Cyber Security 1 AB (Publ)

Q1 2022 Interim Report

1 January – 31 March 2022

CYBER1 records 21% revenue growth year on year

Revenue Q1 2022

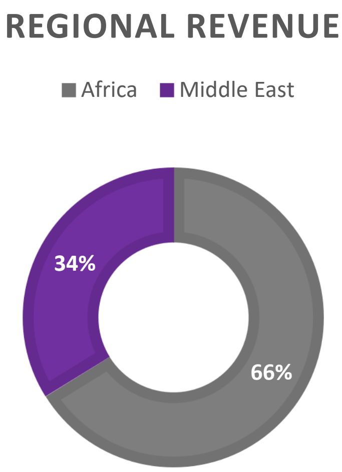
€ 9,633k (PY: € 7,939k)

Gross Margin

21% (PY: 29%)

EBITDA YTD

€ -497k (PY: €252k)



Group Performance

Quarterly performance

- Q1 Group revenue increased year over year by 21%, from €7.9m in Q1 2021 to €9.6m in Q1 of 2022.
- Gross margin has reduced by 8% year on year.
- Q1 2022 Group EBITDA loss of €497k, compared to a profit of €252k in Q1 of 2021.
- Operating Expenditure for Q1 has increased by €566k compared to Q1 2021, an increase of 27%. It is noted that the main reason for this increase is the investment in software, people and equipment for the newly formed Secure Operating Centre (SOC).

Cyber Security 1 AB

Q1 2022 Interim Report
1 January – 31 March 2022

Our business at a glance

CYBER1 is a cyber security group that offers services and software solutions globally but primarily across the Middle East and Africa. The company offers products and solutions in cyber security through partnerships with established developers of cyber security programs. CYBER1 also offers consulting services linked to software implementation and management.

The group operates across multiple public and private sector organisations including financial, government, healthcare, retail, insurance, manufacturing and hospitality and specialises in security, risk and compliance services that allows it to offer the best in payments, communications, network and e-commerce security.

CYBER1 has three main strategic segments:

The *Distribution* segment is our business area that focusses on the distribution of software to vendors. CYBER1 has skilled selling capabilities of vendor products into client's security infrastructures. Many of the vendors are at the technological forefront of innovative security solutions and have been selected via CYBER1.

Advisory, involves implementation services linked to the clients' purchased solutions such as software programs. CYBER1 performs penetration testing to identify vulnerabilities in the system and information management to ensure that the right processes are in place.

Managed Services where take care of the customers maintenance of their cyber security. CYBER1 monitors security in real time, 24 hours a day and offers customers a security operations center, which is managed from South Africa. The SOC model is based on safety products and associated personnel being gathered under one roof.

The **distribution** business succeeded in growing its revenue by **50%** to €3.5m, compared to €2.3m in first quarter 2021. The **Advisory and Managed Service** business grew its revenue by **10%** to over €6m, compared to €5.5m.

Beyond the Quarter & Other News

Increased cooperation with strategic partners

April 1 – Increased collaboration with Rapid7. The company provides solutions to protect, detect and response to security incidents. The companies have expanded their teams and portfolios, solidifying the relationship that has been built over several years. They have created an ecosystem that makes security more achievable and accessible to all.

April 14 – A distribution agreement with Picus Security was signed. The company is a pioneer of breach and attack simulation technology. The agreement will see Credence Security offer Picus' validation platform for security control to its extensive network of channel partners in the Middle East and Africa region.

April 28 – An upgrade from a Premier reseller to Elite status by the strategic partner Mimecast, a leading email security and cyber resilience company. The partnership development is an important milestone for the company, owing to the exponential rise in ransomware and email-based attacks over the past twelve months. This development will strengthening the managed services offering.

Q1 2022 Interim Report

1 January – 31 March 2022

From the desk of the President

We are investing to meet an increasing need for cyber security

Dear Shareholders,

If the last two years have been characterized by the covid-19 pandemic, the first quarter of 2022 has unfortunately been dominated by the war in Ukraine. Both criminal and state-sponsored actors have taken advantage of these crisis incidents by carrying out various cyberattacks.

The opponents' resources are large, and their ability is growing. At the same time, companies, authorities, and various societal functions are being digitised at a rapid pace, which increases vulnerability. This often results in a cyber security debt where the ability to take advantage of the opportunities of digitalisation is moving at a faster pace than investments in cyber security. This is a clear development in our local markets in Africa, the Middle East and India. Rapid digitalisation has led to a sharp increase in connected mobile devices, but investments in cyber security are lagging.

The solution is to reinforce the cyber defense by being proactive and anticipating the emerging threats and invest in cyber security. We had a strong demand for software solutions and services for cyber security during the first quarter. Revenue increased to € 9.6m, which is an increase of 21 percent compared to the same period last year. It's satisfactory that the distribution business as well as the advisory and managed service business showed growth.

After four profitable quarterly financial statements in 2021, we showed a loss of €497k during the first quarter of 2022 due to increased expenditure. The main reason for this increase is the investment in software, people, and equipment for the newly formed Secure Operating Centre (SOC) in South Africa. It's a strategic investment.

For many companies, cyber security is outside the core business. This means challenges when it comes to recruitment of security experts and to have comprehensive security solutions for today's and tomorrow's needs. There is a potential that our managed services and SOC can become the fastest growing business area for CYBER1 in a few years' time.

In addition to investments in new cloud platforms, we also focus on coordinating our various operations. One example is Credence Security's South African operations, which are now coordinated with the minority-owned company Cyber Security South Africa, CSSA. We have also an ambition to complete last year's acquisition of 50 percent of Cyber Security South Africa and Cyber Security Africa Distribution. With a surge in digitisation and cloud services, Africa presents significant growth opportunities for cyber security sector.

Although there is a global demand for cyber security, local market knowledge is required. It may depend on legislation, maturity of the market, available skills, and the technological landscape. We have technical specialists, enabling them together with sales and development to assess security environments and advocate solutions for each local market. The different markets depend on the deeply entrenched relationships our key people hold with niche vendors in cyber security. These relationships ensure that we as a group are the gateway to some of the fastest growing regions.

Stockholm, 23 May 2022
Robert Brown
Group President and Executive Director

Key Financial Ratios

	Jan - Mar Q1 2022	Jan - Mar Q1 2021	Jan - Dec 2021
	€'000	€'000	€'000
Group Income	9 633	7 929	37 218
Group Gross Margin	2 007	2 274	10 087
Group Gross Margin percentage	20.8%	28.7%	27.1%
Cash flow from operations	-116	498	1 044
Operating Margin	-633	200	449
Operating Margin percentage	-6.6%	2.5%	1.2%
Result after taxes	-617	38	4 378
Earnings per share	-0.00065	0.0001	0.0082

Result per share refers to result per share attributable to equity owners of the parent company. There is no dilution of earnings per share. This report is published in English. The closing number of shares outstanding for the period 31 March 2022 amounted to 710,802,055.

Business Overview

Market Update

A turbulent environment increases the need for cyber security

The COVID-19 pandemic was a wide-ranging and prolonged crisis. Both criminal and state-sponsored actors took advantage of this situation by carrying out various cyberattacks. The pandemic had barely slowed down in the first quarter when the war in Ukraine posed new cyber threats. Since then, a majority of the world's cyberattacks have targeted Russia and Ukraine, and a common sector targeted by the attacks is the financial sector. Most attacks have been distributed denial of service (DDoS) attacks, which means that web servers or online systems are overwhelmed with data with the aim of crashing them.

