CYBER1 records strong Q1 revenues of 9.12m EUR, whilst taking proactive measures for long term sustainability

Group Performance

- Total Group revenue of 9.12m EUR for the quarter, a decline by 30 percent compared to Q1 2019 on an organic basis. Despite the wider global business landscape, the quarter results for core business were on par with our expectations. The business units have adapted quickly to the changing landscape and are well positioned to realise business prosperity over the coming quarters.
- Group Gross margin is up 3% for the quarter, from 20% in Q1 2019 to 23% in Q1 2020.
- Group Q1 2020 EBITDA of -1.26m EUR, compared to a loss of -160k EUR in Q1 of 2019.
- Group Overall operating expenditure has been reduced year over year by 19.77% (-856k EUR) versus Q1 2019. Like for like comparison equated to a reduction in costs of 598k EUR. This proactive approach in the organization is aimed to minimise risks of the current economic climate whilst working towards our long-term strategy for probability for CYBER1.
- ***Items affecting comparability***- CYBER1 reported items affecting comparability of 12.5m EUR. This comprises of closure costs of -3.88m and -4.81m of goodwill impairment related to the divestment of Itway Greece and Turkey. In addition, a total of -1.72m EUR of costs related to the restructuring and impairment of investments in Cognosec Ltd. This has impacted the statement of income and comprehensive income.
- During the first quarter, CYBER1's operations were impacted as a result of the spread of COVID-19. Certain businesses within CYBER1 were negatively affected and resulted in a decline in revenue and operating earnings.

Subsidiary Performance

- DRS recorded quarterly revenue of 7.12m EUR in Q1 2020, versus 8.57m EUR closed in Q1 2019. The business unit closed a number of significant deals, including a 730k EUR transaction from an established customer.
- Credence Security Middle East & India recorded quarterly revenue of 1.58m EUR in Q1 2020, versus 2.83m EUR in Q1 2019.
- Credence Security South Africa recorded quarterly revenue of 284k EUR in Q1 2020, versus 429k EUR closed in Q1 2019.
- Protec (Kenya) recorded quarterly revenue of 317k EUR in Q1 2020, versus 451k EUR closed in Q1 2019.

Beyond the Quarter & Other News

- CYBER1 announced a new Group CEO in Daryn Stilwell.
- CYBER1 notified the market that its previously acquired subsidiaries Itway Turkey and Itway Greece have been released back to Itway S.p.A, who have now reassumed ownership of the subsidiaries. The two subsidiaries (Itway Turkiye and Itway Hellas S.A), were acquired by CYBER1 in a transaction in late 2018. As part of the transaction, the parties had agreed that where CYBER1 was not able to pay certain amounts that had been adversely affected by a material change in the CYBER1 share price, Itway S.p.A would have the right to reacquire the subsidiaries for a nominal amount.
- The Company will in due course provide an update on the wider ramifications of the unwinding of the transaction and will specifically provide an update on a course of action which will include the exercise of any of its rights under the agreements to recover monies paid to Itway S.p.A and the return of the CYBER1 shares delivered as part of the transaction.

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www.cyber1.com
Tel: + 44 (0) 203 059 7857
E-mail: info@cyber1.com

Performance Overview

CYBER1 continues to work diligently in pushing forward its strategic and operational objectives, amidst the turbulent global arena that challenges all business and organisations. With the medical and economic impact of Covid 19 affecting all industries, CYBER1 is able to help businesses and organisations adapt to this environment, utilising industry leading partnerships and professional services that can continue to identify vulnerabilities within organisations and provide detailed road maps to achieving security objectives.

As CYBER1 looks to adapt to the changing global environment, the Executive and Board are taking proactive decisions to minimise any short-term disruptions to the business. The company is confident that the business will minimise any adverse effects during the upcoming two quarters, to ensure that our traditionally highest quarter at the end of 2020 will be able recoup any slowdown in business during this period.

Harmonisation of our internal operations continues to be a significant priority for the Executives. Almost all subsidiaries and the group level office have shown year over year reductions in operating expenditure, as a mechanism for minimising any short-term cash flow challenges. Total reductions versus the previous reporting period equated to 856k EUR. This will have a strong impact on the bottom line as the business works towards overall profitability for 2020.

CEO Comments

Dear Shareholders,

The start of 2020 has seen a number of changes to the business, some of which have been significantly affected by the current economic outlook, that has been fuelled by the global spread of COVID 19.

I would like to extend my thanks to the staff at CYBER1, who have continued to drive the business objectives amidst an ever-changing landscape, which has been uniquely challenging for each business jurisdiction. Each Managing Director has worked tirelessly to minimise disruption to business lines whilst ensuring that each employee has been considered individually, to ensure that their working environment is catered to them and their circumstances.

We are in a unique position in that there are a number of possible ways in which we can support businesses, given the increase in remote working and the resulting new vulnerabilities that organisations now face. We are committed in helping our customers through this difficult transitionary period and have seen an increase in the utilisation of endpoint and cloud security solutions from our customers and additional professional services in testing these new environments.

Ultimately, in this quarter we have faced unprecedented challenges for our own business, more so than in any other quarter since I have been at the company. We have made difficult business decisions focussed on ensuring the viability of the whole company, as well as ensuring the business can continue to thrive and develop our annual organic growth.

The timelines surrounding the Turkish and Greek subsidiaries have unfortunately been exacerbated by current events and the change in share price. I am extremely excited in our existing businesses who have shown continuous growth potential in their operations and outlook for further expansion and I look forward to realising these objectives with them.

From a strategic perspective, I am working closely with the board in providing a strong stabilisation for the company and an enablement of our sales strategy for 2020.

I would like to thank again the CYBER1 staff members for continuing our vision and strategy, which will be integral to the company as we manage these disruptions and help our clients more than ever. I am confident in our executive to tackle these challenges as a cohesive unit moving forward.

To our customers, my thanks for utilising our services and we are here to support you and your security environments wherever we can assist. We take great pride in our value driven relationships and look forward to extending this into 2020 and beyond.

Finally, my thanks to the shareholders, who have been a constant source of support as we like many business face difficult challenges in the current climate.

London, April 2020.

Daryn Stilwell

CEO of CYBER1

CYBER1 GROUP: Financial key-ratios	Jan-Mar Q1 2020	Jan-Mar Q1 2019	Jan-Dec FY 2019
Total Group Income €('000s)	9,124	19,625	68,731
Total Group Gross Margin €('000)	2,081	4,020	14,197
Total Group Gross Margin (percent)	23%	20%	21%
Cash Flow in the Period €('000s)	2,048	-4,695	-2,728
Operating Margin €('000s)	-1,392	-310	-1,156
Operating Margin (percent)	-15%	-2%	-2%
Result after Taxes €('000s)	-5,953	-130	-1,795
Earnings per share €*	-0.0052	-0.0003	-0.0035

Basic earnings per share, EURO			
of which continuing operations	-0.0052	-0.0003	-0.0035
Diluted earnings per share, EURO	-0.0052	-0.0003	-0.0035
Basic weighted average number of outstanding millions	**295.5**	293.9	293.9
Diluted weighted average number of outstanding millions	295.49	293.86	293.86

*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. Average number of shares outstanding for the period 31 March 2019 (Q1 2020) were 295,486,482 (Q1 2019 number of shares outstanding 295,486,482). The new share issue relates to the three offset share issues (1,860,465 & 1,777,778 & 13,277,097) and the payment of shares for the completion of the two Itway subsidiaries (16,666,666), A-tek Ltd. (924,000) and Intact Ltd. (550,000).

Contacts

For additional information, please contact: Tim Metcalfe, Investor Relations, IFC Advisory, CYBER1. Telephone: +44 203 934 6630.
E-mail: cyber1@investor-focus.co.uk

Gateway IR, based in California, United States, act as CYBER1's North American investor relations advisor.

