

UNITED STATES
SECURITIES AND EXCHANGE COMMISSION
Washington, D.C. 20549

FORM 8-K

CURRENT REPORT
Pursuant to Section 13 or 15(d) of the
Securities Exchange Act of 1934

Date of Report (Date of earliest event reported): **May 25, 2022**

BYRNA TECHNOLOGIES INC.
(Exact name of registrant as specified in its charter)

Delaware
(State or other jurisdiction of incorporation)

333-132456
(Commission File Number)

71-1050654
(IRS Employer Identification No.)

100 Burt Road, Suite 115
Andover, MA 01810
(Address and Zip Code of principal executive offices)

(978) 868-5011
(Registrant's telephone number, including area code)

Check the appropriate box below if the Form 8-K filing is intended to simultaneously satisfy the filing obligation of the registrant under any of the following provisions:

- Written communications pursuant to Rule 425 under the Securities Act (17 CFR 230.425)
- Soliciting material pursuant to Rule 14a-12 under the Exchange Act (17 CFR 240.14a-12)
- Pre-commencement communications pursuant to Rule 14d-2(b) under the Exchange Act (17 CFR 240.14d-2(b))
- Pre-commencement communications pursuant to Rule 13e-4(c) under the Exchange Act (17 CFR 240.13e-4(c))

Securities registered pursuant to Section 12(b) of the Act:

Title of each class	Trading Symbol(s)	Name of exchange on which registered
Common Stock, \$0.001 par value	BYRN	Nasdaq Capital Market

Indicate by check mark whether the registrant is an emerging growth company as defined in Rule 405 of the Securities Act of 1933 (§230.405 of this chapter) or Rule 12b-2 of the Securities Exchange Act of 1934 (§240.12b-2 of this chapter).

Emerging growth company

If an emerging growth company, indicate by check mark if the registrant has elected not to use the extended transition period for complying with any new or revised financial accounting standards provided pursuant to Section 13(a) of the Exchange Act.

Item 1.01 Entry into a Material Definitive Agreement.

On May 25, 2022, Byrna Technologies Inc. (the “Company”) entered into an Asset Purchase Agreement (the “Purchase Agreement”) with Fox Labs International, Inc. (“Fox Labs”). Pursuant to and concurrently with the execution of the Purchase Agreement, the Company consummated the acquisition of substantially all of the assets of Fox Labs (the “Acquisition”).

The aggregate consideration for the Acquisition consisted of: (a) \$2.0 million in cash, paid at closing; (b) \$132,512 in cash, payable upon transfer of the cash assets of Fox Labs to the Company; and (c) \$41,000 in cash, payable on the 90th day following closing of the Acquisition, conditioned upon compliance by Fox Labs with certain post-closing covenants in the Purchase Agreement.

The Purchase Agreement includes customary representations and warranties and covenants of the parties. Fox Labs will indemnify the Company and its officers, directors, employees, agents, successors and assigns against certain losses related to, among other things, breaches of the Fox Labs’ representations and warranties, the failure to perform covenants or obligations under the Purchase Agreement, and any act or omission of Fox Labs relative to the operation of its business prior to closing. The Company will indemnify Fox Labs and its successors and assigns against certain losses related to, among other things, breaches of the Company’s representations and warranties, and the failure to perform the Company’s obligations under the Purchase Agreement.

The Purchase Agreement has been included to provide investors with information regarding its terms and is not intended to provide any financial or other factual information about the Company or Fox Labs. In particular, the representations, warranties and covenants contained in the Purchase Agreement (i) were made only for purposes of that agreement and as of specific dates, (ii) were made solely for the benefit of the parties to the Purchase Agreement, (iii) may be subject to limitations agreed upon by the parties, including being qualified by confidential disclosures made for the purpose of allocating contractual risk between the parties to the Purchase Agreement rather than establishing those matters as facts and (iv) may be subject to standards of materiality applicable to the contracting parties that differ from those applicable to investors. Moreover, information concerning the subject matter of the representations, warranties and covenants may change after the date of the Purchase Agreement, which subsequent information may or may not be fully reflected in the Company’s public disclosures. Accordingly, investors should not rely on the representations, warranties and covenants contained in the Purchase Agreement as characterizations of the actual state of facts or condition of the Company or Fox Labs.

The foregoing summary of the Purchase Agreement and the Acquisition does not purport to be complete and is qualified in its entirety by reference to the complete text of the Purchase Agreement, which is filed as Exhibit 10.1 hereto and which is incorporated by reference herein.

Item 7.01 Regulation FD Disclosure.

Furnished as Exhibit 99.1 hereto and incorporated into this Item 7.01 by reference is a copy of the press release issued on May 25, 2022 announcing the consummation of the Acquisition. The Company also hereby furnishes the updated investor presentation attached as Exhibit 99.2 to this Current Report on Form 8-K, which the Company may use in presentations to investors from time to time.

