

19 November 2024

SysGroup plc
("SysGroup", the "Group", or the "Company")

Acquisition & Notice of Results

SysGroup plc (AIM:SYS), the technology partner for delivery and management of cloud, data, and security services to power Artificial Intelligence ("AI") and Machine Learning ("ML") transformation, today announces its acquisition of the trade and assets of Crossword Consulting Limited ("CCL"), the consulting arm of Crossword Cybersecurity plc.

Acquisition

The Group is pleased to announce the acquisition of the trade and assets of CCL for cash consideration of £311,000, with a potential post conditional payment of £127,000. Based in London, CCL is a recognised leader in cybersecurity consulting, offering specialised services such as virtual CISO ("vCISO") support and Penetration Testing to medium and large enterprises.

This acquisition strengthens our capabilities with the addition of 12 seasoned cybersecurity consultants, who will expand SysGroup's customer offerings in cybersecurity and compliance. For the 12 months ending 30 September 2024, CCL delivered unaudited revenues of circa £2.4 million with more than 75% of revenues recurring. Additionally, CCL brings a diverse client base of customers, including FTSE 100, FTSE 250, and S&P-listed companies, which presents new cross-sell opportunities across multiple sectors.

Notice of results

SysGroup expects to publish its half year results for the six-month period ended 30 September 2024 on 3 December 2024.

Heejae Chae, Executive Chairman commented:

"This acquisition strengthens our strategy to become the partner of choice in our customers' AI journey and digital transformation by enhancing our cybersecurity capabilities and expanding into Compliance as a Service ("CaaS"). Crossword Consulting's expertise ensures that we can secure critical infrastructure, data, and processes - essential components for the successful adoption and scaling of AI. Their services, including Cyber Maturity Assessments and vCISO solutions, provide the compliance and risk mitigation needed to build trust in data-driven systems. By integrating these capabilities, we position ourselves to deliver comprehensive, secure, and innovative solutions that empower our customers to confidently embrace AI and drive their transformation agendas.

We are confident in our strategy and the progress achieved over the past months following our equity raise in June 2024. Our strong balance sheet positions us to effectively pursue strategic acquisitions such as CCL. Based on our current recurring revenue, the Board has good visibility that revenue levels will remain consistent with the prior year. Additionally, we are actively engaged in discussions regarding a number of high-potential contracts with both new and existing customers, which could unlock significant growth opportunities and drive revenue beyond our recurring base."

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About SysGroup

SysGroup plc is a managed service provider of end-to-end data solutions enabling us to take our customers on their AI data journey. The Group offers an integrated set of modern technologies that collectively meets our customers

end-to-end data needs including connectivity, cloud hosting, delivery, analytics and governance of customer data, as well as a security layer for users and applications.

The Group has offices in Manchester, Edinburgh, London, and Newport.

For more information, visit <http://www.sysgroup.com>

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