For additional information, please contact: Matt Glover: U.S Investor Relations contact, CYBER1

Email: cyber1@gatewayir.com

About CYBER1 (Nasdaq First North Growth Market: CYB1.ST) (ADR program OTCQX: CYBNY)

CYBER1 is engaged in providing cyber resilience solutions and conducts its operations through physical presences in UK, Sweden, Kenya, South Africa, United Arab Emirates and the United States. Listed on Nasdaq First North Growth Market (Nasdaq: CYB1.ST) and as an American Depositary Receipt (OTCQX: CYBNY), 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.

BUSINESS OVERVIEW

MARKETS

With the outbreak of coronavirus becoming a global pandemic, a number of changes in working environments and strain on national infrastructures have highlighted more than ever the importance of cyber security and ensuring organisations are resilient against these developing threats.

With the increase remote working amongst business personnel many employees and organisations are utilising video conferencing software to facilitate their business operations around the world. One such company that has been under the spotlight is Zoom Video Communications, who has experienced a significant upturn in market capitalisation since the coronavirus pandemic has led to a shutdown across many nations. The focus on the platform has inevitably led to a number of incidents of personnel hijacking of video chats, leading to entities such as Google, Nasa and the German government to limit its use as an official video conferencing provider. The company has appointed former Facebook Chief Security Officer Alex Stamos as an external security consultant to look at providing remediation to their privacy challenges whilst helping to repair the reputation of the company.

The National Cyber Security Centre in the United Kingdom has released a number of additional guidelines and advice on how individuals and businesses can be educated in protecting themselves from the number of additional attack vectors that have arisen from the global pandemic. Since the outbreak there has been a significant increase in websites registrations relating to Coronavirus. Paul Chichester, Director of Operations at the NCSC, said: “We know that cyber criminals are opportunistic and will look to exploit people’s fears, and this has undoubtedly been the case with the Coronavirus outbreak.” This follows confirmation from the World Health Organisation on fraudulent emails being distributed to sell fake anti-viral equipment.

CYBER1 offers an array of assurance and advisory services to clients. Our ability to provide a detailed and well performing managed service whilst being able to distribute vendor products, sets us apart from our competitors by offering global cyber technology architectures.

REVENUE PERFORMANCE BY SUBSIDIARY

€ '000s Overview Sales	*Jan-Mar* Q1 2019	Share %	*Jan-Mar* Q1 2020	Share %	*Jan-Dec* FY 2019	Share %
Credence Security (UAE)	2,986	15%	1,706	20%	12,436	18%
Credence Security (South Africa)	621	3%	284	3%	3,194	5%
DRS (South Africa)	8,286	43%	6,417	70%	19,411	28%
Protec (Kenya)	451	2%	317	3%	1,269	2%
Credence Security (Europe)	6,618	34%	223	2%	30,702	44%
Cognosec (Europe)	663	3%	179	2%	1,719	3%
Total	**19,625**	**100%**	**9,124**	**100%**	**68,731**	**100%**

Outlook and Financial Information

In Q1'2020, number of initiates and structuring programmes were designed to focus our geographical footprint by divesting Itways operations in Greece and Turkey and streamline the UK operations. We have recently taken bold steps in our financial management strategy journey in maintaining strategic focus in this time of uncertainty.

We are now more resilient and stable than ever. We have moved our geographical footprint toward markets where we have scale and consistent cash generation. Our focus has shifted from growth through market share gains and business expansion, towards optimising the value of our existing customer base through convergence, and we have a structured plan for business transformation and digitalisation. Despite the current turbulent times we remain fully committed to our long-term goals, where we have set midterm target for 2020, to engage all vendors/partners in augmenting our business operational targets. We believe that we will have an important and vital role ahead as a cyber resilient business in help rebuilding our economies in a more sustainable manner once the global business environment stabilises.

Even though the pandemic creates uncertainty near-term, CYBER1 is continuing firmly with the existing plan to create sustainable value for the long-term. This year we have launched several new growth drivers in our VAD (valued-added distribution) segment which will contribute to stable long-term growth. We are rebuilding our advisory and MSSP enterprise business to make it more stable and profitable over time. We have initiated a business transformation program to deliver Opex reduction of at least EUR 3 million over three years. These pillars of our strategy remain intact and make us confident that we can deliver on our mid-term guidance.

Business segment performance

The Value-Added Distribution businesses recorded 23% comparable sales decline, due to our former operations in Greece and Turkey, which were divested during the quarter and the transaction being recognised in Q1. Comparable sales revenue was in line with Q1 2019, which are offset by the short-term decline of performance in the UEA regions. The Gross margin increased to 2.3%, as growth and productivity were partly offset by an unfavourable mix. However, comparable gross margin declined 2%, with all businesses declining due to significantly dropped in service level activities offerings, resulting in an adjusted declined EBITA margin of 7.8%.

CYBER1's services are now more important than ever as cyber defence is optimal to mitigate cybercrimes when society rapidly transforms to limit the effects of the pandemic. But even so, our business does face challenges such as decline in end-user Advisory service sales and lower MSSP service offerings through these tough economic times. Nevertheless, we will continue to monitor the impact of the pandemic and evaluate mitigating actions to ensure that we defend our underlying EBITDA, generate cash and maintaining a strong balance sheet even as we face operational disruption in the near-term.

Q1 2020 summary
Reported sales declined by 53% YoY. Sales adjusted for comparable entities and currency decreased by -29.8%, due to reduced sales of value-added reseller (VAR)product solutions and advisory services. The Group revenue decreased YoY primarily due to lower sales in VAD solution offerings in Europe driven by Greece and Turkey entities being released.

Advisory and Manged Services sales adjusted for comparable units and currency decreased by -32% YoY due to reduced sales of professional services. Services sales declined following fewer project completions in the quarter, and a somewhat negative impact on deliveries from the Covid-19 pandemic.

Gross margin improved to 22.8% (20.5%) YoY. Gross margin excluding restructuring charges declined to 22.8% (24.9%). The decline was mainly due to the divestment of 100% of Itways Greece and Turkey, partly offset by improvements in Africa region. We expect to see an improvement gross margin and EBITDA starting in Q2 2020 with the full effect in the second half of the year as we execute additional offerings, including additional pipeline wins in coming quarters.

In addition to these factors which were expected, the Group lost roughly EUR 2 million of underlying EBITD as a result of the pandemic, foreign exchange translation, impairment and restructuring provisions, resulting in a 5% decline in underlying EBITDA.

Looking forward
Whilst we have experienced a number of business changes this year which will make it difficult to achieve our original plan for 2020, we will carry on with strategic initiatives that create value in the long term. We are confident that continued execution on this long-term strategy will help us deliver our mid-term guidance of revenue growth target, as well as, underlying EBITDA growth beyond 2020.

Forward-looking statements

The ‘Other Information’ section includes forward-looking statements. Actual results may differ from those stated. Internal factors such as the successful management of research programmes and intellectual property rights may affect future results. There are also external conditions such as the economic climate, political changes and competing research programmes that may affect CYBER1’s results. Forward-looking statements speak only as of the date they were made, and, other than as required by applicable law, CYBER1 Company undertakes no obligation to update any of them in light of new information or future events