Furthermore, Finland's and Sweden's interest of membership in NATO will increase the risk of targeted cyberattacks against these countries. In Sweden has the Swedish Civil Contingencies Agency (MSB) followed the development of events in and around Ukraine since the turn of the year to assess the consequences for Sweden as a society. MSB collaborates with other authorities and actors.

During the past month, MSB has observed several incidents, such as denial-of-service attacks, targeting the financial and transport sectors, as well as public authorities. MSB has emphasized the importance of having a systematic information security work throughout the Swedish society. It's particularly to address the growing cyber threat and new vulnerabilities due to digitalisation and technological developments.

In Africa and the Middle East, including India, cyber security is a fast-growing industry and has received a lot of attention with the digitalisation of society. Traditionally, the Middle East has never been a significant target for cyberattacks. But in recent times, rapid digitalisation in countries like the United Arab Emirates, Saudi Arabia has triggered the number of connected devices, opening new gateways for cyberattacks. In India, there is now over 1.15 billion phones and more than 700 million internet users which makes it a large pool of digitally vulnerable targets. Africa has the world's fastest-growing rate of internet penetration. In 2022 it is expected that there will be over 1 billion mobile internet connections. Banks, investing platforms, and even working environments are all accessed via the internet, but much of the infrastructure is weak in many African countries and data transmission remains expensive. Lack of cyber security is making Africa a target for cyber criminals. In 2022, social media is expected to become a hotspot for attackers targeting enterprise professionals.

The pace of change is accelerating in cyber security. Companies are continuing to invest in technology to support remote and mobile working, enhance customer experience and generate value. At the same time, cybercriminals include highly sophisticated organizations that leverage integrated tools and capabilities with artificial intelligence and machine learning. In the next 3-5 years, McKinsey & Company expects three major cyber security trends:

- On-demand access to data and information platforms everywhere is growing, which increases the risk of a breach. Companies are storing more data on the cloud and are allowing access to different people and organizations, including third party suppliers.

- Hackers are using AI, machine learning, and other technologies to launch increasingly sophisticated attacks. For example, Emotet, an advanced form of malware targeting banks can change the nature of its attacks.

- Ever-growing regulatory landscape and continued gaps in resources, knowledge, and talent will outpace cyber security. Many companies are not sure how to identify and manage digital risks. Furthermore, regulators are increasing their guidance of corporate cyber security capabilities.

Contacts

About CYBER1 (Nasdaq First North Growth Market: CYB1.ST)

CYBER1 is engaged in providing cyber resilience solutions and conducts its operations through presences in Sweden, Kenya, South Africa, United Arab Emirates and the UK. Listed on Nasdaq First North Growth Market (Nasdaq: CYB1.ST), the Group delivers services and technology licenses to enhance clients' protections against unwanted intrusions, to provide and enhance cyber resilience and to prevent various forms of information theft. For further information, please visit www.cyber1.com/investors.

Outlook and financial Information

Reviewing the end of the first quarter for CYBER1, the company continues to grow its revenue ensuring its strong foothold in Africa and the Middle East. CYBER1 has made significant investment in its cloud platform. As expected, the business challenges, catalysed during 2020 still show a residual effect in the overall performance. The jurisdictions we operate in have begun to see renewed signs of recovery from an economic and public health perspective. In addition, the company continues to take steps to ensure that areas of expertise reflect the current and future trends that our customers, particularly around remote working and potential cloud security services and solutions. We expect to see the varying year on year performance increase, as our entities continue to see levels of normality return through the spread and proliferation of the various vaccines that have been established.

The financial results this quarter .

Business trend Jan to March 2022

CYBER1's revenue grew by over 21 percent when compared to the same period last year, driven by large deals concluded in the Middle East.

We anticipate this growth trend to continue, aided by the investments made and the management of costs the group is well positioned to meet its expected targets and growth aspirations for 2022. Q1 2022 operating costs have increased by €566k (27%) from the same period last year. Cyber1 has made significant investments in its managed service offering and cloud platform gearing itself for growth in the years to come. The group will continue to measure operational efficiencies ensuring that the business is able to meet its obligations as a listed company on Nasdaq First North Grow Market, whilst ensuring appropriate cash flow within the business be utilised for the benefit of future commercial endeavours.

Development of revenue and results

Solid revenue growth spanned across the groups main regions. The African region has seen a some of its larger tenders which they hope to take over the line in the next quarter. Revenue growth is as a result of the increased revenue from existing customers and the onboarding of new customers dominating the revenue growth in the Middle East region.

Earnings before interest and taxes on continuing operations (EBIT) decreased from Q1 2021 to €-617k (2021: €38k) mainly as a result of the investment spend and some large tender deals expected to close in Q2. The share of profit from associate of €6k follows the conclusion of the 50% acquisition in CSSA and CSAD effective 1 September 2021.

As a result of investment spend this quarter, the group has seen a net outflow of funds this quarter. These cloud initiatives will enable greater growth into areas that will yield business development and sales competencies across the group. Keeping the Parent Company lean and efficient, we will continue to drive the company in continued profitability, driving shareholder value which is a key performance indicator for the board and the executive management.

Outlook

Development in the cyber security industry remains highly dynamic. Further public health and economic challenges may occur at any time, which would have an impact on CYBER1's geographic regions. CYBER1 continues to look at its operational and strategic objectives, to ensure that the second half of the financial year is adaptable to the continuing changes in macroeconomic trends.

The development in the last quarter of the year will be a decisive indicator of how quickly and sustainably the business can maintain and rebuild to pre-crisis levels. CYBER1 anticipates that business activity in individual core markets may benefit in the medium term from infrastructural and other economic stimulus programmes announced by governments.

Risk and opportunity report

CYBER1's risk policy is based on the business strategy, which focuses on safeguarding the Group's existence and sustainably increasing its value. Entrepreneurial activity is always forward-looking and therefore subject to certain risks. Identifying risks, understanding them, as well as assessing and reducing them systematically are the responsibility of the Managing Board and a key task for all managers.

CYBER1 is subject to various risks on account of its international business activity. Provided that they are consistent with the legal and ethical principles of entrepreneurial activity and are well balanced by the opportunities they present; these risks are classified as acceptable. Opportunity and risk management at CYBER1 is closely linked by Group-wide planning and monitoring systems.

Opportunities are recorded in the annual operational plan and followed up as part of monthly financial reporting. Operational management in each country and the central Group departments are directly responsible for identifying and observing opportunities at an early stage.

Risks and opportunities that may have a significant impact on our financial position and performance in the 2021 financial year and in the foreseeable future are described in detail in the 2021 Annual Report.

