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If you have sold or otherwise transferred all of your Ordinary Shares, please send this document, together with the accompanying Form of Proxy, to the purchaser or transferee or to the stockbroker, bank or other agent through whom the sale or transfer was effected for onward transmission to the purchaser or transferee. If you have sold or otherwise transferred only part of your holding of Ordinary Shares, please immediately contact the stockbroker, bank or other agent through whom the sale or transfer was effected.

AIM is a market designed primarily for emerging or smaller companies to which a higher investment risk tends to be attached than to larger or more established companies. A prospective investor should be aware of the risks of investing in such companies and should make the decision to invest only after careful consideration and, if appropriate, consultation with an independent financial adviser. AIM securities are not admitted to the Official List.

This document should be read in conjunction with the accompanying Form of Proxy and the definitions set out in this document. The whole of this document should be read and, in particular, your attention is drawn to the letter from the Chairman of the Company which contains the unanimous recommendation of the Directors that you vote in favour of the Resolutions to be proposed at the General Meeting.

Crossword Cybersecurity plc

(Incorporated and registered in England and Wales with registered number 08927013)

Proposed issue of debt securities

Proposed amendment to the Company's Articles of Association

and

Notice of General Meeting

A General Meeting will be held at 3.00 p.m. on 10th December 2019 at the offices of Shakespeare Martineau LLP, 6th Floor, 60 Gracechurch Street, London EC3V 0HR. The notice convening the General Meeting is set out at the end of this document and a Form of Proxy for use by Shareholders at the General Meeting is enclosed. The action to be taken in respect of the General Meeting is set out in the letter from the Chairman of the Company contained in this document.

Shareholders are requested to complete, sign and return the Form of Proxy whether or not they intend to be present at the General Meeting. To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be lodged at the offices of the Company's registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR by hand or sent by post, or by fax to +44 (0)1252 719232 so as to be received by not later than 3.00 p.m. on 6th December 2019.

Completion and return of a Form of Proxy will not preclude Shareholders from attending and voting at the General Meeting should they so wish.

Shareholders who hold their Existing Ordinary Shares in uncertificated form in CREST may use the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual as explained in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the Company's agent (ID 7RA36) by no later than 3.00 p.m. on 6th December 2019 (or if the General Meeting is adjourned, 48 hours before the time fixed for the adjourned meeting (excluding any part of a day that is not a working day)). The appointment of a proxy using the CREST Proxy Voting Service will not preclude Shareholders from attending and voting in person at the General Meeting should they so wish.

In accordance with the AIM Rules for Companies, this document will be made available on the Company's website: www.crosswordcybersecurity.com

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DIRECTORS AND ADVISERS

Directors	Sir Richard Dearlove KCMG OBE – Chairman Tom Ilube CBE – CEO Mary Dowd – Finance Director David Stupples – Non-Executive Director David Secher – Non-Executive Director Andy Gueritz – Non-Executive Director Ruth Anderson – Non-Executive Director Gordon Matthew – Non-Executive Director
Company Secretary	Ben Harber
Registered Office	6th Floor 60 Gracechurch Street London EC3V 0HR
Company website	www.crosswordcybersecurity.com
Nominated Adviser	Grant Thornton UK LLP 30 Finsbury Square London, EC2A 1AG
Legal advisers to the Company	Shakespeare Martineau LLP 6th Floor, Gracechurch Street London, EC3V 0HR
Registrar	Share Registrars Limited The Courtyard 17 West Street Farnham Surrey GU9 7DR

LETTER FROM THE CHAIRMAN OF CROSSWORD CYBERSECURITY PLC

Directors:

Sir Richard Dearlove KCMG OBE – Chairman
Tom Ilube CBE – CEO
Mary Dowd – Finance Director
David Stupples – Non-Executive Director
David Secher – Non-Executive Director
Andy Gueritz – Non-Executive Director
Ruth Anderson – Non-Executive Director
Gordon Matthew – Non-Executive Director

Registered Office:

6th Floor, 60 Gracechurch Street
London, EC3V 0HR

21 November 2019

Dear Shareholder,

Proposed issue of debt securities

Proposed amendment to the Company's Articles of Association

and

Notice of General Meeting

1 INTRODUCTION

As noted in the Company's Trading Update and Financing announcement on 24th October 2019, Crossword is moving forward with entering into loan agreements, having had £1m committed from third parties and current shareholders and Directors, at the time of that announcement. Since then, Crossword has signed non-binding term sheets of £1,275,000 to date.