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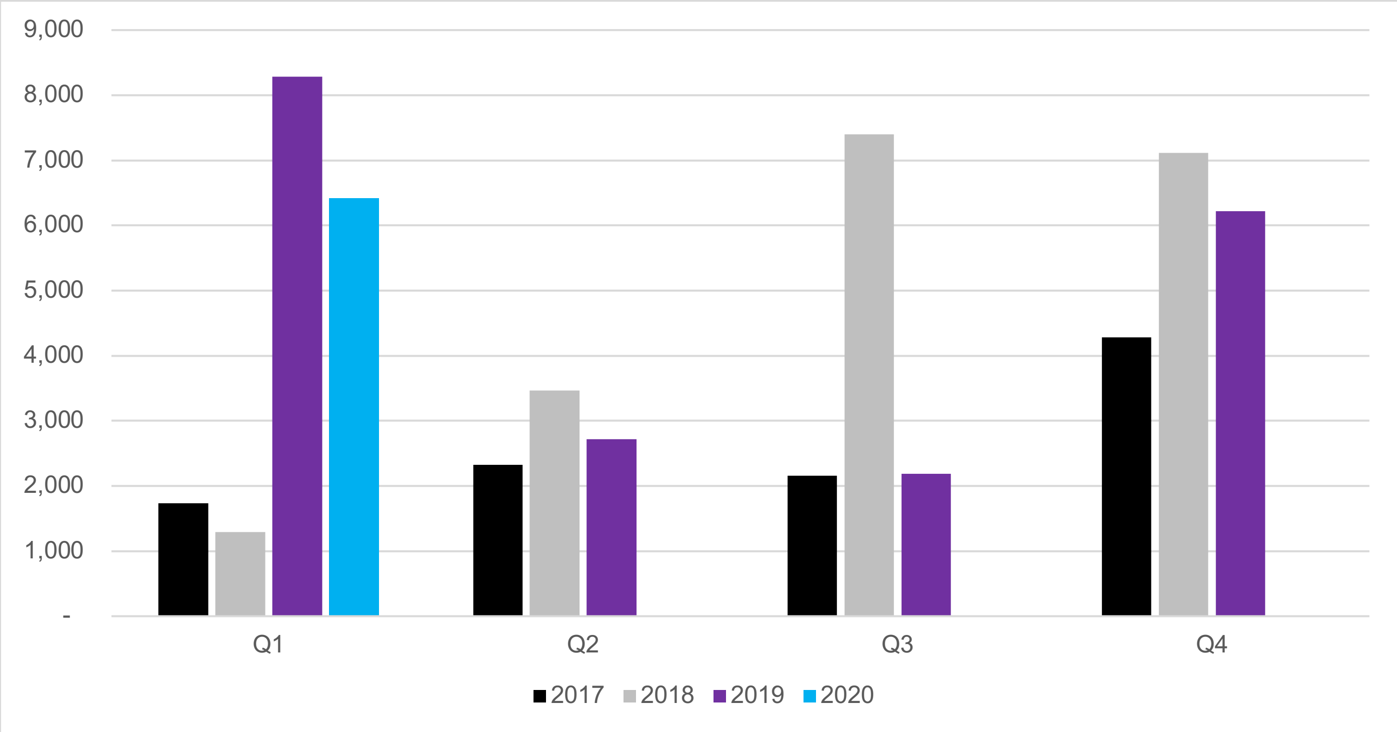
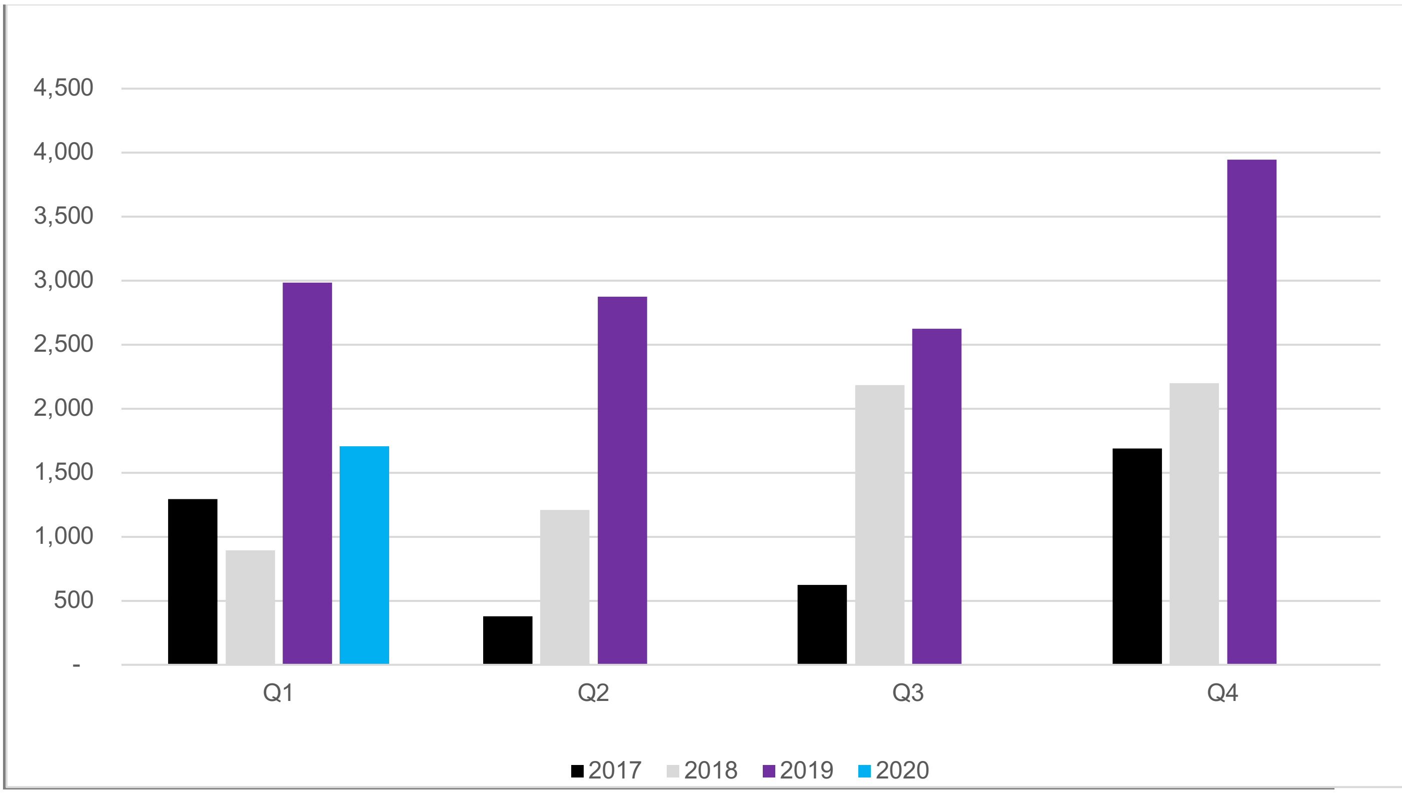
www.cyber1.com
Tel: + 44 (0) 203 059 7857
E-mail: info@cyber1.com

DRS (South Africa)



DRS has started strongly for Q1 2020, recording 6.42m EUR for the quarter. The company was able to mitigate a number of key external risk to commence 2020 in the manner shown previously, with a positive outlook for the rest of the year. DRS's prior year performance included a number of new business acquisitions and this has been a consistent theme for the entity in Q1 of 2020. Moving forward, the entity is well on track for its business projections for the year despite external factors that are present.

Credence Security Middle East & India



Credence Security Middle East and India recorded 1.7m EUR of revenue for the period. Traditionally during this quarter, the subsidiary would be participating in their roadshow and travelling to a number of key sales regions. The company has adapted quickly to the changing environment, providing additional webinars and key remote partner and customer engagements to ensure a continuity of business operations are maintained. The quarter included several six figure enterprise deals, as well as a number of high margin service business, which will be influential in driving overall growth in the region.