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1 January – 31 March 2022

A CYBER 1 Company

Revenue Q1

€ 5,715,727

Gross Margin Q1

20%

EBITDA Q1

€ -508,001

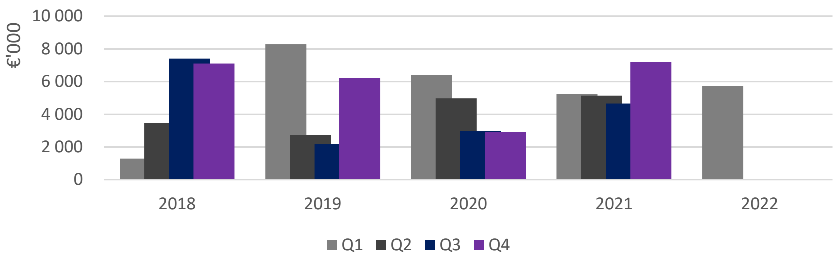
DRS focus on Africa

During the first quarter of 2022, DRS's revenue amounted to €5.7m, which is an increase of 19 percent compared to the same period last year. Existing customers accounted for 30 percent and new customers for 60 percent in software distribution. Managed services accounted for 10 percent of revenue.

DRS offers software distribution, advisory and managed services in African countries. The company's main customer segments are banking, government and insurance but also on medium and large companies in general. During the quarter, the company had a special focus on the public sector.

The investment in the Security Operations Center, SOC, is continuing and, among other things, a special office is now being established in South Africa to gather the group's joint resources under one roof. To further strengthen the SOC platform, special efforts have also been made within managed services and DevSecOps. By integrating application security principles and practices into software development and operations, teams can deliver new software and services at agile speed without compromising application security.

To increase sales, special efforts have been made to further strengthen team collaboration between sales, technical and marketing. An important initiative has also been to further strengthen relationships with vendors. DRS and Mimecast, a leading email security and cyber resilience company, strengthened their cooperation. Mimecast upgraded DRS from a Premier reseller to Elite status. That gives RDS opportunities to strengthen the managed services offering.



Q1 2022 Interim Report

1 January – 31 March 2022

Revenue Q1

€ 3,306,534

Gross Margin Q1

20%

EBITDA Q1

€ 31,884

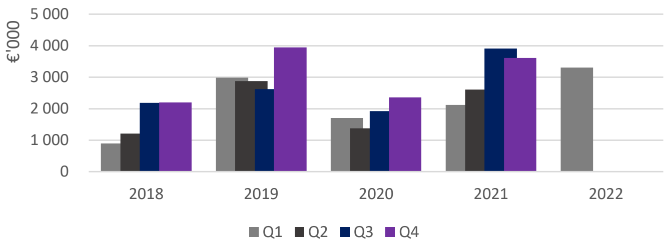
Credence Security's operations in Middle East and India amounted to €3.3m in Q1 2022, which is an increase by 18 percent compared to the same period last year. New sales dominate this region, accounting for 84 percent of revenue in the first quarter.

The operations in South Africa amounted to €250k, which is a decrease by just over 12 percent compared to Q1 previous year. New sales accounting for 60 percent of revenue in the first quarter. This business is now coordinated with Cyber1's minority-owned company Cyber Security South Africa, CSSA.

Credence Security offers software distribution in Middle East, and India. The company's main customer segments are banking, government, insurance and oil & gas sectors. As new sales make up a large proportion of the company's revenues, marketing efforts are particularly important. During the first quarter, the company held a roadshow in thirteen cities in Africa, the Middle East and India. It provided an in-depth look at the security market and the biggest challenges facing the region's governments and businesses across the region.

To continuously develop the service offering to meet new needs, it is important to supplement with new vendors. During the first quarter, Creedence Security signed a cooperation agreement with the following companies:

- Checkmarx offers solutions for application security testing to make security seamless and simple for the world's developers and security teams.
- Voyager Labs applies its AI technology to real-world public safety and risk assessments issues.
- HelpSystems, working in the areas of systems and network management, business intelligence, security and compliance.



Q1 2022 Interim Report

1 January – 31 March 2022

Revenue Q1

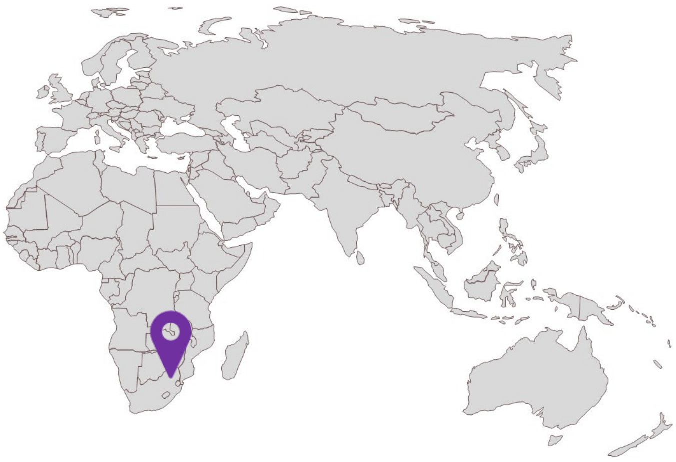
€ 250,600

Gross Margin Q1

29%

EBITDA

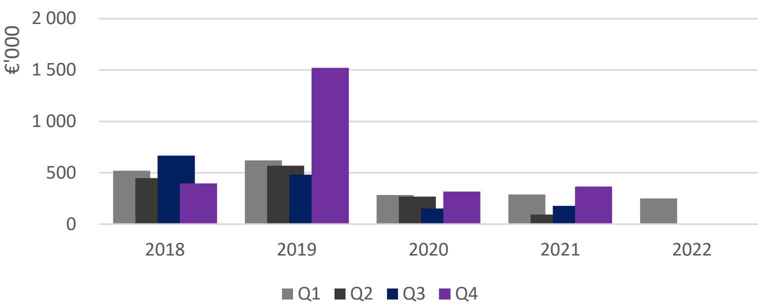
€ 28,880



The operations in South Africa amounted to €250k, which is a decrease by just over 12 percent compared to Q1 previous year. New sales accounting for 60 percent of revenue in the first quarter. This business is now coordinated with Cyber1's minority-owned company Cyber Security South Africa, CSSA.

The company's main customer segments are banking, government, insurance and oil & gas sectors. As new sales make up a large proportion of the company's revenues, marketing efforts are particularly important, such as roadshows.

To continuously develop the service offering to meet new needs, it is important to supplement with new vendors. The cooperation agreements signed during the first quarter with Checkmarx, Voyager Labs, HelpSystems and Picus Security also cover Creedence Security's operations in South Africa



A CYBER 1 Company

Revenue Q1

€ 341,905

Gross Margin Q1

35%

EBITDA Q1

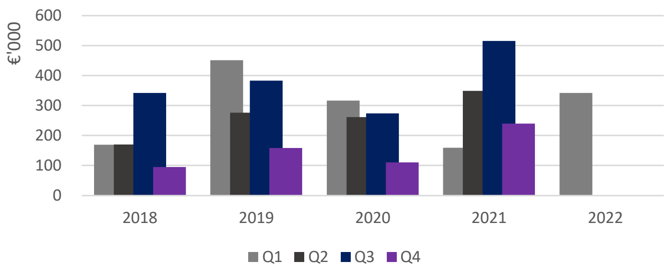
€ -23,397

During the first quarter of 2022, Protec's revenue amounted to €342k, which is an increase of 215 percent compared to the same period last year. It is a balanced distribution between existing and new customers. Existing customers accounted for 57 percent and new customers for 43 percent of revenue.

