

CORPORATE FINANCE

CASE STUDY



Crossword Cybersecurity plc

Propelling to growth: helping our client raise the funding they needed for the next stage of their growth

The Challenge

The team at Shakespeare Martineau has worked very closely with Crossword Cybersecurity since its inception in March 2014. As the company has continued to grow and go from strength to strength we have provided advice and assistance on a number of matters including the administration of the company's seed funding round and various placings to date; board meeting support; routine compliance and corporate governance advice; annual reporting services; bookkeeping and management accounting services; board evaluation; and establishing share option schemes.

In June 2015, we assisted the company with the administration of £1.5m placing and provided corporate governance support on the admission of the company's shares to trading on the ISDX Growth Market and latterly transferred to the NEX Growth Market.

Three years later with limited funds and liquidity available on the NEX Growth Market, Crossword looked to alternative ways to raise additional capital to assist with its growth strategy.

Our Solution

The Alternative Investment market was identified as being the most suitable and natural progression for the company's next growth phase, a market with considerable liquidity and a strong focus on tech companies. In December 2018 the company floated on the AIM market in London with a market capitalisation of £13.6m following a successful placing and subscription of nearly £2m. The company remains listed on AIM and has a current market capitalisation of £18m.

The team advised on all corporate and commercial aspects of the listing, including employment, intellectual property and company secretarial considerations. The company secretarial team continues to provide a fully comprehensive compliance and board advisory service to Crossword.

Results

Our in-depth experience of advising clients on their admissions to market stood us in great stead for guiding the Crossword team through all stages of their growth. Having worked with the client for many years our deep knowledge of their business ensured we were able to offer the right guidance and support which included advising on the presale requirements, through to the actual flotation and subsequent board support and governance of all of its placings to date.

In addition we also provide services to the company's wholly owned subsidiary Crossword Consulting Limited as well as two spin out companies, CyberOwl Limited and Byzgen Limited

Ben Harber, head of the company secretarial team, continues as company secretary to Crossword and is a trusted advisor to the company, its board and senior management.

The Client

Crossword Cybersecurity plc is a technology commercialisation company focusing on the cyber security sector. The team's relationship with the management at Crossword goes back a long way, having advised the current CEO on two previous ventures. Our aim is to build long standing and strong relationships with our clients, developing a deep understanding of their businesses and sectors. As such the team was sought out to advise on the initial setting up of Crossword in 2014 and have been trusted advisor ever since.

“When Crossword was founded six years ago, I sought out Ben and the team at Shakespeare Martineau right at the start. I wanted a company secretarial partner who could go on the journey from my blank sheet of paper start up to a rapidly growing AIM-listed company and beyond, adapting to our needs and providing excellent support every step of the way. That is precisely what the firm's company secretarial team has delivered.”

 @SHMALaw

 Shakespeare Martineau

03300 240 333

www.shma.co.uk

The team at Crossword work with research intensive European university partners to identify promising cyber security intellectual property from research that our industry partners tell us meet emerging real-world challenges. The company now also has a very strong consulting arm.

At a glance

- Provide full board and governance support and business advice since the company inception in March 2014
- Advised on their admission to ISDX and NEX markets in 2015
- Advised on their subsequent highly successful admission to AIM in 2018. Market cap is currently £18m
- Continue to provide full company secretarial support to Crossword Cybersecurity, Crossword Consulting, CyberOwl Ltd and Byzgen Ltd

Key contacts



Ben Harber

Partner

ben.harber@shma.co.uk
+44 (0)7903 248198



Catherine Moss

Partner

catherine.moss@shma.co.uk
+44 (0)7767 778415



Keith Spedding

Partner

keith.spedding@shma.co.uk
+44 (0)7917 168501