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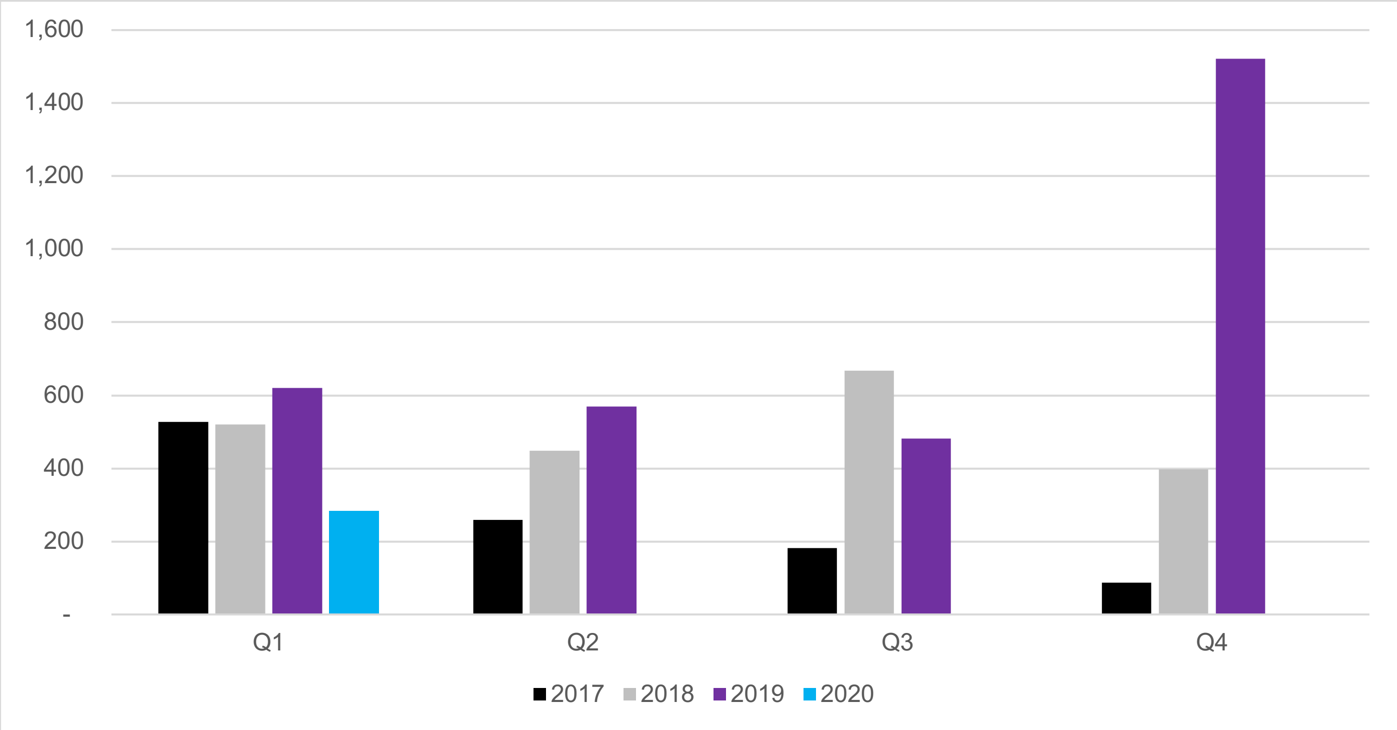
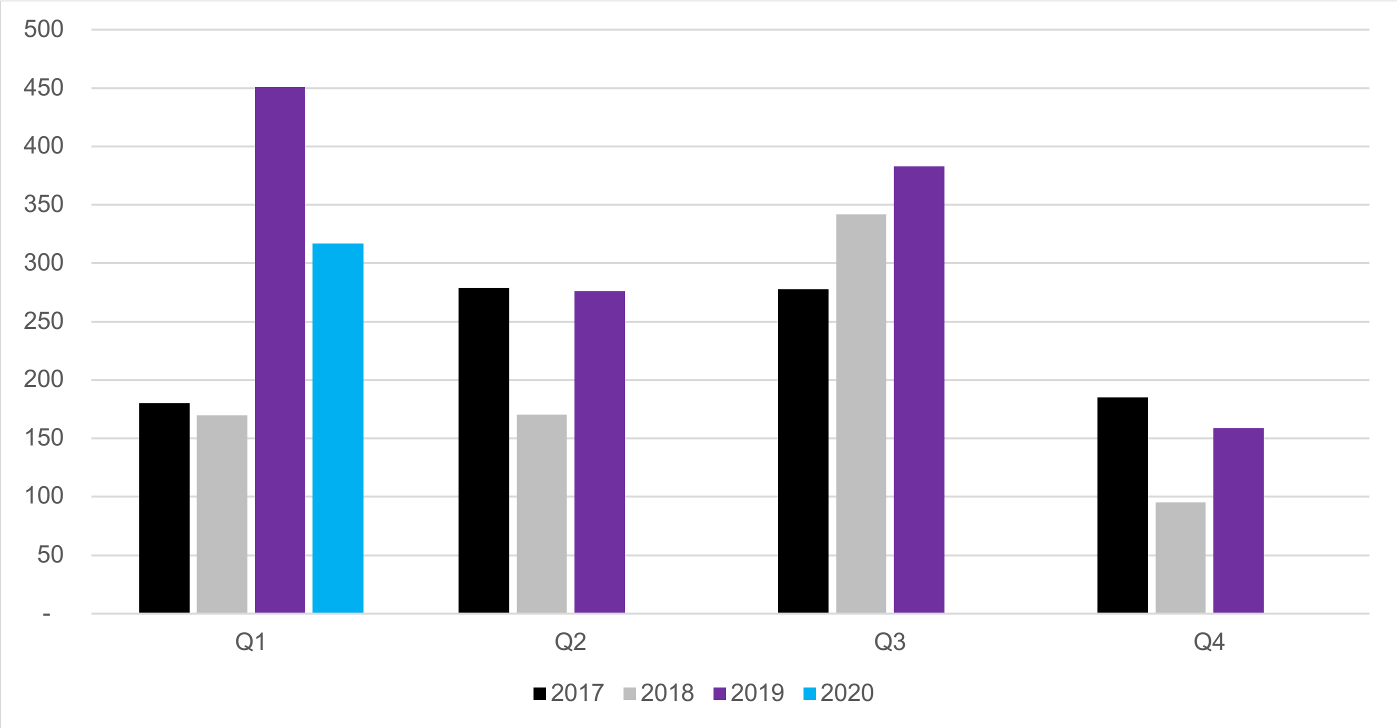
www.cyber1.com
Tel: + 44 (0) 203 059 7857
E-mail: info@cyber1.com

Credence Security (South Africa)



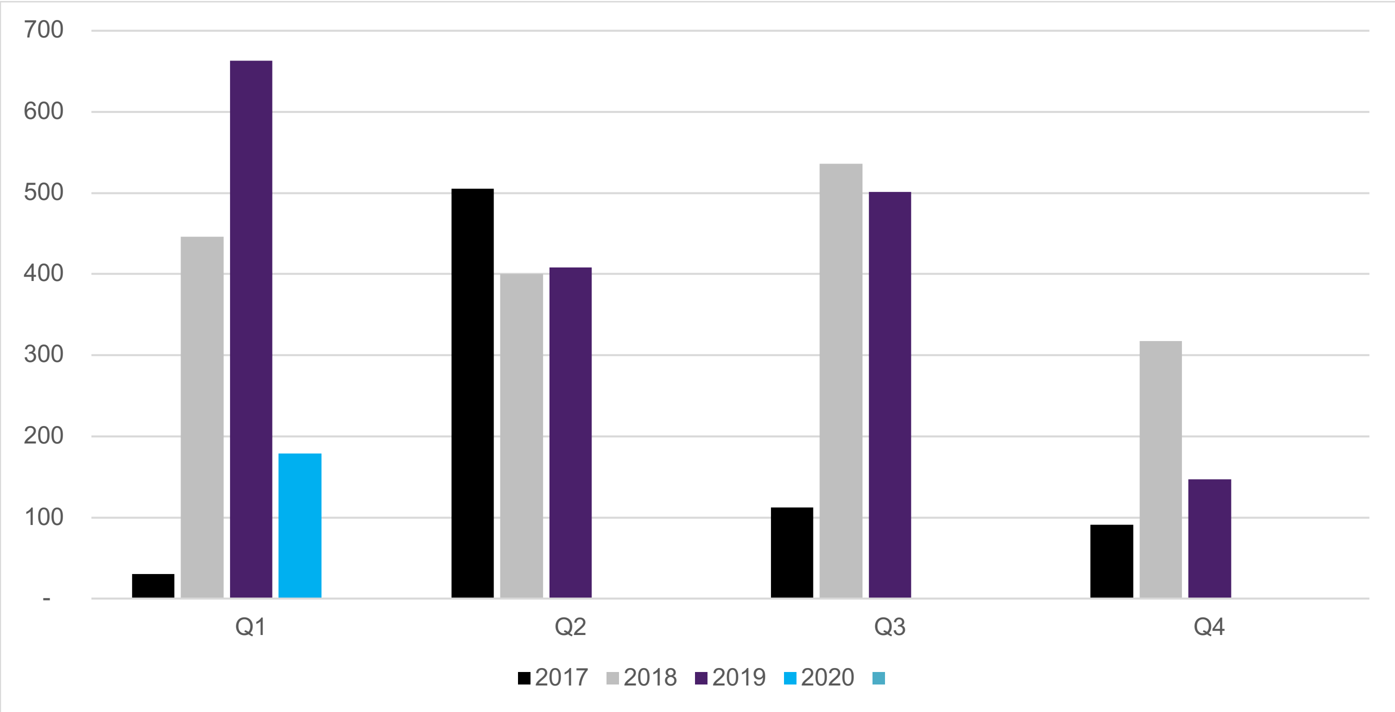
Credence Security South Africa closed 284k EUR in revenue for the first quarter period. Following a strong fourth quarter, the subsidiary is working closely with the other Credence Security subsidiaries, to analyse and build on the current vendor portfolio and cater for the changing demand facing the South African region.