I am therefore writing to provide you with details of the proposed £1,275,000 loans and to give you notice of the General Meeting at which the resolutions to approve an amendment to the Company's Articles of Association to increase the cap set on the Company's borrowing authorities. The General Meeting is to be held at the offices of Shakespeare Martineau LLP, 6th Floor, 60 Gracechurch Street, London EC3V 0HR at 3.00 p.m. on 10th December 2019. The formal notice of General Meeting is set out at the end of this document.

2 INFORMATION ON CROSSWORD CYBERSECURITY PLC

Crossword Cybersecurity plc focuses on the development and commercialisation of university research-based cyber security related software and cyber security consulting. The Group's specialist cyber security product development and software engineering teams work with its university partners to develop the research concept into a fully-fledged commercial product that it will then take to market. The Group's aim is to build up a portfolio of revenue generating, intellectual property based, cyber security products.

Rizikon Assurance, Crossword's leading product, is a SaaS platform that enables medium to large companies to assess the cyber maturity and GDPR readiness of their suppliers and to assess compliance with their requirements across a range of criteria. The Group's second principal product, Nixer CyberML was launched on 14th November 2019. Nixer CyberML is a new tool for businesses that want to solve advanced security and cybercrime problems, such as detecting and dealing with compromised accounts, fraud and in-application denial of service attacks.

Crossword's team of expert cyber security consultants leverages years of experience in national security, defence and commercial cyber intelligence and operations to provide bespoke advice tailored to its clients' business needs.

3 BACKGROUND TO, AND REASONS FOR, THE LOANS

Crossword was admitted to AIM in December 2018 in order, inter alia, to access a wider range of investors and to give the Group the flexibility to raise capital to fund its growth strategy. The Group's objective is to be the European leader in commercialising cyber security research originating from universities. It aims to achieve this by building up a portfolio of revenue generating cyber security products and becoming a leading supplier of cyber security-focused risk and compliance products and services in what the Directors believe to be a rapidly growing and increasingly complex market environment. They believe that organisations will need to put in place software, systems, procedures and practices that will enable them to demonstrate that they meet the necessary standards and continuously to test their compliance with those standards.

Since admission to AIM, Rizikon Assurance has gained traction with some notable client wins and a large increase in its pipeline. Rizikon Assurance 2.0 was launched in Sept 2019, incorporating a Third-party Assurance Framework Dashboard.

To continue with growth plans, Crossword requires additional funding. With the current market turmoil due to economic uncertainty exacerbated by Brexit and international trade wars, the Board concluded that a convertible loan would be the most appropriate means of attracting investors and of satisfying the Group's near to mid-term working capital needs and to fund its growth plans. The interest payments will be serviced from current cashflows.

The Loans, for which the Company has received commitments of £1,275,000, have the following terms:

Term	Three years from the date of the loan agreement
Interest rate	12 per cent., payable quarterly in arrears
Early repayment	At the Company's sole option, subject to a minimum repayment amount of £10,000
Form of repayment	In cash, save that each lender may opt to convert part or all of their loan into Ordinary Shares at a price the closing mid-price per Ordinary Share on the last practicable date before the date of the Loan Agreement
Warrants	On repayment of the Loans in cash, each lender will be issued warrants valid for three months to subscribe for Ordinary Shares representing 10 per cent. of the value of the Loan at the Conversion Price

The terms of the loans will allow lenders who have accepted repayment of the loans in cash (rather than elected for conversion before repayment) to be issued warrants at the same price per share as the conversion price within three months after repayment.

4 USE OF PROCEEDS

The proceeds of the loans will be used for near to mid-term working capital requirements and to fund the Group's growth plans including continued sales of products and further product development.

5 RELATED PARTY TRANSACTION

Included among the commitments is one from Tom Ilube, CEO, for an amount of £250,000. Tom Ilube has agreed to make a loan to the Company on the same terms as the other Lenders as described above. By virtue of its size, Mr Ilube's loan constitutes a related party transaction under Rule 13 of the AIM Rules for Companies. The Independent Directors, being the Directors other than Tom Ilube consider, having consulted with the Company's Nominated adviser, that the terms of Mr Ilube's Loan are fair and reasonable insofar as the Company's Shareholders are concerned.