ProTec, offers software distribution, advisory and managed services in African countries. The company's main customer segments are banking, fin tech, and insurance sector.

During the first quarter, Protec signed a cooperation agreement with the following vendors:

- Entrust provides financial institutions, national governments, corporate enterprises with technologies to establish trusted identities and conduct highly secure transactions.
- Cloudflare provides a cloud platform to content delivery network and DDoS mitigation solutions.
- Thales delivers identity and biometric solutions to governments, public authorities and private entities in the fields of civil identity and public security.
- Darktrace provides cyber security AI, which protects from advanced threats, including ransomware, and cloud and SaaS attacks.



Minority owned companies increase in growth potential

Last year's acquisitions of 50% of Cyber Security South Africa, CSSA, and Cyber Security Africa Distribution, CSAD, are developing positively. The two companies have continued their organic growth expansion. CYBER1 has exclusivity rights to purchase the remaining 50 percent of the two companies until 30th September 2022.

During the first quarter of 2022, CSSA revenue amounted to €810k, this is down on the prior year as a result of a large three year renewal deal in Q1 of 2021. There is an even revenue distribution between existing and new customers, of 50 percent each, in South Africa. The company's customer groups include, for example, financial, food and hospitality, government, healthcare, insurance, and retail.

Corresponding period, revenues amounted to €1.7m for CSAD, which was an increase of 42 percent compared to first quarter 2021. New customers account for 65 percent and existing customers for 21,5 percent of revenue in software distribution. Professional services accounted for 13,5 percent of revenue. The company's customer groups include energy, financial, government, parastatal (state-owned companies) and telecommunication.

Customers

CYBER1's customers range from government departments, large-scale industrial organisations, financial institutions, companies operating across the TMT sectors, national global communications carriers as well as SME sector businesses. Long-term exclusive relationships are the norm, especially when it comes to the technology that they are using.

Potential new clients are eager to learn about the services and successes that the Group have achieved and continue to implement. A number of partnerships are being established with Government entities, globally.

Technology Partners

The Group continues to expand its partner network and now includes the following technologies: Access Data, CensorNet, Checkpoint, Cisco, CyberArk, Entrust, Everbridge, KnowBe4, Infocyte, McAfee, Microsoft, Mimecast, Palo Alto, Pulse Secure, Rapid7, Solus, Thales and Trustwave amongst others.

Cash Flow

The continued difficulties in the market environment places stress on the Groups' operational cash flow. The focus on operational efficiencies and the rights issue in the quarter have had a positive impact on the cash flow position enabling us to create working capital advantages in some of our group companies.

The Board continues to work on improving the Groups' cash position through operational cash flow and capital injections from outside sources that has proven to be successful so far.

FINANCIAL INFORMATION

Interim Report—Comparative Figures

The Q1 2022 report has not been formally reviewed by the Group's auditor.

Profit for the period

Group

Q1 2022 year revenues amounted to €9.6m (Q1 2021 : €7.9m)

EBITDA for Q1 2022 amounted to €-497k (Q1 2021 : €252k)

Loss before tax for Q1 2022 amounted to €597k (Q1 2021 : profit of €38k)

Depreciation and amortisation for Q1 2022 amounted to €135k (Q1 2021 : €51k)

There was a Net Cash outflow for Q1 2022, which amounted to €347k (Q1 2021 : Net Cash intflow : €498k)

At the end of Q1 2022, the Group's cash balance amounted to €525k (Q1 2021: €-237k)

Parent

The Parent Company's profit for Q1 2022 amounted to €17k (Q1 2021: loss of €183k)

Financial Position

Group

The Group's equity for end of Q1 2022 amounted to €7.1m (Q1 2021: -€265k)

CYBER1 did not pay any dividends to shareholders during Q1 2022, 2021 and prior to this period.

Parent

The equity for the parent company amounted to €4.4m at the end of Q1 2022 (Q1 2021, €-2.4m) and €63k in cash or cash equivalent for Q1 2022 (Q1 2021 : €47k).

Taxation

Group

No provisional corporation tax was paid in Q1 2022.

Deferred Tax Credit has been recognised in the Group during 2021 and to date in 2022.

Parent

No current or deferred tax has been recognised in the Profit and Loss for the parent during 2020, 2021 or to date in 2022.

Allocation of Profits

As indicated in the Financial Position section no dividends were paid to shareholders, therefore no allocation of profit was required for the period of reporting.

Transactions with related parties

The Group's related parties include associated companies and key management personnel with significant influence over the Group. Key management personnel with significant influence over the Group are CYBER1 Board of Directors and members of the Group Management Team. Related parties' transactions are conducted at an arms-length basis.

The Groups subsidiaries in South Africa pay for office space rented via a company that is controlled by the Group's president. The Board of directors considers that this rental charge is in line with market conditions.

CYBER1 announced on the 31st May 2021 the signing of a Sale and Purchase Agreements for acquisitions of 50 percent of Cyber Security South Africa (CSSA) and Cyber Security Africa Distribution (CSAD), which are part owned by CYBER1 Executive Director, Robert Brown. As with the financial and legal due diligence process, this was handled by the elected Board of Directors that excluded Robert Brown in his then capacity as CEO, as well as with two independent firms in South Africa to value and provide information on the acquisitions. Moving forward, confirmation of the remaining 50 percent will be dealt with by an acquisition sub-committee, that will have representatives from the Board of Directors that will exclude Robert Brown.

The exclusivity rights for CYBER1 to purchase the remaining 50 percent of CSSA and CSAD will last until 30th September 2022. The Board is confident that the Group President can exercise his duties appropriately as has been demonstrated in the initial closing of the first 50 percent with a strong ability to unlock opportunities for growth across all units.

CYBER1 has enlisted Non-Executive Director Pekka Honkanen, to provide an overview and contribution to the Company's long term corporate governance strategy. The scope ensures that best practises are evolving and being refined to the ever changing and cross-jurisdictional context that the Company sits within. The engagement through his consulting company (PHOY Solutions) falls outside the scope and remit Mr Honkanen has as a non-executive director under the Company's rules of procedure and articles of association.

Share Information

Cyber Security 1 AB (Publ) (Trading as CYBER1) is a public company whose shares are traded on Nasdaq First North Growth Market (CYB1.ST)

The Company's share register is maintained by Euroclear Sweden AB.

Total number of registered shares by 31 March 2022 were: 710,802,055.

Please refer to Note 4 in relation to the rights issue and the future dilution effect.

2022 Financial Calendar

First Quarter Report 2022	:	23 May 2022
AGM 2022	:	25 May 2022
Half Year Report 2022	:	9 August 2022
Nine Month Report 2022	:	14 November 2022
Fourth Quarter Report 2022	:	20 February 2023

Accounting Principles

The interim report has been issued in accordance with International Financial Reporting Standards requirements (“IFRS”).

Parent Company, Control Balance Sheet

The Board of Directors have implemented a Control Balance Sheet, in accordance with the Swedish Companies Act. Following a review by the Company’s Auditor RSM Stockholm AB without comments, the Company is able to demonstrate that its registered Share Capital is intact.

Risk and Uncertainties

Inherent risks and uncertainties for CYBER1 consist primarily of:

Business risks concerning the delivery of contracted projects and payment.