Protec (Kenya)



Protec started brightly for 2020, closing 317k EUR in revenue for the period. Despite the wider economic difficulties, the Kenyan entity has ensured that its pipeline for the immediate quarters are able to meet the demand of the targeted enterprise customers in the region. The region will be strategically important for CYBER1's wider objectives, through expanding further its geographical customer base into the rest of Africa.

Cognosec Europe



Cognosec Europe has started Q1 with revenues of 179k EUR. The group is identifying strategic opportunities to scale up our European region through the proven and established vendor relationships we have fostered in the Middle East and Africa.

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E-mail: info@cyber1.com

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, Algosec, CensorNet, Checkpoint, Cisco, Cyberark, Demisto, Digital Guardian, Everbridge, Fidelis, Galvanize, KnowBe4, Infocyte, McAfee, Popcorn Training, Pulse Secure, Rapid7, Redhat, Redseal, Solus, Thales, Trustwave amongst others.

CASH FLOW

Continued expansion of the European region through acquisitions has affected the Q1 Operational Cash Flow negatively. Whilst working capital remains tight, the directors are confident that the business forecast will support continued liquidity.

The Board is working on improving the Group's cash position through operational cash flow and capital injections from outside sources and has so far been successful in this. The Board is confident that this will provide sufficient funds moving forward.

FINANCIAL INFORMATION

INTERIM REPORT: COMPARATIVE FIGURES

The Q1 2020 report has not been reviewed by the Group's auditor.

PROFIT FOR THE PERIOD

Group

First quarter revenues amounted to 9.12m EUR (Q1 2019 Revenue: 19.63m EUR).

Profit before tax for Q1 2020 amounted to -2.071m EUR (Q1 2019 profit of -114k EUR).

Profit after tax from continuing operations for Q1 2020 amounted to -2.071m EUR (Q1 2019 profit of -130k EUR).

Depreciation and amortisation for Q1 2020 amounted to 134k EUR, Q1 2019 Depreciation and Amortisation: 150k EUR.

There was a Net Cash Outflow for Q1 2020, which amounted to 1.384m EUR (Net Cash Outflow Q1 2019: 4.711m EUR).

At the end of Q1 2020, the Group's cash balance amounted to 1.384m EUR (Q1 2019: 1.113m EUR).

Parent

The Parent Company's loss for Q1 2020 amounted to -759k EUR (Q1 2019: -720k EUR).

FINANCIAL POSITION

Group

The Group’s equity for end of Q1 2020 amounted to 1.228m EUR (End of Q1 2019: 15.759m EUR).

CYBER1 did not pay any dividends to shareholders during Q1, 2020, 2019 and prior to this period.

Parent

The equity for the parent company amounted to -967k EUR at the end of Q1 2020 (End of Q1 2019, 14.607m EUR) and 3k EUR cash or cash equivalent (End of Q1 2019,3k EUR).

INVESTMENTS

The Group seeks to expand by way of profitable M&A activity in what remains a highly fragmented market.

The Company continues to identify a number of acquisition targets. The approach for CYBER1 is to assess various forms of companies that can complement and add to their overall offering in the Product and Professional and Managed Service space. The Company continues to identify acquisition targets in various jurisdictions, in collaboration with the CYBER1 Global Advisory Board, Chaired by Joseph J. Grano Jr.

TAXATION

Group

No provisional corporation tax was paid in Q1 2020.

Deferred Tax Credit has been recognised in the Group during 2019 and to date in 2020.

Parent

No current or deferred tax has been recognised in the Profit and Loss for the parent during 2018, 2019 or to date in 2020.

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

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 2018.

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) and as an American Depositary Receipt on the OTC market (OTCQX:CYBNY).

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

Total number of registered shares at 31 March 2020 are: 295,486,482.

FINANCIAL CALENDAR

First Quarter Report 2020	April 27, 2020
Publication of 2019 Annual Report	4 June 2020
Annual General Meeting	June 25, 2020
Half Year Report	August 26, 2020
Nine Month Report	October 30, 2020

2019 Annual Report

The 2019 Annual Report once published will be available at www.cyber1.com/investors under the "Financial Report" Section.

ACCOUNTING PRINCIPLES

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

RISKS 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.

Address:
Box 55691
102 15 Stockholm
CA@mangold.se
+46 8-503 015 50

INVESTOR RELATIONS ADVISORS

IFC act as CYBER1's European investor relations advisor.

For additional information, please contact Tim Metcalfe, Investor Relations, IFC Advisory, CYBER1 Telephone: +44 203 934 6630.
E-mail: cyber1@investor-focus.co.uk

Gateway IR, based in California, United States, act as CYBER1's North American investor relations advisor.
For additional information, please contact: Matt Glover, U.S Investor Relations Contact.
E-mail: cyber1@gatewayir.com

AUDITORS

The 2019 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 ANNUAL GENERAL MEETING 2020

The extraordinary general meeting of Cyber Security 1 AB (publ) (the "Company") was held on the 28th January 2020.

The EGM resolved on, for the period until the next annual general meeting has been held, re-election of Daryn Stilwell and new election of Johan Bolsenbroek, Antoine Karam, Frank Kamsteeg, Corné Melissen, Robert Blase and Thomas Bennett.

The AGM, which took place in July of 2019, decided in accordance with the proposal, to issue at one or more occasions, with or without deviation from shareholders preferential rights, up to 150,000,000 new shares, convertible bonds and / or warrants.