6 GENERAL MEETING

Set out at the end of this document is a notice convening the General Meeting to be held at the offices of Shakespeare Martineau LLP, 6th Floor, 60 Gracechurch Street, London EC3V 0HR at 3.00 p.m. on 10th December 2019, at which the following Resolution will be proposed for the purposes of amending the existing articles of association of the Company to remove the current article 113.2 in its entirety and replacing it with the following article 113.2 which increases the existing cap on the Company's borrowing powers:-

THAT the Articles be amended by deleting the current Article 113.2 in its entirety and replacing it with the following Article 113.2:

"The Board shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in respect of its subsidiary undertakings so as to procure (as regards its subsidiary undertakings in so far as it can procure by such exercise) that the aggregate principal amount at any one time outstanding in respect of monies borrowed by the Group (exclusive of monies borrowed by one Group company from another and after deducting cash deposited) shall not at any time, without the previous sanction of an ordinary resolution of the Company, exceed the greater of £1,500,000 and an amount equal to 20% of the Adjusted Capital and Reserves."

7 ACTION TO BE TAKEN

A Form of Proxy for use at the General Meeting accompanies this document. Whether or not you intend to be present at the General Meeting, you are asked to complete the Form of Proxy and return it to the Company's registrars, Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR so as to be received not less than

48 hours (excluding any part of a day that is not a Business Day) before the time and date fixed for the holding of the meeting or any adjournment thereof (as the case may be). For the avoidance of doubt, the last possible date for the submission of forms of proxy will be 3.00 p.m. on 6th December 2019 (or in the case of an adjournment of the General Meeting, not later than 48 hours before the time fixed for the holding of the adjourned meeting (excluding any part of a day that is not a Business Day)).

If you hold your Ordinary Shares in uncertificated form in CREST, you may vote using the CREST Proxy Voting Service in accordance with the procedures set out in the CREST Manual. Further details are also set out in the notes accompanying the Notice of General Meeting at the end of this document. Proxies submitted via CREST must be received by the Company's agent (ID 7RA36) by no later than 3.00 p.m. on 6th December 2019 (or if the General Meeting is adjourned, 48 hours (excluding any part of a day that is not a Business Day) before the time fixed for the adjourned meeting).

The completion and return of a Form of Proxy will not preclude Shareholders from attending the General Meeting and voting in person should they so wish.

8 RECOMMENDATION

The Directors unanimously consider that the Placing is in the best interests of the Company and its Shareholders as a whole. Accordingly, the Directors unanimously recommend that Shareholders vote in favour of the Resolution.

Yours faithfully

Sir Richard Dearlove
Chairman

DEFINITIONS

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

AIM	the market of that name operated by the London Stock Exchange.
AIM Rules for Companies	the AIM Rules for Companies published by the London Stock Exchange for the time being.
Board	the board of directors of the Company for the time being.
Business Day	any day on which banks are open for business in London other than a Saturday, Sunday or statutory holiday.
CA 2006	the Companies Act 2006, as amended.
Company or Crossword	Crossword Cybersecurity plc, a public limited liability company incorporated and registered in England and Wales (with registration number 08927013) whose registered office is at 6th Floor 60 Gracechurch Street, London, United Kingdom, EC3V 0HR.
Conversion Price	the closing mid-price per Ordinary Share on the last practicable date before the date of the Loan Agreement
CREST	the computerised settlement system (as defined in the CREST Regulations) operated by Euroclear which facilitates the holding and transfer of title to shares in uncertificated form.
CREST Regulations	the Uncertificated Securities Regulations 2001 (SI 2001 No. 3755) as amended.
Directors	the directors of the Company as at the date of this document whose names are listed on page 3 of this document.
Form of Proxy	the form of proxy for use at the General Meeting.
General Meeting	the general meeting of the Company convened pursuant to the Notice and to be held at the offices of Shakespeare Martineau LLP, 6th Floor, 60 Gracechurch Street, London EC3V 0HR 2EW at 3.00 p.m. on 10th December 2019.
Group	the Company and its subsidiary undertakings from time to time
Lender	Provider of loan
Loan/Loan Agreement	Contract under which funds are provided
London Stock Exchange	London Stock Exchange plc.
Notice	the notice of General Meeting which is set out at the end of this document.
Ordinary Shares	ordinary shares of £0.05 each in the capital of the Company
Resolutions	the resolutions set out in the Notice which are to be proposed at the General Meeting.
Shareholders	the registered holders of Ordinary Shares.
UK or United Kingdom	the United Kingdom of Great Britain and Northern Ireland.
uncertificated	recorded on the relevant register of the share or security concerned as being held in uncertificated form in CREST and title to which, by virtue of the CREST Regulations may be transferred by means of CREST.