Financial risks (such as risks related to currency, interest rates, counterparties, future capital), market risks (e.g. competition, changes in demand) and risks related to the local conditions in the countries in which the Group conducts its business infrastructure. There are also risks of delays due to various disturbances in the delivery of contracted projects. Liquidity risk is managed through liquidity forecasting, which ensures sufficient funds are in place to meet the Group’s obligations and the overall strategy for the Group.

Certified Advisors

Mangold Fondkommission AB is appointed as the Certified Advisor for CYBER1.

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Investor Relations

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Auditors

The 2021 AGM resolved to elect RSM Stockholm AB, with Malin Lanneborn as auditor-in-charge, for the time up until the next annual general meeting in the company.

Election Committee and Extraordinary Annual General Meeting 2021

The Annual General Meeting took place on the 29th of June, by way of postal voting procedure.

The following resolutions were made at the AGM:

Election of a new board member and re-election of existing board members..

The AGM resolved to re-elect Johan Bolsenbroek (Chairman), Alan Goslar, Pekka Honkanen and Zeth Nyström, as Board Members. Elected to the Board was Robert Brown, who will also serve as Executive Director.

The Board composition will now be: Johannes Bolsenbroek (Chairman), Alan Goslar, Pekka Honkanen and Zeth Nyström together with Robert Brown, who was elected to the Board of Directors at the AGM and now operates as the Executive Director and Group President for CYBER1.

https://cyber1.com/corporate-governance

Robert Brown (b. 1970)

Engagements in the below South African ventures:

X2A Group Holdings (CEO), My Cybercare, Teq Distribution , Cyber Security South Africa , CSSA Endorsed, Lot 51 of Wilde Spruit, Sea View Properties, Dynamic Recovery Services, Dynamic Recovery3 Holdings, Awake Investments, Two Robs Property Investments, Energy and Densification Systems, Rits Cybercare, Matopa Home Owners Association, Draper Brown Investments, Digimune

Previous Assignments	:	(2015—2019) CEO of Cyber Security 1 AB
	:	(1997—2015) CEO of Dynamic Recovery Services

Other resolutions considered and passed

Approval of the board of directors' resolution to issue shares and warrants by way of units with pre-emption rights

It was resolved to approve the board's decision to issue shares and warrants by way of units with pre-emption rights. The new issue includes a maximum of 174,445,113 units with pre-emption rights for existing shareholders.

Each unit comprises one (1) newly issued share in the company and one (1) warrant, which means that not more than 174,445,113 shares and not more than 174,445,113 warrants may be issued.

All resolutions from the AGM are set out in the minutes from the meeting, which will be available for download at

https://cyber1.com/corporate-governance/.

Certification of Signatories

The Board of Directors certifies that the summarised interim report gives a true and fair view of the financial information in this report.

The Board of Cyber Security 1 AB (Publ), corporate identity number 556135-4811

Johan Bolsenbroek, Chairman, Non-executive Board member

Alan Goslar, Non-executive Board member

Pekka Honkanen, Non-executive Board member

Zeth Nyström, Non-executive Board member

Robert Brown, President, Executive Board member

DETAILED FINANCIAL INFORMATION

BALANCE SHEET	GROUP			PARENT		
	31 March 2022	31 March 2021	31 December 2021	31 March 2022	31 March 2021	31 December 2021
	€'000	€'000	€'000	€'000	€'000	€'000
ASSETS						
Non-current assets						
Property, plant and equipment	335	92	366	0	0	0
Right of use Asset	224	311	150	0	0	0
Intangible Assets	22	22	22	22	22	22
Investments in subsidiaries	0	0	0	2 321	2 301	2 321
Investments in associates	1 364	0	1 229	1 229	0	1 229
Goodwill	6 630	6 630	6 630	0	0	0
Total Non-current assets	**8 575**	**7 055**	**8 397**	**3 572**	**2 323**	**3 572**
Current Assets						
Inventory	7	461	6	0	0	0
Deferred tax asset	125	20	75	0	0	0
Intercompany loans receivable	0	0		5 325	0	5 300
Trade and other receivables	18 959	16 604	18 713	444	6 662	323
Cash & Bank	525	-237	872	63	47	210
Total Current Assets	**19 616**	**16 848**	**19 666**	**5 832**	**6 709**	**5 833**
TOTAL ASSETS	**28 191**	**23 903**	**28 063**	**9 404**	**9 032**	**9 405**
DEBT AND EQUITY CAPITAL						
Equity Capital						
Share Capital	186	91	186	186	91	186
Share premium	24 390	20 857	24 390	24 293	20 769	24 293
Retained Earnings	-17 500	-21 213	-16 962	-20 059	-23 281	-20 076
Other Reserves	0	0	0	0	0	0
Non Controlling Interest	31	0	189	0	0	0
Total Equity	**7 107**	**-265**	**7 803**	**4 421**	**-2 421**	**4 403**
Current liabilities						
Interim Debt	3 951	1 584	3 951	0	1 584	0
Lease liabilities	392	433	303	0	0	0
Bank Overdraft	1 761	0	1 404	0	0	0
Intragroup Debt	0	2 508	0	445	2 558	445
Trade and other payables	12 573	17 569	13 775	4 577	7 334	4 557
Tax payable	357	373	239	-38	-23	0
Provisions	2 050	1 701	588	0	0	0
Total current liabilities	**21 084**	**24 168**	**20 260**	**4 983**	**11 453**	**5 002**
Total Liabilities	**21 084**	**24 168**	**20 260**	**4 983**	**11 453**	**5 002**
TOTAL DEBT AND EQUITY	**28 191**	**23 903**	**28 063**	**9 404**	**9 032**	**9 405**

Statement of comprehensive income (loss)	GROUP Jan - Mar 2022	Jan - Mar 2021	Jan - Dec 2021
	€'000	€'000	€'000
Continuing operations			
Net Revenue	9 633	7 929	37 218
Cost of Sold Goods	-7 626	-5 655	-27 131
Gross Profit	**2 007**	**2 274**	**10 087**
Sales Costs	-1 864	-1 354	-6 348
Administration Costs	-640	-668	-2 964
Depreciation	-135	-51	-326
Total Operating Cost	**-2 639**	**-2 073**	**-9 638**
Operating Result	**-633**	**201**	**449**
EBITDA	**-497**	**252**	**775**
Financial income and costs			
Finance income	-10	0	53
Finance costs	-30	-38	-122
Other financial items	50	-125	3 869
Total Finance income and costs - net	**9**	**-163**	**3 800**
Share of net profit of associates accounted for using the equity method	**6**	**0**	**129**
Result before tax	**-617**	**38**	**4 378**
Tax (Period)	0	0	
Net income for the period, continuing operations	**-617**	**38**	**4 378**
Net income	**-617**	**38**	**4 378**
Net income (loss) attributable to:			
Owners of the Parent Company	-459	28	4 345
Non-controlling interests	-159	10	33