CERTIFICATION AND SIGNATURES

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

Daryn Stilwell, Executive Board member & Group CEO
Antoine Karam, Non-executive Board member
Frank Kamsteeg, Non-executive Board member
Corné Melissen Non-executive Board member
Robert Blasé Non-executive Board member
Thomas Bennett Non-executive Board member

DETAILED FINANCIAL INFORMATION

Consolidated Income Statement

(Thousand Euros)	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Continuing operations			
Net Revenue	9,124	19,625	68,731
Cost of Sold Goods	-7,043	-15,605	-54,534
Gross Profit	**2,081**	**4,020**	**14,197**
Sales Costs	-1,868	-2,002	-8,014
Administration Costs	-1,472	-2,178	-6,697
Depreciation	-134	-150	-643
Total Operating Cost	**-3,474**	**-4,330**	**-15,354**
Operating Result	**-1,392**	**-310**	**-1,156**
EBITDA	**-1,259**	**-160**	**-513**
Financial income and costs	-	-	-
Finance income	1	312	49
Finance costs	-47	-116	-281
Other financial items	-632	-	446
Total Finance income and costs - net	**-679**	**196**	**213**
Result before tax	**-2,071**	**-114**	**-943**
Tax (Period)	-	-16	-442
Net income for the period, continuing operations	**-2,071**	**-130**	**-1,385**
Discontinued operations			
Loss from discontinued operations	-3,882	-	-410
Net income for the period, discontinued operations	**-3,882**	**-**	**-410**
Net income	**-5,953**	**-130**	**-1,795**
Net income (loss) attributable to:			
Owners of the Parent Company	*-5,415*	-96	-1,435
Non-controlling interests	*-538*	*-34*	*-360*

Statement of comprehensive income (loss)			
(Thousand Euros)	**Jan-Mar 2020**	**Jan-Mar 2019**	**Jan-Dec 2019**
Net income (loss)	**-5,953**	**-130**	**-1,795**
Other comprehensive income (loss)			
Items that will not be reclassified to profit or loss, including reclassification adjustments:			
revaluation of gains and loss relating to intangible assets	-4,810	-	-
Other items: impairment and restructuring and acquisition-related charges	-1,724	-	-
Total comprehensive income (loss)	**-12,487**	**-130**	**-1,795**
Total comprehensive income (loss) attributable to:			
Owners of the Parent Company	*-11,948*	-96	-1,435
Non-controlling interests	*-538*	*-34*	*-360*

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Parent Company Income Statement

(Thousand Euros)	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net Revenue	179	390	1,573
Cost of Sales	-	-	-484
Gross profit	**179**	**390**	**1,089**
Sales Costs	-	-	**-686**
Depreciation	-3	-3	-10
Administration costs	-938	-1,110	-3,587
Total Costs	**-941**	**-1,112**	**-4,284**
Operating result	**-762**	**-722**	**-3,195**
Finance costs	3	2	-41
Result before tax	***-759***	***-720***	***-3,236***
Tax	-	-	-
Result for the period	***-759***	***-720***	***-3,236***

Parent Company statement of comprehensive income (loss)

(Thousand Euros)	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Net income (loss)	**-759**	**-720**	**-3,236**
Tax on items that will not be reclassified to profit or loss	**-12,306**	**-**	
Total comprehensive income (loss)	**-13,065**	**-720**	**-3,236**

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BALANCE SHEET (Thousand Euros)	Group 31 Mar 2020	Group 31 Mar 2019	Group 31 Dec 2019	Parent 31 Mar 2020	Parent 31 Mar 2019	Parent 31 Dec 2019
ASSETS						
Non-current assets						
Property, plant and equipment	168	210	182	-	-	-
Right-of-use-Asset	351	659	450	-		
Intangible Assets	29	5,273	4,400	29	39	31
Investments in subsidiaries	-	-	-	2,301	14,258	14,357
Goodwill	6,630	7,609	7,609	-	-	-
Total Non-current assets	**7,178**	**13,751**	**12,641**	**2,330**	**14,297**	**14,389**
Current Assets						
Inventory	6	356	225	-	-	-
Deferred tax asset	3	3	14	-	-	-
Share issue receivable	-	-	-	-	-	-
Short term receivable	-	-	-	-	-	-
Trade receivable	14,023	20,902	26,951	5,791	3,654	5,654
Other Claims	113	428	279	-	-	-
Cash & Bank	1,384	1,113	2,438	3	3	3
Total Current Assets	**15,531**	**22,802**	**29,905**	**5,794**	**3,657**	**5,657**
TOTAL ASSETS	**22,708**	**36,554**	**42,547**	**8,124**	**17,954**	**20,046**
DEBT AND EQUITY CAPITAL						
Equity Capital						
Share Capital	77	76	77	77	76	77
Share premium	19,678	19,677	19,678	19,590	19,588	19,590
Ongoing share issue						
Period result	-2,071	-130	-1,795	-759	-720	-3,236
Other reserves	-16,456	-3,864	-4,378	-19,875	-4,337	-4,334
Total Equity	**1,228**	**15,759**	**13,583**	**-968**	**14,607**	**12,097**
Capital and reserves attributable to owners	1,228	15,483	13,583	-967	14,606	12,097
Non-controlling interests	208	*275*	*240*	-	-	-
Long-term Debt						
Interest-bearing liabilities	-	-	634	-	-	-
Short term debt						
Interim Debt	2,970	*808*	2,770	2,344	*200*	2,135
Lease liabilities	365	*673*	535	-		-
Intragroup Debt	-	-	-	2,421	*1,343*	2,346
Suppliers	15,934	*17,384*	21,896	4,130	*1,854*	3,253
Tax Debt	829	*1,299*	2,043	-149	*-70*	-132
Provisions	1,382	*630*	1,086	347	*20*	347
Total Liabilities	**21,480**	**20,794**	**28,964**	**9,092**	**3,347**	**7,949**
TOTAL DEBT AND EQUITY	**22,708**	**36,554**	**42,547**	**8,124**	**17,954**	**20,046**

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Consolidated statement of cashflows (Thousand Euro)		**Group**	
	Jan-Mar 2020	**Jan-Mar 2019**	**Jan-Dec 2019**
Profit before income taxes	-2,071	-114	-895
Adjustments non C/F items	299	1,012	1,468
Operating Cash Flow	**-1,772**	**898**	**573**
Paid Taxes	-443	-330	12
Received finance payments - net	-	-	-
Changes in Working Capital	5,999	-5,022	-2,932
Cash Flow from Operating Activities	**3,785**	**-4,454**	**-2,347**
Acquisition of subsidiaries	-	-	-
Acquisition of Fixed Assets	-53	-722	-772
		-	
Cash Flow from Investment Activities	**-53**	**-722**	**-772**
New share issues	-	-	-
Directly related costs to the listing	-	-	-
Proceeds from ongoing share issue	-	800	816
Dividend payment to minority	-	-	-
Lease liabilities	-46	-46	-46
Short Term Financing	-1,637	-289	-378
Cash Flow from Financing Activities	**-1,684**	**465**	**391**
Net change in cash, continuing operations	**2,048**	**-4,711**	**-2,728**
Net change in cash, discontinued operations	**-3,882**	**-**	**-410**
Total net change in cash and cash equivalents	**-1,834**	**-4,711**	**-3,138**
Opening Cash	2,438	5,924	5,924
Acquired cash	-	-	
FX-diff Period	781	-100	-349
Closing Cash Position	**1,384**	**1,113**	**2,438**

Parent Company statement of cashflows (Thousand Euro)	Jan-Mar 2020	Parent Jan-Mar 2019	Jan-Dec 2019
Profit before income taxes	-759	-720	-3,236
Adjustments non C/F items	249	3	303
Operating Cash Flow	**-510**	**-718**	**-2,932**
Paid Taxes	-	-	-
Changes in Working Capital	2,347	-289	3,515
Cash Flow from Operating Activities	**1,837**	**-1,007**	**582**
Acquisition of Fixed Assets	-	-	-
Payments related to acquisition of subsidiaries	-	-	-352
Sale of Fixed Assets	-	-	**-**
Cash Flow from Investment Activities	**-**	**-**	**-352**
New share issues	-		-
Directly related costs to the listing	-	-	-
Proceeds from ongoing share issue	-	813	813
Dividend payment to minority	-	-	-
Short Term Financing	-1,837	200	-1,044
Cash Flow from Financing Activities	**-1,837**	**1,013**	**-231**
Cash Flow from the Period	**-**	**6**	**0**
Opening Cash	3	3	3
FX-diff Period	-	-6	-
Closing Cash Position	**3**	**3**	**3**

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CONSOLIDATED STATEMENT OF CHANGES IN EQUITY (Thousand Euros)	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Equity - Opening Balance	**13,583**	**14,673**	**14,673**
Adjustment from acquisition analysis			
Share Issues	-		816
Profit from the Period	-5,953	-459	-1,493
Tax impact from deductible costs for ongoing share issue	-		
Other comprehensive income for the period, net of tax	-6,534		
Adjustment related to acquisition analysis	-	330	-111
Foreign Exchange-Differential	132	1,216	-302
Changes in equity during the period	**-12,355**	**1,086**	**-1,090**
Equity - Closing Balance	**1,228**	**15,759**	**13,583**

PARENT COMPANY STATEMENT OF CHANGES IN EQUITY (Thousand Euros)	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019
Equity - Opening Balance	**12,098**	**14,520**	**14,520**
Adjustment from acquisition analysis	-12,306	-	-
Share Issue	-	807	813
Profit from the Period	-759	-720	-3,236
Foreign Exchange-Differential	-		-
Changes in equity during the period	**-13,065**	**87**	**-2,423**
Equity - Closing Balance	**-967**	**14,607**	**12,098**

NOTES TO THE INTERIM FINANCIAL STATEMENTS

Corporate information

Cyber Security 1 AB (Plc) (the Company) is a public company, incorporated and domiciled in Sweden, whose shares are publicly traded. The registered office is located at: CYBER1, 1st Floor, Klarabergsgatan 29, 111 21 Stockholm, Sweden. The Group is principally engaged in the provision of cyber security application distribution (sale and implementation) advisory and managed services globally.