NOTICE OF GENERAL MEETING
CROSSWORD CYBERSECURITY PLC

(Registered in England and Wales with number 08927013)

(the "Company")

NOTICE OF GENERAL MEETING

Notice is hereby given that a general meeting of the Company will be held at 3.00 p.m. on 10th December 2019 at the offices of Shakespeare Martineau LLP, 6th Floor, 60 Gracechurch Street, London EC3V 0HR, to consider, and if thought fit, pass the following special resolution:

THAT:

Special Resolution

THAT the Articles be amended by deleting the current Article 113.2 in its entirety and replacing it with the following Article 113.2:

"The Board shall restrict the borrowings of the Company and exercise all voting and other rights and powers of control exercisable by the Company in respect of its subsidiary undertakings so as to procure (as regards its subsidiary undertakings in so far as it can procure by such exercise) that the aggregate principal amount at any one time outstanding in respect of monies borrowed by the Group (exclusive of monies borrowed by one Group company from another and after deducting cash deposited) shall not at any time, without the previous sanction of an ordinary resolution of the Company, exceed the greater of £1,500,000 and an amount equal to 20% of the Adjusted Capital and Reserves."

By order of the Board
Ben Harber
Company Secretary
21 November 2019

Registered office:
6th Floor
60 Gracechurch Street
London EC3V 0HR

Notes:

1. Pursuant to Regulation 41 of The Uncertificated Securities Regulations 2001, the Company specifies that only those shareholders registered in the register of members of the Company as at:
 - 6.00 p.m. on 6th December 2019; or
 - if this meeting is adjourned, at 6.00 p.m. on the day two Business Days prior to the adjourned meeting, shall be entitled to attend and vote at the meeting.

Appointment of proxies

2. A member is entitled to attend, speak and vote at the above meeting and is entitled to appoint one or more proxies to attend, speak and vote in his stead. A proxy need not be a member of the Company. You can only appoint a proxy using the procedures set out in these notes and the notes to the proxy form. If you wish your proxy to speak on your behalf at the meeting you will need to appoint your own choice of proxy (not the Chairman) and give your instructions directly to him/her.
3. You may appoint more than one proxy provided each proxy is appointed to exercise rights attached to different shares. You may not appoint more than one proxy to exercise rights attached to any one share. To appoint more than one proxy, each different proxy appointment form must be received by the Company's registrars, Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR not less than 48 hours before the time appointed for the meeting (excluding any part of a day that is not a Business Day).
4. A vote withheld is not a vote in law which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
5. A form of proxy is enclosed. To be valid any form of proxy and power of attorney or other authority under which it is signed or a notarially certified or office copy of such power or authority must be lodged with the Company's registrars, Share Registrars Limited at The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR so as to be received not less than 48 hours before the time appointed for the meeting or any adjourned meeting (excluding any part of a day that is not a Business Day). The return of a form of proxy will not preclude a member from attending and voting at the meeting in person should he subsequently decide to do so.
6. CREST members who wish to appoint a proxy or proxies by utilising the CREST electronic proxy appointment service may do so for the meeting and any adjournment(s) thereof by utilising the procedures described in the CREST manual. CREST personal members or other CREST sponsored members, and those CREST members who have appointed a voting service provider(s), should refer to their CREST sponsor or voting service provider(s), who will be able to take the appropriate action on their behalf.
7. In order for a proxy appointment made by means of CREST to be valid, the appropriate CREST message (a CREST Proxy Instruction) must be properly authenticated in accordance with Euroclear UK & Ireland Limited's [Euroclear] specifications and must contain the information required for such instructions, as described in the CREST manual. The message must be transmitted so as to be received by the issuer's agent (ID 7RA36) not less than 48 hours before the time appointed for the meeting (excluding any part of a day that is not a Business Day). For this purpose, the time of receipt will be taken to be the time (as determined by the timestamp applied to the message by the CREST applications host) from which the issuer's agent is able to retrieve the message by enquiry to CREST in the manner prescribed by CREST.
8. CREST members and, where applicable, their CREST sponsors or voting service providers should note that Euroclear does not make available special procedures in CREST for any particular messages. Normal system timings and limitations will therefore apply in relation to the input of CREST proxy instructions. It is the responsibility of the CREST member concerned to take (or, if the CREST member is a CREST personal member or sponsored member or has appointed a voting service provider(s), to procure that his CREST sponsor or voting service provider(s) take(s)) such action as shall be necessary to ensure that a message is transmitted by means of the CREST system by any particular time. In this connection, CREST members and, where applicable, their CREST sponsors or voting service providers are referred, in particular, to those sections of the CREST manual concerning practical limitations of the CREST system and timings.
9. The Company may treat as invalid a CREST proxy instruction in the circumstances set out in Regulation 35(5)(a) of the Uncertificated Securities Regulations 2001.
10. In the case of joint holders, where more than one of the joint holders purports to appoint a proxy, only the appointment submitted by the most senior holder will be accepted. Seniority is determined by the order in which the names of the joint holders appear in the Company's register of members in respect of the joint holding (the firstnamed being the most senior).