PARENT

Statement of comprehensive income (loss)	Jan - Mar 2022	Jan - Mar 2021	Jan - Dec 2021
	€'000	€'000	€'000
Continuing operations			
Net Revenue	169	126	599
Cost of Sold Goods	0	0	0
Gross Profit	**169**	**126**	**599**
Sales Costs	-18	0	-104
Administration Costs	-131	-308	-556
Depreciation	0	0	0
Total Operating Cost	**-149**	**-308**	**-660**
Operating Result	**20**	**-181**	**-61**
EBITDA	**20**	**-181**	**-61**
Financial income and costs			
Finance income	0	0	0
Finance costs	0	-1	-2
Other financial items	-3	0	3 196
Total Finance income and costs - net	**-3**	**-1**	**3 194**
Result before tax	**17**	**-183**	**3 133**
Tax (Period)	0	0	0
Net income for the period	**17**	**-183**	**3 133**

CASH FLOW ANALYSIS	Group Jan - Mar 2022	Jan - Mar 2021	Jan-Dec 2021
	€ '000	€ '000	€ '000
Profit before income taxes	-617	37	4 378
Depreciation	135	314	326
Interest Paid	-40	0	-255
Interest Received	0	0	750
Changes in Working Capital	**-955**	**1 398**	**-2 204**
Cash Flow from Operations	**136**	**1 509**	**-950**
Paid Taxes	66	0	-615
Cash Flow from Operating Activities	**202**	**1 509**	**-1 565**
Acquisition of subsidiaries			-6
Investment in Associates	-135		-1 100
Acquisition of Fixed Assets	-114	-14	-189
Cash Flow from Investment Activities	**-249**	**-14**	**-1 295**
New share issues			1 744
Directly related costs to the listing			
Proceeds from ongoing share issue	0	0	0
Dividend payment to minority			
Lease liabilities	-48	-151	0
Short Term Financing	-252	-846	2 896
Cash Flow from Financing Activities	**-300**	**-997**	**4 640**
Change in cash and cash equivalents during the year			
Net change in cash, continuing operations	-347	498	1 780
Net change in cash, discontinued operations	0	0	0
Foreign exchange translation adjustment	0	-4	175
Opening Cash position	872	-739	-733
Closing Cash Position	**525**	**-237**	**872**

CONSOLIDATED STATEMENT OF CHANGES IN EQUITY	Jan - Mar 2022	Jan - Mar 2021	Jan - Dec 2021
	€ '000	€ '000	€ '000
Equity - Opening Balance	**7 803**	**-514**	**189**
Adjustment from acquisition analysis			
Share Issues	0		1 748
Offset Issue			1 880
Profit from the Period	-617	33	4 378
Other comprehensive income for the period, net of tax	0	212	0
Foreign Exchange-Differential	-79	4	-392
Changes in equity during the period	**-696**	**249**	**7 614**
Equity - Closing Balance	**7 107**	**-265**	**7 803**

PARENT STATEMENT OF CHANGES IN EQUITY	Jan - Mar 2022	Jan - Mar 2021	Jan - Dec 2021
	€ '000	€ '000	€ '000
Equity - Opening Balance	**4 403**	**-2 191**	**-2 358**
Adjustment from acquisition analysis			
Share Issues	0	0	1 748
			1 880
Profit from the Period	17	-230	3 133
Other comprehensive income for the period, net of tax			
Foreign Exchange-Differential	1		
Changes in equity during the period	**18**	**-230**	**6 761**
Equity - Closing Balance	**4 421**	**-2 421**	**4 403**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Note 1 – General accounting principles

CYBER1 (the Group) consists of Cyber Security 1 AB (the Company) and its subsidiaries. Cyber Security 1 AB is a public company, incorporated in Sweden. The consolidated interim financial statements consist of the Group and the Parent company and Group's subsidiary companies. As a result of rounding differences, numbers or percentages may not add up to the total. These interim condensed consolidated financial statements for the three months ending 31 December 2021, have been prepared in accordance with IAS 34 Interim Financial Reporting as issued by the International Accounting Standards Board (IASB) and the Swedish Annual Accounts Act, and for the parent company in accordance with the Swedish Annual Accounts Act and RFR 2 Reporting for legal entities and other statements issued by the Swedish Financial Reporting Board. The interim condensed consolidated financial statements do not include all the information and disclosures required in the annual financial statements and should be read in conjunction with the Group's annual financial statements for 2020 (Annual Report 2020). Key developments in risks and uncertainties, including COVID-19, are described in the section Risks and uncertainties.

IASB has published amendments of standards that are effective as of 1 January 2020 or later. The standards have not had any material impact on the financial reports.

On 28 May 2020, IASB issued Covid-19-Related Rent Concessions, which amended IFRS 16 Leases. The amendment permits lessees, as a practical expedient, not to assess whether particular rent concessions occurring as a direct consequence of the Covid-19 pandemic are lease modifications and instead to account for those rent concessions as if they are not lease modifications. The amendment does not affect lessors. On 12 October 2020, the European Union has published a Commission Regulation endorsing of the Amendment to IFRS 16 Leases Covid-19-Related Rent Concessions. The Amendments are effective for annual periods beginning on or after 1 June 2020.

IBOR transition

Where interest rate hedge accounting is applied CYBER1 is exposed to the STIBOR (Stockholm Interbank Offered Rate) reference rate for hedged instruments together with their hedging instruments. The change of reference rate due to the upcoming IBOR transition will, when implemented, affect future cash flows on interest income and interest expense but CYBER1 expects continued 100% effectiveness of the hedges and no net interest impact. The nominal value of outstanding exposures is EUR 1.58 million. CYBER1 will continue to monitor any changes to STIBOR as a reference rate and update, together with counterparties, the relevant financial contracts accordingly as and when these occur.

Items affecting comparability

CYBER1 reports an adjusted EBIT for comparison reasons. The result is adjusted for capital gains and losses from divestments and larger restructuring initiatives and impairments.

Loss of control of a wholly owned subsidiary with an interest retained

When the group disposes of a significant part of its interest, and therefore loses control, of a subsidiary, the group deconsolidates the subsidiary. If the retained interest in the entity fulfils the criteria of being an associate, it is accounted for at fair value at the disposal date, and subsequently accounted for using the equity method. The gain or loss of the transaction is the difference between the fair value of the consideration received as well as the fair value of the retained interest, and the carrying value of the former subsidiary's net assets (including any related goodwill) and is recorded in the income statement. Any portion of the gain or loss related to the re-measurement of the retained interest to fair value is disclosed separately.

Impact on the financial reporting due to COVID-19

Goodwill

During the reporting period to March 2022, CYBER1 has outlined the cash-generating units (CGUs) within the business area of CYBER1 Group. The recoverable amount of all of the CGUs has been assessed based on estimates of value in use. Calculations of value in use are based on the estimated future cash flows using forecasts covering a five-year period, which are in turn based on the three-year plans prepared annually by each of the business areas and approved by CYBER1 Group Executive Management.

These plans are founded on the business areas' strategies and an analysis of the current and anticipated business climate, and the impact this is expected to have on the market in which the business area operates. A range of economic indicators, which differ for each market, and external and internal studies of these, are used in the analysis of the business situation. The forecasts form the basis for how the values of the material assumptions are established.

The assumptions mentioned below reflect past experience and are consistent with external information. The most material assumptions when determining the value in use include anticipated demand, growth rate, operating margin, working capital requirements and the discount rate.

