of \$80m 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.

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.

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.

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.

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.

Further information on Polyswarm is set out in Part 1 of this Document.

### **13.3 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 Admission 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.

### **13.4 Warrant Instrument**

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 immediately on issue and have an exercise period of 12 months from the date of Admission.

## **14 RELATED PARTY TRANSACTIONS**

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 IV(B) of this Document. To the extent the Company enters into a transaction pursuant to either the Narf LOI or the Polyswarm LOI, this would constitute a related party transaction.

## **15 ACCOUNTS AND ANNUAL GENERAL MEETINGS**

The Company's annual report and accounts will be made up to 31 March in each year, with the first annual report and accounts following Admission for the financial year being to 31 March 2021. It is expected that the Company will make public its annual report and accounts within six 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 Admission for the period from 1 April 2020 to 30 September 2020. The Company will prepare its unaudited interim report for each six-month period ending 30 September 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 September 2021.

## **16 ISSUES OF NEW SHARES**

The Directors are authorised to issue up to 150,000,000 Ordinary Shares from Admission. The pre-emption rights in the Articles have been disapplied, and therefore pre-emption rights do not apply, to up to 150,000,000 Ordinary Shares.

## **17 GENERAL**

17.1 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' report in Section A of Part IV (*Financial Information on the Company*) 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.

17.2 The Company has not had any employees since its incorporation and does not own any premises.

17.3 The total expenses incurred (or to be incurred) by the Company in connection with Admission are approximately £130,000. The estimated cash balance of the Company, after deducting fees and expenses in connection with Admission, will be approximately £1,250,000.

## **18 AVAILABILITY OF THIS DOCUMENT**

18.1 Copies of this Document may be collected, free of charge during normal business hours, from the registered office of the Company.

18.2 In addition, this Document will be published in electronic form and be available on the Company's website [www.cybaplc.com](http://www.cybaplc.com) subject to certain access restrictions applicable to persons located or resident outside the United Kingdom.

## **19 DOCUMENTS FOR INSPECTION**

19.1 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.cybaplc.com](http://www.cybaplc.com) from the date of this Document until Admission:

19.1.1 the Articles of Association of the Company;

19.1.2 the accountants' report by PKF Littlejohn LLP on the historical financial information of the Company for the period ended 31 March 2020 set out in Part IV (*Financial Information on the Company*);

19.1.3 the letter of consent referred to in paragraph 17.1 of this Part VII – (*Additional Information*); and

19.1.4 this Document.

The date of this Document is 3 March 2021.

## PART VII

### NOTICES TO INVESTORS AND DISTRIBUTORS

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.

#### 1 GENERAL

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.

This Document has been approved by the FCA as a prospectus for the purposes of the Prospectus Regulation Rules. No arrangement has been made with the competent authority in any other 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 EEA state (or in any other jurisdiction). Issue or circulation of this Document may be prohibited in countries other than those in relation to which notices are given below.

#### 2 FOR THE ATTENTION OF EUROPEAN ECONOMIC AREA INVESTORS

In relation to each member state of the European Economic Area (each, a **Relevant Member State**), an offer to the public of the Ordinary Shares may only be made once the prospectus has been passported in such Relevant Member State in accordance with the Prospectus Regulation Rules. For the other Relevant Member States an offer to the public in that Relevant Member State of any Ordinary Shares may only be made at any time under the following exemptions under the Prospectus Regulation Rules:

- (a) to any legal entity which is a qualified investor as defined under the Prospectus Regulation Rules;
- (b) to fewer than 150, natural or legal persons (other than qualified investors as defined in the Prospectus Regulation Rules) in such Relevant Member or
- (c) in any other circumstances falling within Article 4 of the Prospectus Regulation Rules,

provided that no such offer of Ordinary Shares shall result in a requirement for the publication by the Company of a prospectus pursuant to Article 4 of the Prospectus Regulation Rules.

For the purposes of this provision, the expression an “offer to the public” in relation to any offer of Ordinary Shares in any Relevant Member State means the communication in any form and by any means of sufficient information on the terms of the offer and any Shares to be offered so as to enable an Investor to decide to purchase or subscribe for the Ordinary Shares, and the expression “Prospectus Regulation Rules” means Regulation EU 2017/1129.

The distribution of this Document in other jurisdictions may be restricted by law and therefore persons into whose possession this Document comes should inform themselves about and observe any such restrictions.

### **3 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.

In the United Kingdom this Document is for distribution to, and is directed only at, legal entities which are qualified investors as defined under the Prospectus Regulation Rules and are (i) persons having professional experience in matters relating to investments who fall within the definition of investment professionals in Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the **Order**); or (ii) high net worth bodies corporate, unincorporated associations and partnerships and trustees of high value trusts as described in Article 49(2) of the Order; or (iii) persons to whom it may otherwise be lawfully distributed under the Order, (all such persons together being **Relevant Persons**). In the United Kingdom, any investment or investment activity to which this Document relates is only available to and will only be engaged in with Relevant Persons. Persons who are not Relevant Persons should not act or rely on this Document or any of its contents.

### **4 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**); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the **Product Governance Requirements**), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the Product Governance Requirements) may otherwise have with respect thereto, the Ordinary Shares have been subject to a product approval process, which has determined that the Ordinary Shares the subject of the Pre-IPO Placing are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and 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 Ordinary Shares may decline and investors could lose all or part of their investment; the Ordinary Shares offer no guaranteed income and no capital protection; and an investment in the Ordinary 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.

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 (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 Ordinary Shares.