Accounting policies

The interim financial report for the Group for the three month period ended March 31, 2020 has been prepared in accordance with International Accounting Standard (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 accounting policies adopted are consistent with those of the annual report for the year ended December 31, 2019 and should be read in conjunction with that annual report. There are no amendments of IFRS during 2020 that are estimated to have a material impact on the result and financial position of the Company.

Items affecting comparability
CYBER1 reports an adjusted EBIT for comparison reasons.
The result is adjusted for larger acquisitions and divestments, 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 de-consolidates 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.

Covid-19 impacts on the Financial statements
The turbulence in the financial markets due to the Covid-19 pandemic has impacted certain lines within the Company´s financial statements at Q1 2020. See Note 7 regarding change in risk factor due to the COVID-19 situation.

The Company currently does not expect material changes to the profitability of future business plans which could impact recoverability of assets such as deferred tax assets and intangible assets. Risk assessment on the business plans is carried out on a regular basis and an impairment review will be performed if conditions suggest that such assets may be impaired.

The Board confirms that these interim financial statements have been prepared on a going concern basis. As a result of rounding differences numbers or percentages may not add up to the total.

The carrying amounts of Financial assets and Financial liabilities recognized in the Consolidated statement of financial position approximate their fair values, according to Management's assessment.

Note 2 – Operating segment information REVENUE AND SEGMENTS

CYBER1 is located in 3 regions in Africa, Europe, and the Middle East, with more than 190 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 cost.

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.

Revenue per segment

EUR thousand	Jan-Mar 2020	Jan-Mar 2019	Full year 2019
Continuing operations			
Africa	7,720	9,646	26,558.3
Middle East	1,706	2,986	12,436.4
Europe	402	654	32,420.4
Including internal sales	**9,828**	**13,286**	**71,415.1**
Internal sales, elimination	-703	-288	-2,683.9
Segment total	**9,124**	**12,998**	**68,731.2**

Revenue split per category

EUR thousand	Value Added Reseller (VAR)	Advisory & Managed services	Jan-Mar 2020
Continuing operations			
Jan-Mar 2020			
Africa	5,404	2,316	7,720
Middle East	1,580	125	1,706
Europe	223	179	402
	7,207	**2,620**	**9,828**
Internal sales	-703	-	-703
Total	**6,504**	**2,620**	**9,124**

No single customer makes up more than 10% of the total revenue.

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EUR thousand	Value Added Reseller (VAR)	Advisory & Managed services	Jan-Mar 2019
Continuing operations			
Jan-Mar 2019			
Africa	6,533	3,113	9,646
Middle East	2,833	153	2,986
Europe	61	593	654
	9,427	**3,859**	**13,286**
Internal sales	-288	-	-288
Total	**9,139**	**3,859**	**12,998**

Geographical information

EUR thousand	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
Jan-Mar 2020					
Africa	7,720	-20	67	9	361
Middle East	1,706	-43	-243	-142	159
Europe	402	-39	-1,092	-2,717	2,332
Core business	**9,828**	**-26**	**-1,268**	**-129**	**2,852**
Eliminations	-703	-4	9	-9	-
Cyber1 Group	**9,124**	**-30**	**-1,259**	**-138**	**2,852**

EUR thousand	Revenue	Adjusted organic growth	EBITDA	EBITDA margin	Non-current assets
Jan-Mar 2019					
Africa	9,646	7	8	1	5,466
Middle East	2,986	9	53	18	943
Europe	654	15	99	151	8,390
Core business	**13,286**	**20**	**160**	**12**	**12,652**
Other Markets	-288	-	-	-	3
Cyber1 Group	**12,998**	**20**	**160**	**12**	**12 655**

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 March 31, 2020 to EUR 2,709 (1,460) million and the fair value to EUR 2,711 (1,473) million.

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."

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The following table shows carrying value and fair value for financial instruments applying IFRS 9 per March 31, 2020

Carrying value and fair value as at March 2020

TEUR (€'000)	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
Trade receivables	-	14,023				14,023	14,023
Other non-current financial receivables	-	-	-	-	-	-	-
Other current assets and financial receivables	-	-	-	-	120	120	120
Prepaid expenses and accrued income	-	-	-	-	-	-	-
Cash and cash equivalents	-	1,384	-	-	-	1,384	1,384
Total assets	**-**	**15,408**	**-**	**-**	**120**	**15,527**	**15,527**
Loans and borrowings			365		2,344	2,709	2,711
Other non-current financial liabilities	-	-	-	-	829	829	829
Other current liabilities	-	-	-	-	2,344	2,344	2,344
Accrued expenses and deferred income	-	-	-	-	626	626	626
Trade payables	-	-	15,934	-	-	15,934	15,934
Total liabilities	**-**	**-**	**16,299**	**-**	**6,143**	**22,442**	**22,445**

The following table shows carrying value and fair value for financial instruments applying IFRS 9 per March 31, 2019

Carrying value and fair value as at March 2019

TEUR (€'000)	Financial instruments measured at FVTPL	Financial assets measured at amortised cost	Other financial liabilities	Cash flow hedges measured at FVOCI	Other receivables and liabilities	Total carrying value	Estimated fair value
Trade receivables	-	20,902				20,902	20,902
Other non-current financial receivables	-	-	-	-	-	-	-
Other current assets and financial receivables	-	-	-	-	428	428	428
Prepaid expenses and accrued income	-	-	-	-	-	-	-
Cash and cash equivalents	-	1113	-	-	-	1113	1113
Total assets	**-**	**22,015**	**-**	**-**	**428**	**22,443**	**22,443**
Loans and borrowings			200		630	830	833
Other non-current financial liabilities	-	-	-	-	390	390	390
Other current liabilities	-	-	-	-	302	302	302
Accrued expenses and deferred income	-	-	-	-	1972	1972	1972
Trade payables	-	-	17384	-	-	17384	17384
Total liabilities	**-**	**-**	**17,584**	**-**	**3,294**	**20,878**	**20,881**

***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 prices, fair value for interest-rate swaps, calculated as the present value of estimated future cash flows based on observable yield, fair value of currency forward contracts determined through the use of rates for currency foreign exchange contracts on the balance sheet date.