The factor used to calculate growth in the terminal period after five years was 2% (in line with last year). Need of working capital beyond the five-year period is deemed to increase approximately as the expected growth in the terminal period. The discount rate consists of a weighted average cost of capital for borrowed capital and shareholders' equity. Since 2020 CYBER 1 calculates a pre-tax discount rate for each CGU. As of December, it varied between 9.3% and 13.5%. Last year all CGUs applied a pre-tax discount rate of 11% before tax. The specific risks of the CGUs have been adjusted for in the future cash flow forecasts.

Impairment tests were performed in 2021 in response to the Covid-19 pandemic. The testing of goodwill did not indicate any impairment requirement. Sensitivity in the calculations implies that the goodwill value would be maintained even if the discount rate was increased by 2 percentage points or if the long-term growth rate was lowered by 2 percentage points. The goodwill value would also be maintained, given an operating margin drop by 2 percentage points.

Inventory

As of 31 March 2022, there is no significant impact on the valuation of inventory related to the Covid-19 pandemic.

Expected credit losses

As of 31 March 2022, there are no indications on any significant impact related to the Covid-19 pandemic. Expected credit losses remain on a low level compared to twelve months rolling revenues.

DETAILED FINANCIAL INFORMATION

Note 2 – Operating segment information

Revenue and Segments

CYBER1 is located in three regions in Africa, Europe, and the Middle East, with more than 160 employees. For management and reporting purposes, the Group is organised by these geographical areas. The performance of these geographical areas is evaluated on a regular basis by CYBER1's Executive Team, consisting of among others, the Managing Directors of each geographical segment. In addition to the geographical areas, the Group operates Shared Services functions and central administration. These costs are reported separately as Group Shared Service and Group costs.

Revenue per Segment	Jan - Mar 2022	Jan - Mar 2021
	€ '000	€ '000
Africa	6 470	5 686
Middle East	3 309	2 120
Europe	164	126
Sub-Total including internal Sales	**9 943**	**7 932**
Internal sales eliminations	-310	-3
Segment Total	**9 633**	**7 929**

For management and reporting purposes, CYBER1 will be included in Group Shared Services from 1 January 2020. The corresponding information from earlier periods is restated. Transfer prices between operating segments are on arm's length basis in a manner similar to transactions with third parties.

Disaggregation of revenue in the following table, revenue is disaggregated by major revenue streams divided into the reportable segments as shown below:

Georgraphical information - Current Year	Distribution	Advisory & Managed services	Jan - Mar 2022
	€ '000	€ '000	€ '000
Jan - Mar 2022			
Africa	251	6 058	6 308
Middle East	3 307	3	3 309
Europe	15	311	325
Including internal sales	**3 572**	**6 371**	**9 943**
Internal sales		-310	-310
Total	**3 572**	**6 061**	**9 633**

Georgraphical - Prior year	Distribution	Advisory & Managed services	Jan - Mar 2021
	€ '000	€ '000	€ '000
Jan - Mar 2021			
Africa	1 706	3 980	5 686
Middle East	636	1 484	2 120
Europe	38	88	126
Including internal sales	**2 380**	**5 552**	**7 932**
Internal sales	0	-3	-3
Total	**2 380**	**5 549**	**7 929**

Georgraphical information - Current Year	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
	€ '000	%	€ '000	%	€ '000
Jan - Mar 2022					
Africa	6 470	14%	-529	-8%	519
Middle East	3 309	56%	27	1%	38
Europe	164	30%	5	3%	8 038
Core business	**9 943**	**25%**	**-497**	**-5%**	**8 595**
Eliminations	-310	10222%	0	0%	0
Cyber1 Group	**9 633**	**21%**	**-497**	**-5%**	**8 595**
	-0				

Georgraphical information - Prior Year	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
	€ '000	%	€ '000	%	€ '000
Jan - Mar 2021					
Africa	5 686	2%	435	77%	332
Middle East	2 120	-41%	-96	-45%	89
Europe	126	-97%	-88	-698%	2 324
Core business	**7 932**	**-50%**	**251**	**32%**	**2 745**
Eliminations	-3	-1%		0%	
Cyber1 Group	**7 929**	**-51%**	**251**	**32%**	**2 745**

Note 3 - Financial instruments

CYBER1 is exposed to a number of financial market risks that the Group is responsible for managing under the finance policy approved by the Board of Directors. The overall objective is to have cost-effective funding in the Group companies. The financial risks in the Group are managed, to a limited extent, through the use of financial instruments. The main exposures for the Group are liquidity risk, interest rate risk and currency risk.

Derivatives for currency hedging are measured at fair value, according to level 2, in compliance with IFRS 13. Other financial instruments are measured at their carrying amounts.

The significant financial assets and liabilities are shown below. According to CYBER1's assessment, there is no significant difference between the carrying amounts and fair values

CYBER1's financial assets consist mainly of receivables from end customers, other operators and resellers as well as cash and cash equivalents. CYBER1's financial liabilities consist mainly of loans, lease liabilities and accounts payables. For the category "Liabilities to financial institutions and similar liabilities" the reported value amounted, at 31 March 2022, to €1,761k (2021 : €1,584k).

Carrying value and fair value

CYBER1 applies IFRS 9 to classify and measure financial instruments.

Cyber Security 1 AB uses the following valuation techniques of the fair value hierarchy in determining the fair values of the financial instruments:

Level 1 - Quoted prices (unadjusted) in active markets

Level 2 - Inputs other than quoted prices that are observable, either directly or indirectly

Level 3 - Inputs that are not based on observable market data

The accounting principles related to financial liabilities are essentially unchanged compared with previous years. CYBER1 has updated its accounting principles related to expected credit losses and has, in accordance with the standard, implemented the "expected loss model."

Disclosures on financial instruments

The following table shows the carrying amounts and fair values for the individual classes of financial instruments as well as the fair value hierarchy for the assets and liabilities that are measured at fair value in the balance sheet

Carrying value and fair value as at March 2022

	Financial instruments measured at FVTPL	Financial assets measured at amortized cost	Other financial liabilities	Cash flow hedges measured at FVOCI	Other receivables and liabilities	Total carrying value	Estimated fair value
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Trade receivables		18 334				18 334	18 334
Other non-current financial receivables					125	125	125
Other current assets and financial receivables		625			7	632	632
Prepaid expenses and accrued income						0	0
Cash and cash equivalents		525				525	525
Total assets	**0**	**19 484**	**0**	**0**	**132**	**19 616**	**19 616**
Loans and borrowings			1 761		392	2 153	2 170
Other non-current financial liabilities					3 951	3 951	3 951
Other current liabilities					357	357	357
Accrued expenses and deferred income					2 050	2 050	2 050
Trade payables			12 573			12 573	12 573
Total liabilities	**0**	**0**	**14 334**	**0**	**6 750**	**21 084**	**21 102**

Fair value measurement by level

	Level 1	Level 2	Level 3	Total
	€'000	€'000	€'000	€'000
Derivative financial assets	-	-	-	-
Derivative financial liabilities	-	-	-	-