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

**PART VIII**  
**DEFINITIONS**

The following definitions apply throughout this Document unless the context requires otherwise:

<b>Admission</b>	means admission of the Entire Issued Share Capital to the standard segment of the Official List and to trading on the main market for listed securities of the London Stock Exchange;
<b>Admission Price</b>	means £0.015 per Ordinary Share;
<b>Articles of Association</b> <b>Articles</b>	or means the articles of association of the Company in force from time to time;
<b>Business Day</b>	means a day (other than a Saturday or a Sunday) on which banks are open for business in London;
<b>certificated or in certificated form</b>	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);
<b>Chairman</b>	means the Chairman of the Board from time to time the first such chairman being Bob Mitchell;
<b>City Code</b>	means the City Code on Takeovers and Mergers;
<b>Companies Act</b>	means the Companies Act 2006 of the United Kingdom, as amended;
<b>Company</b> or <b>CYBA</b>	means CYBA PLC, a company incorporated in England and Wales under the Companies Act with number 11701224;
<b>CREST or CREST System</b>	means the paperless settlement system operated by Euroclear enabling securities to be evidenced otherwise than by certificates and transferred otherwise than by written instruments;
<b>CREST Regulations</b>	means The Uncertified Securities Regulations 2001 (SI 2001 No. 3755), as amended;
<b>Directors</b> or <b>Board</b> or <b>Board of Directors</b>	means the directors of the Company, whose names appear at page 22, or the board of directors from time to time of the Company, as the context requires, and <b>Director</b> is to be construed accordingly;
<b>Disclosure Guidance and Transparency Rules</b>	means the disclosure guidance and transparency rules of the FCA made in accordance with section 73A of FSMA as amended from time to time;
<b>EEA</b>	means the European Economic Area;
<b>EEA States</b>	means the member states of the European Union and the European Economic Area, each such state being an <b>EEA State</b> ;
<b>Entire Issued Share capital</b>	means the Ordinary Share capital of the Company as at the date of this Document;

<b>EU</b>	means the Member States of the European Union;
<b>Euroclear</b>	means Euroclear UK & Ireland Limited;
<b>FCA</b>	means the Financial Conduct Authority of the UK;
<b>FSMA</b>	means the Financial Services and Markets Act 2000 of the UK, as amended;
<b>general meeting</b>	means a meeting of the Shareholders of the Company or a class of Shareholders of the Company (as the context requires);
<b>IFRS</b>	means International Financial Reporting Standards as adopted by the European Union;
<b>Independent Acquisitions Committee</b>	a committee consisting of Independent Directors set to assess any proposed acquisition or transaction involving a non-Independent Director;
<b>Independent Director(s)</b>	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;
<b>Investor</b>	means a potential purchaser of Ordinary Shares;
<b>Listing Rules</b>	means the listing rules made by the FCA under section 73A of FSMA as amended from time to time;
<b>London Stock Exchange</b>	means London Stock Exchange plc;
<b>Market Abuse Regulation</b>	means Regulation (EU) No 596/2014 of the European Parliament and of the Council of 16 April 2014 on market abuse;
<b>Narf</b>	together Narf Industries LLC and Narf Industries PR LLC;
<b>Narf Industries LLC</b>	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;
<b>Narf Industries PR LLC</b>	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;
<b>Non-Executive Director</b>	means a non-executive director of the Board;
<b>Official List</b>	means the official list maintained by the FCA;
<b>Ordinary Shares</b>	means the ordinary shares of £0.0001 each in the capital of the Company;
<b>Polyswarm</b>	together, Swarm Industries Inc and Swarm Technologies Inc;
<b>Pre-IPO Placing</b>	means the placing of Ordinary Shares at £0.01 conducted prior to Admission;
<b>Premium Listing</b>	means a premium listing under Chapter 6 of the Listing Rules;
<b>Prospective Investor</b>	means a person considering an investment in the Ordinary Shares following Admission;

<b>PR Regulation</b>	the UK version of Regulation number 2019/980 of the European Commission, which is part of UK law by virtue of the European Union (Withdrawal) Act 2018, as amended;
<b>Prospectus Regulation Rules</b>	means the Prospectus Regulation Rules of the FCA made in accordance with section 73A of FSMA, as amended from time to time;
<b>Registrar</b>	means Link Market Services Limited, trading as Link Group, or any other registrar appointed by the Company from time to time;
<b>Regulatory Information Service</b>	means a regulatory information service authorised by the FCA to receive, process and disseminate regulatory information in respect of listed companies
<b>Reverse Takeover</b>	means any transaction defined as reverse takeover under Listing Rule 5;
<b>Shareholders</b>	means the holders of the Ordinary Shares;
<b>Standard Listing</b>	means a standard listing under Chapter 14 of the Listing Rules;
<b>Swarm Industries Inc</b>	Swarm Industries Inc, a corporation registered in Delaware with number 6467071 whose registered office is 3500 South Dupont Highway, Dover, Kent, Delaware 19901 USA;
<b>Swarm Technologies Inc</b>	Swarm Technologies Inc, a corporation registered in Puerto Rico with number 399970 whose registered office is El Caribe Office Building, 53 Palmeras Street, Suite 102, San Juan PR 00901;
<b>Takeover Panel</b>	the Panel on Takeovers and Mergers;
<b>Tennyson</b>	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;
<b>uncertificated or uncertificated form</b>	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;
<b>United Kingdom or U.K.</b>	means the United Kingdom of Great Britain and Northern Ireland;
<b>United States or U.S.</b>	means the United States of America;
<b>VAT</b>	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; and
<b>Warrants</b>	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.