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Byrna Sells its 40mm Legacy Business to Facta Global of Canada

Byrna Retains the Exclusive Rights to Sell the 40mm BIP in the U.S. and South Africa

ANDOVER, Mass., July 11, 2022 /PRNewswire/ -- Byrna Technologies Inc. (NASDAQ: BYRN) ("Byrna", "the Company", "we" or "us") is pleased to announce that it has sold the IP and tooling underlying its legacy 40mm business to Facta Global of Canada for an undisclosed sum including both cash and future royalty payments to Byrna on all 40mm BIP's sold globally. Byrna will retain the exclusive rights to sell the 40mm BIP in the U.S. and South Africa. Byrna suspended sales of the 40mm round almost a year ago due to production problems at its third-party contract manufacturer, Micron Products. Since July of last year, Byrna has been unable to meet the demand from its legacy 40mm customers.



With the sale of the tooling and intellectual property to Facta Global, the BIP is back in production (at Facta Global's production facility) and Byrna will be able to start supplying its iconic 40mm "BIP" to its law enforcement customers throughout the United States as soon as July. The reintroduction of the Byrna BIP, coupled with Byrna's recent acquisition of Fox Labs (the manufacturer of the most powerful pepper spray for law enforcement) and the introduction of the Byrna TCR, gives Byrna a full complement of less-lethal products specifically designed for law enforcement.

Facta Global, founded in 2012 by an ex-military and a former Canadian Special forces (Joint Task Force Two) member, is one of the leading law enforcement training organizations in Canada. Facta works closely with law enforcement agencies throughout Canada as well as with the Canadian Military, providing innovative less-lethal tools and training with one mission – to save lives. Since its inception, Facta Global has partnered with Byrna technologies (previously Security Devices International) as the Canadian distributor of the BIP and as a subject matter expert for the 40mm line. For many years, Facta Global was SDI's largest customer. With this sale, production of the 40mm BIP is transferred to Facta Global's manufacturing facility in Canada. For the US market, final assembly will be handled by Byrna.

Bryan Ganz, CEO of Byrna, stated, "I could not be happier to see Facta Global take over production of the BIP. They have been a great partner over many years, and no one has

more experience with the 40mm BIP than Facta Global. This is truly a win-win situation in which Byrna gets a steady reliable supply of 40mm BIPs for its law enforcement customers and Facta Global get the rights to what is arguably the best 40mm technology on the market today. With law enforcement being 100% of Facta's business and only a few percent of Byrna's business, it makes sense for Facta to acquire ownership of the BIP. At the same time, Byrna gets an asset off its balance sheet that it was not using and in return gets a lump sum cash payment and a steady stream of royalty income for the next eight years."

Facta Global, understands that operational environments, missions, and requirements are constantly changing, but the one constant is to give law enforcement officers a strategic and operational advantage in all encounters. The BIP provides just such an advantage. It's a known fact that the BIP 40mm impact projectile is not only the safest round on the market today, but also the only round that produces the maximum energy with least impact at all operational distances."

About Byrna Technologies Inc.

Byrna is a technology company, specializing in the development, manufacture, and sale of innovative non-lethal personal security solutions. For more information on the Company, please visit the corporate website [here](#) or the Company's investor relations site [here](#). The Company is the manufacturer of the Byrna® SD personal security device, a state-of-the-art handheld CO2 powered launcher designed to provide a non-lethal alternative to a firearm for the consumer, private security, and law enforcement markets. To purchase Byrna products, visit the Company's e-commerce store.

Forward Looking Information

This news release contains "forward-looking statements" within the meaning of the securities laws. All statements contained in this news release, other than statements of current and historical fact, are forward-looking. Often, but not always, forward-looking statements can be identified by the use of words such as "plans," "expects," "intends," "will," "anticipates," and "believes" and statements that certain actions, events or results "may," "could," "would," "should," "might," "occur," or "be achieved," or "will be taken." Forward-looking statements include descriptions of currently occurring matters which may continue in the future. Forward-looking statements in this news release include, but are not limited, to the Company's statements that supply of BIP product to customers in the US will start as soon as July, that product assembly will be performed in the US, that future supply of the product will be steady and reliable, and that the business will generate a steady stream of royalty income for the next eight years. Forward-looking statements are not, and cannot be, a guarantee of future results or events. Forward-looking statements are based on, among other things, opinions, assumptions, estimates, and analyses that, while considered reasonable by the Company at the date the forward-looking information is provided, inherently are subject to significant risks, uncertainties, contingencies, and other factors that may cause actual results and events to be materially different from those expressed or implied.

Any number of risk factors could affect our actual results and cause them to differ materially from those expressed or implied by the forward-looking statements in this news release, including, but not limited to, lack of law enforcement demand for BIP products in general,

introduction to the market of alternative or improved products by competitors, prolonged, new, or exacerbated disruption of Facta Global's supply chain, negative publicity, or other factors. The order in which these factors appear should not be construed to indicate their relative importance or priority. We caution that these factors may not be exhaustive; accordingly, any forward-looking statements contained herein should not be relied upon as a prediction of actual results. Investors should carefully consider these and other relevant factors, including those risk factors in Part I, Item 1A, ("Risk Factors") in our most recent Form 10-K, should understand it is impossible to predict or identify all such factors or risks, should not consider the foregoing list, or the risks identified in our SEC filings, to be a complete discussion of all potential risks or uncertainties, and should not place undue reliance on forward-looking information. The Company assumes no obligation to update or revise any forward-looking information, except as required by applicable law.



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