Changing proxy instructions

11. To change your proxy instructions simply submit a new proxy appointment using the methods set out above. Note that the cut-off time for receipt of proxy appointments (see above) also apply in relation to amended instructions; any amended proxy appointment received after the relevant cutoff time will be disregarded.

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CROSSWORD CYBERSECURITY PLC

(the “Company”)

FORM OF PROXY

I/We.....
of.....
being a member of the Company, hereby appoint

or failing him, the Chairman of the Meeting, as my/our proxy to attend, speak and vote for me/us on my/our behalf at the General Meeting of the Company to be held at 3.00 pm on 10th December 2019 and at any adjournment thereof.

I/We direct my/our vote as indicated below in respect of the resolution, which is referred to in the Notice convening the Meeting (see note 1 below).

SPECIAL RESOLUTION	For	Against	Withheld
To amend the Company’s articles of association			

Date Signature

Please tick here if you are appointing more than one proxy.

Notes

- Members are entitled to appoint a proxy to exercise all or any of their rights to attend and to speak and vote on their behalf at the meeting. A proxy need not be a shareholder of the Company. A shareholder may appoint more than one proxy in relation to the General Meeting provided that each proxy is appointed to exercise the rights attached to a different share or shares held by that shareholder. Should you wish to appoint more than one proxy please return this form and attach to it a schedule detailing the names of the proxies you wish to appoint, the number of shares each proxy will represent and the way in which you wish them to vote on the resolutions that are to be proposed. **To be valid, the form of proxy and the power of attorney or other authority (if any) under which it is signed or a certified copy of such power or authority must be lodged at the offices of the Company’s registrars, Share Registrars Limited, The Courtyard, 17 West Street, Farnham, Surrey, GU9 7DR by hand or sent by post, or by fax to +44 (0)1252 719232 so as to be received not less than 48 hours before the time fixed for the holding of the meeting or any adjournment thereof (as the case may be) excluding any part of a day which is not a working day. For the avoidance of doubt the last possible date for submission of forms of proxy will be 3.00pm on 6th December 2019.**
- The completion and return of a form of proxy will not preclude a member from attending in person at the meeting and voting should he wish to do so.
- In the case of a corporation, the form of proxy must be executed under its common seal or the hand of an officer or attorney duly authorised.
- A member may appoint a proxy of its own choice. If the name of the member’s choice is not entered in the space provided on the form of proxy, the return of the form of proxy duly signed will authorise the Chairman of the meeting to act as that member’s proxy.
- To direct your proxy how to vote on the resolutions mark the appropriate box with an “X”. To abstain from voting on a resolution, select the relevant “withheld” box. A vote withheld is not a vote in law, which means that the vote will not be counted in the calculation of votes for or against the resolution. If no voting indication is given, your proxy will vote or abstain from voting at his or her discretion. Your proxy will vote (or abstain from voting) as he or she thinks fit in relation to any other matter which is put before the meeting.
- The Company has specified that only those members entered on the register of members at 6pm on 6th December 2019 shall be entitled to attend and vote at the meeting in respect of the number of ordinary shares of £0.05 each in the capital of the Company held in their name at that time. Changes to the register after 6pm on 6th December 2019 shall be disregarded in determining the rights of any person to attend and vote at the meeting.



