

May 3, 2022



Cadre Holdings to Acquire Cyalume Technologies

Adds Leading Supplier of Chemical Illumination Solutions to U.S. and NATO Military Forces

Transaction is Expected to be Immediately Accretive and Advances Strategic Focus on Mission-Critical Products with High Margins, Strong Cash Flows and Recurring Demand Characteristics

JACKSONVILLE, Fla.--(BUSINESS WIRE)-- Cadre Holdings, Inc. (NYSE: CDRE) ("Cadre" or "the Company"), a global leader in the manufacturing and distribution of safety and survivability equipment for first responders, today announced it has entered into a definitive agreement to acquire Cyalume Technologies, a leading manufacturer of proprietary chemical illumination solutions for military, first responder and other commercial applications. Cyalume's current management team will remain with the business.

Headquartered in West Springfield, Massachusetts, with roots tracing back to the origins of chemical illumination over 60 years ago, Cyalume is a world leader in chemical light solutions, providing light sticks, chemi-luminescent ammunition and infra-red devices to the U.S. and NATO military forces, among other commercial and law enforcement markets. As the leading supplier of chemical light products to the U.S. Department of Defense, NATO and Allied Nations, Cyalume is entrenched in combat and recurring military training applications and offers unique technological and engineering capabilities. The business is expected to generate approximately \$25 million in pro forma revenues for the calendar year ending December 31, 2022.

Warren B. Kanders, Chairman and CEO of Cadre, said, "We are pleased to enter into an agreement for our second accretive acquisition since going public less than six months ago. I have followed Cyalume for over two decades and have always been impressed by its deep competency delivering a portfolio of diverse, proprietary illumination products to military and law enforcement end markets, which perfectly aligns with our life-saving mission, as well as our focus on acquiring high margin companies with leading market positions and strong recurring revenues and cash flows. We look forward to seeking to expand Cyalume's product penetration across new military and commercial markets."

The purchase price for the acquisition is \$35.0 million, subject to customary adjustments for net working capital, transaction expenses and indebtedness. The transaction is anticipated to close in May 2022, subject to the satisfaction of customary closing conditions, and is expected to be funded through available cash on the Company's balance sheet and a draw on its existing credit facilities.

About Cadre

Headquartered in Jacksonville, Florida, Cadre is a global leader in the manufacturing and distribution of safety and survivability products for first responders. Cadre's equipment provides critical protection to allow users to safely and securely perform their duties and protect those around them in hazardous or life-threatening situations. The Company's core products include body armor, explosive ordnance disposal equipment, and duty gear. Our highly engineered products are utilized in over 100 countries by federal, state and local law enforcement, fire and rescue professionals, explosive ordnance disposal teams, and emergency medical technicians. Our key brands include Safariland® and Med-Eng®, amongst others.

Forward-Looking Statements

Except for historical information, certain matters discussed in this press release may be forward-looking statements within the meaning of the Private Securities Litigation Reform Act of 1995. Forward-looking statements include but are not limited to all projections and anticipated levels of future performance. Forward-looking statements involve risks, uncertainties and other factors that may cause our actual results to differ materially from those discussed herein. Any number of factors could cause actual results to differ materially from projections or forward-looking statements, including without limitation global economic conditions, spending patterns of government agencies, competitive pressures, the impact of acquisitions and related integration activities, product liability claims, the success of new product introductions, currency exchange rate fluctuations, the risks of doing business in the markets in which we operate, including foreign countries, a condition to closing of the acquisition of Cyalume may not be satisfied and the acquisition will not be consummated, the Cyalume business may not be integrated successfully with Cadre, material differences in the actual financial results of the Cyalume acquisition as compared with expectations, including the impact of the acquisition on Cadre's future earnings per share, and the Company's ability to declare a dividend. More information on potential factors that could affect the Company's financial results are more fully described from time to time in the Company's public reports filed with the Securities and Exchange Commission, including the Company's Annual Report on Form 10-K, Quarterly Reports on Form 10-Q, and Current Reports on Form 8-K. All forward-looking statements included in this press release are based upon information available to the Company as of the date of this press release, and speak only as of the date hereof. We assume no obligation to update any forward-looking statements to reflect events or circumstances after the date of this press release.

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