Carrying value and fair value as at March 2021

	Financial instruments measured at FVTPL	Financial assets measured at amortized cost	Other financial liabilities	Cash flow hedges measured at FVOCI	Other receivables and liabilities	Total carrying value	Estimated fair value
	€'000	€'000	€'000	€'000	€'000	€'000	€'000
Trade receivables		16 604				16 604	16 604
Other non-current financial receivables						0	0
Other current assets and financial receivables					461	461	461
Prepaid expenses and accrued income					0	0	0
Cash and cash equivalents		237				237	237
Total assets	**0**	**16 841**	**0**	**0**	**461**	**17 302**	**17 302**
Loans and borrowings			1 584		433	2 017	2 017
Other non-current financial liabilities					0	0	0
Other current liabilities					373	373	373
Accrued expenses and deferred income					0	0	0
Trade payables			17 569			17 569	17 569
Total liabilities	**0**	**0**	**19 153**	**0**	**806**	**19 959**	**19 959**

Fair value measurement by level

	Level 1	Level 2	Level 3	Total
	€'000	€'000	€'000	€'000
Derivative financial assets	-	-	-	-
Derivative financial liabilities	-	-	-	-

Financial instruments, level 2

The fair value of financial instruments that are not traded on an active market are determined by means of available valuation techniques. Market information is used when available. The use of corporate-specific information is avoided whenever possible. If all important in-data required for a fair value valuation of an instrument is observable, the instrument is in level 2. Specific valuation techniques used in the valuation of financial instruments include, for example, listed market

DISTRIBUTION BY LEVEL WHEN MEASURED AT FAIR VALUE	31 March 2022				31 March 2021			
	Level 1	Level 2	Level 3	Total	Level 1	Level 2	Level 3	Total
	€'000	€'000	€'000	€'000	€'000	€'000	€'000	€'000
FINANCIAL ASSETS								
Financial assets measured at fair value through profit or loss:								
Derivative financial instruments – non-hedge accounting								
Derivatives used for hedging purposes:								
Derivative financial instruments – hedge accounting								
Total financial assets	**0**	**0**	**0**	**0**	**0**	**0**	**0**	**0**
FINANCIAL LIABILITIES								
Financial liabilities at fair value through profit or loss:								
Derivative financial instruments – non-hedge accounting								
Contingent considerations			18	18			0	0
Derivatives used for hedging purposes:								
Derivative financial instruments – hedge accounting								
Total financial liabilities	**0**	**0**	**18**	**18**	**0**	**0**	**0**	**0**

Financial instruments, level 3

The change during the quarter for instruments at level 3 refers to contingent considerations. Contingent considerations are valued at the fair value based on data available such as conditions set forth in the purchase agreement and current assessments of the estimated fulfilment of the conditions.

MOVEMENTS FINANCIAL INSTRUMENTS LEVEL 3			
Contingent considerations	**Q1 2022**	**Q1 2021**	**Full year 2021**
	€'000	€'000	€'000
Opening balance	0	3	0
Business combinations			
Payments	0	-3	0
Reversals			
Revaluations	18	0	0
Translation differences			
Closing balance	**18**	**0**	**0**

No transfer in or out of level 3 or level 2 has been made during the quarter to March. The recognised amounts are regarded as reasonable estimates for all items measured at carrying value in the balance sheet, except for loans and borrowings, as these amounts have a long time to maturity.

The fair value of loans and borrowings differ from their carrying value as a consequence of changes in the market interest rates. Items not valued at fair value in the balance sheet are measured at amortised cost.

Note 4 – Significant Events

After the end of the forth quarter there are no further significant events to report.

Note 5 – Impairments

Goodwill and Disposal of non-current assets

An impairment test on goodwill in accordance with IAS 36 (Impairment of Assets) is generally performed annually within the Cyber Security 1 AB Group, in the fourth quarter once the operational three-year plan has been prepared or if there are indications for impairment. In this impairment test, the carrying amount of a group of cash-generating units (CGUs) to which goodwill is allocated is compared with the recoverable amount of this group of CGUs.

No impairments have been deemed necessary in the current reporting period.

Note 6 - earnings per shares

Earnings per share	Jan - Mar	
	2022	2021
	€ '000	€ '000
Profit for the period	-617	**38**
Non-controlling interests	-159	**10**
Group share of profit	-459	**28**
Number of shares (weighted average)	710 802	**348 890**
Earnings per share	**-0.65**	**0.08**
Net income from continuing operations – attributable to the parent entity	-459	**28**

There has been no material change to the contractual obligations during the current reporting period.

Note 8 - Significant risks and uncertainties

As a decentralised company with operations across the Global, CYBER1 faces internal and external risks that may impact its ability to achieve strategic objectives and financial targets. The Group is active in the design, implements and manages solutions that protect critical IT infrastructure, data assets, independent product advice and professional services across all cybersecurity application spaces. The general identified risks are mainly within the following categories: financial, operational, contract and assignment, IT, sustainability, governance and branding. CYBER1 has a risk management process in place which is part of the CYBER1 Model. Successful risk mitigation creates opportunities and competitive advantages.

CYBER1 Group operates in a broad range of geographical product and service markets in the highly competitive and regulated cyber security industry. CYBER1 has defined risk as anything that could have a material adverse effect on the achievement of CYBER1 Group's goals. Risks can be threats, uncertainties or lost opportunities relating to CYBER1's current or future operations or activities. CYBER1 has an established risk management framework in place to regularly identify, analyse, assess and report business, financial as well as ethics and sustainability risks and uncertainties, and to mitigate such risks when appropriate. CYBER1 Group's risk universe consists of four categories and over thirty risk areas used to aggregate and categorise risks identified across the business within the risk management framework, see below.

For further information regarding details on risk exposure and risk management, see the Annual Report 2021, Directors Report and the newly published Governance report.

Note 9 – COVID-19

The spread of cross-border diseases such as COVID-19 may have an operational effect on CYBER1 Group due to, among other things, mobility restrictions and lockdown measures, change in consumption, usage patterns, potential disruptions in the supply chain of CYBER1's service offerings, products and solutions, maintenance of infrastructure and access to resources as well as impact on employees. From the latter part of March and through second quarter, we have seen impact from the global spread of COVID-19 on our performance, as mobility restrictions and lockdown measures were implemented in all countries CYBER1 operates in. In addition, the weaker economic outlook and uncertain geopolitical situation has also led to increased volatility in the foreign exchange markets, exposing us to currency fluctuations, as well as increased the risk for additional tax pressure in some countries. A major risk is the duration of the COVID-19 impact.

In light of the effects on financial results and outlook, CYBER1 has assessed whether there are indicators of impairment of cash-generating units (CGUs) with or without goodwill and associated companies in accordance with IAS 36 Impairment of Assets. The Group has not recognised any impairments of CGUs with or without goodwill or associated companies during the period to March 2021. The need for additional provisions for expected credit losses related to trade receivables and contract assets has also been assessed. The level of provisions remains fairly stable.

Local authorities have implemented economic relief measures in all of CYBER1's markets. The impact on CYBER1 has not been material, except for a positive impact on cash flows from delayed payments of business taxes.

Note 10 - Related parties Related party transactions

There have been no significant changes in the relationships or transactions with related parties for the Group or Parent Company with the information given in the annual report 2021.

Other- Parent Company

The consolidated figures in this report are presented at the consolidated level for Cyber1 AB. The Parent Company, Cyber Security 1 AB (corporate identity number 556135-4811), directly and indirectly holds 100% of the shares in all subsidiaries in the Group, except for the companies in South Africa, in which the non-controlling interest is 26%

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Middle East & India

Credence Security Middle East & India

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