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DISTRIBUTION BY LEVEL WHEN MEASURED AT FAIR VALUE								
TEUR (€'000)	**March 31, 2020**				**March 31, 2019**			
	Level 1	**Level 2**	**Level 3**	**Total**	**Level 1**	**Level 2**	**Level 3**	**Total**
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	**-**	**-**	**-**	**-**	**-**	**-**		**-**
FINANCIAL LIABILITIES								
Financial liabilities at fair value through profit or loss:								
Derivative financial instruments – non-hedge accounting	-	-	-	-	-	-		-
Contingent considerations			3	3			3	3
Derivatives used for hedging purposes:								
Derivative financial instruments – hedge accounting	-	-	-	-	-	-		-
Total financial liabilities	**-**	**-**	**3**	**3**	-	-	**3**	**3**

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	**Mar'2020**	**Mar'2019**	**Full year 2019**
Opening balance January 1	**17**	13	14
Business combinations	-	-	-
Payments	-17	-13	-14
Reversals	-	-	-
Revaluations	3	3	17
Translation differences	-	-	-
Closing balance December 31	**3**	**3**	**17**

No transfer in or out of level 3 or level 2 has been made during the quarter to March 2020. 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 – Divestment and Discontinued Operations

On April 16, 2020, CYBER1 announced that Itway S.P.A reassumed ownership of the subsidiaries Itway Turkey and Itway Greece. As part of the transaction, the parties agreed that CYBER1 paid a total of MEUR 2.6m in cash and delivered a total of 16, 666, 666 CYBER1 shares at €0.48 per share to Itway S.p.A; pursuant to the agreements underpinning the transactions. Despite having delivered on certain aspects CYBER1 was hoping for prolong extension, and in the end unfortunately, due to unsuccessful negotiations with Itway S.p.A, ultimately not able to honour certain post-completion conditions of the transaction. Itway S.p.A have therefore, in accordance with the terms of the agreements, notified the Company of their immediate exercise of the option to reacquire the assets

The divestment is due to be completed, however, CYBER1 have recognised transaction and accounted for the disposal in Q1'2020 financials and the proceed and capital gain to CYBER1 is Nil excluding exchange rate differences recycled from other comprehensive income. Itways Greece & Turkey are reported separately under discontinued operations in the income statement. The profit or loss from re-measurement of assets and liabilities classified as disposal are summarised as follows:

Net assets at the time of divestment

EUR in thousand		**Itways Mar 3, 2020**
Other intangible assets		361
Tangible assets		39
Capitalized contract costs		
Deferred tax assets		10
Inventories		218
Current receivables		9,499
Cash and cash equivalents		1,134
Non-current provisions		-492
Trade payables and liabilities		-6,887
Divested net assets		**3,882**
Capital gain, excluding sales costs		1
Sales price		**3,883**
loss on divestment of discontinued operations		-2,748
Less: cash in divested operations	Less: cash in divested operations	-1,134
TOTAL CASH FLOW EFFECT		1
cash consideration from divestment of discontinued operations		1

Income statement

Net income from discontinued operations

EUR in thousands, except per share data	Jan-Mar 2020	Jan-Mar 2019	Jan-Dec 2019	Jan-Dec 2018
Net revenue	-	-	30,593	14,465
Expenses and other operating income, net	-	-	-29,027	-13,449
Operating income	**-**	**-**	**1,565**	**1,015**
Financial items, net	-	-	51	-1
Income after financial items	**-**	**-**	**1,616**	**1,014**
Income taxes	-	-	-353	-263
Net income before gain/loss on disposal	**-**	**-**	**1,263**	**751**
Loss of divestment of discontinued operations	-3,882	-	-	-
Net income from discontinued operations	**-3,882**	**-**	**1,263**	**751**

Other items affecting comparability

Disposal of non-current assets

Disposal of non-current assets are reported as other operating income and other operating expenses.

Impairment

In Q1 2020, an investment impairment of EUR 1.724 million was recognised in Cognosec Limited. It was related to a reassessment of the estimated future cash generation, reflecting a lower starting point following last year's decline in profitability. After the impairment, the value attached to the Cognosec Limited operation was nil on a debt free basis, derived from the value in use calculation with a pre-tax WACC of 11 percent. In addition, an impairment of EUR 4.8 million was recognised related to Itways disinvestment. As CYBER1 revised its strategy, and is now targeting more focused growth, goodwill and customer relationship intangible attached to the Itways Greece and Turkey acquisition has been written off.

Note 5 – Reorganisation costs

CYBER1 implemented a cost efficiency program in January 2020 which involved a reduction of 10 full time employees and changes in Shared Services and HQ.

The program resulted in severance costs of EUR 65 thousand (EUR 270 thousand), which were recognised as a restructuring charge during the first quarter of 2020.

The program also resulted in additional write-downs and impairment provisions of Eur 1.7 million. These costs are recognised as Other operating costs during the first quarter of 2020.

EUR in thousands	Q1' 2020	Q1' 2019	Full Year 2019
Restructuring costs	65	0	0
Other write-downs and impairment provisions	1,724	0	0
Reorganization costs	**1,789**	**2,187**	**2,270**
EBIT before reorganization costs	-2,071	-114	-943

Note 6- earnings per shares

Earnings per share	January - March	
TEUR	Q1 2019	Q1 2020
Profit for the period	-459.4	**-2,071.1**
Non-controlling interests	-33.7	**-538.5**
Group share of profit	-425.7	**-11,948.2**
Number of shares in ’000s (weighted average)	293,861	**295,486**
Earnings per share in €	- 1.45	**- 40.44**
Net income from continuing operations – attributable to the parent entity	-425.7	**-1,532.6**

Note 7- 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 cybersecurity 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 and Sustainability Report 2019, Directors Report, section Risk and uncertainties.

In addition, the outbreak of COVID-19 has had an impact on CYBER1 and its operations. People's safety is key, with the majority of staff now working from home except for staff in business-critical functions. Ensuring business continuity, even with an increased number of employees on sick leave, is a prioritised task and is being mitigated. The increased need for network capacity in society in general, may lead to service disruptions and a degrade in service quality. COVID-19's impact on the global transportation and production systems have put further strain on our supply-chain which may have an impact on planned infrastructure deliveries and products supply. Current travel restrictions in society have resulted in near term declining VAD revenues and the overall decline in the economy may lead to a negative impact on advisory and MSSP service revenues as well as increased credit losses, or even bankruptcies, leading to financial loss.

Key COVID-19 related mitigating activities:

- Strict travel and meeting restrictions implemented.
- Majority of staff working from home except for staff in critical functions.
- Contingency plans for critical functions and services in place to handle a situation if the business has to be run with a minimal staffing.
- Risk assessments and preparation of contingency plans to ensure supply of products and services from key vendors and partners.
- Increased follow-up of key business KPI's to early mitigate the negative impact on financials.

CYBER1 Group's risk universe

Strategic & emerging risks	Financial risks	Operational & societal risks	Legal & regulatory risks
Risks that can have a material impact on the strategic objectives arising from internal or external factors	Risks that can cause unexpected variability or volatility in net sales, margins, earnings per share, returns or market capitalization	Risks that may affect or compromise execution of business functions or have an impact on society	Risks related to legal or governmental actions that can have a material impact on the achievement of business objectives

Note 8 - 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 2019.

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%.

Sweden

1st Floor

Klarabergsgatan 29

111 21 Stockholm

Sweden

Operating Head Office (UK)

40 Bank Street, Canary Wharf

London E14 5NR
United Kingdom
T +44 (0) 203 059 7857
| E info@cyber1.com

South Africa

Dynamic Recovery
Services (DRS)
46A Wierda Rd West
Wierda Valley
Johannesburg
2146

Middle East & India

Credence Security Middle East & India
504 Swiss Tower, Cluster Y,
Jumeirah Lakes Towers (JLT), Dubai
United Arab Emirates
T +971 4 422 1260 | E
infodxb@credencesecurity.com

South Africa

Credence Security South Africa
25 Cottesmore Road
Bryanston 2021
South Africa
T +27 11 463 2173 | E inforsa@credencesecurity.com

Kenya

Professional Technologies Ltd.
Geomaps Center,
Matumbato Rd, off Elgon road,
Upperhill, Nairobi,
Kenya.
P.O.BOX 63401-00619, Nairobi.

East & West Africa

Credence Security East & West Africa

17th Floor, JKUAT Towers, Kenyatta
Avenue
Nairobi 00400
Kenya
T +254 20 515 7028 | E
infoaf@credencesecurity.com

CYBER 1

CYBER RESILIENCE