The information in this Item 7.01, including Exhibits 99.1 and 99.2, shall not be deemed “filed” for purposes of Section 18 of the Securities Exchange Act of 1934, or otherwise subject to the liability of such section, nor shall it be deemed incorporated by reference in any filing of the Company under the Securities Act of 1933 or the Securities Exchange Act of 1934, regardless of any general incorporation language in such filing, unless expressly incorporated by specific reference in such filing.

Item 9.01 Financial Statements and Exhibits.

(d) Exhibits.

The Company hereby files or furnishes, as applicable, the following exhibits:

Exhibit No.	Description
10.1*	<u>Asset Purchase Agreement, dated as of May 25, 2022, by and between Byrna Technologies Inc. and Fox Labs International, Inc.</u>
99.1**	<u>Press Release of Byrna Technologies Inc. dated May 25, 2022</u>
99.2**	<u>Investor Presentation of Byrna Technologies Inc. dated May 25, 2022</u>
104	Cover Page Interactive Data File (embedded within the Inline XBRL document)

* Schedules and exhibits have been omitted pursuant to Item 601(a)(5) of Regulation S-K. The registrant hereby undertakes to furnish copies of any of the omitted schedules and exhibits upon request by the U.S. Securities and Exchange Commission.

** Furnished but not filed.

SIGNATURES

Pursuant to the requirements of the Securities Exchange Act of 1934, the registrant has duly caused this report to be signed on its behalf by the undersigned hereunto duly authorized.

BYRNA TECHNOLOGIES INC.

Date: May 25, 2022

By: /s/ Bryan Ganz
Name: Bryan Ganz
Title: Chief Executive Officer

ASSET PURCHASE AGREEMENT

This ASSET PURCHASE AGREEMENT (the "**Agreement**"), effective as of May 25, 2022 (the "**Closing Date**"), by and between FOX LABS INTERNATIONAL, INC. ("**Fox Labs**"), a Michigan corporation, together with any Affiliates (as defined herein), are collectively, "**Seller**", and BYRNA TECHNOLOGIES INC., a Delaware corporation ("**Buyer**"). Seller and Buyer are sometimes referred to herein individually as a "**Party**" and collectively as the "**Parties**".

WHEREAS, Seller owns certain tangible and intangible assets used in the formulation, design, production, marketing, distribution and sales of, self-defense sprays, including the following product lines (the "**Product Lines**"):

- One Point Four®
- Five Point Three SQUARED®
- Five Point Three®
- Mean Green®
- White Lightning®
- Sudecon® Decontamination Towelettes
- Pistol-Grip Crowd Control Units
- Inert Training Units
- Personal Pocket-Sized Units
- "Serious Business" Foam
- Lock-on Grenades

WHEREAS, Seller desires to sell to Buyer, and Buyer desires to purchase from Seller, substantially all of the assets of Seller which are directly or indirectly related to, necessary for, or used in connection with the formulation, design, production, marketing, distribution and sales of the Product Lines, on the terms and subject to the conditions set forth in this Agreement;

NOW, THEREFORE, in consideration of the premises and the agreements, covenants, representations, and warranties set forth in this Agreement, and other good and valuable consideration, the receipt and sufficiency of which is hereby acknowledged, the Parties agree as follows:

ARTICLE I
PURCHASE AND SALE OF ASSETS

1.1 Agreement to Purchase and Sell On the terms and subject to the conditions set forth in this Agreement, Seller agrees to sell, convey, transfer, and deliver or assign to Buyer, and Buyer agrees to purchase or accept assignment of all rights, title, and interest of Seller in and to all assets that are used in or useful to the formulation, design, production, marketing, distribution and sales of the Product Lines (the "**Purchased Assets**"). The Purchased Assets shall be sold free and clear of any pledge, security interest, lien, mortgage, charge, or encumbrance of any kind, whether caused or permitted by act, failure to act, operation of law, or otherwise, and any conditional sale or other title retention agreement or lease in the nature thereof (collectively, "**Liens**").

1.2 Purchased Assets.

(a) The Purchased Assets are all assets used in or useful to the formulation, design, production, marketing, distribution and sales of the Product Lines, including:

- i. all machinery, fixtures, supplies, accessories, materials, equipment, parts, tools, office equipment, and all other items of tangible property, in each case owned by Seller set forth on Schedule 1.2(a)(i) (the "**Equipment**");
- ii. the inventory as of the Closing Date (the "**Inventory**") set forth on Schedule 1.2(a)(ii);
- iii. all customer lists, account information (including order history and payment information), sales records, and the user manuals or product documentation set forth on Schedule 1.2(a)(iii);
- iv. the intellectual property related to the Fox Labs International name and logo and the Product Lines as set forth on Schedule 1.2(a)(iv) (the "**Intellectual Property**");
- v. cash of Seller ("**Closing Date Cash**"), as of the Closing Date;
- vi. accounts receivable of Seller as set forth on Schedule 1.2(a)(vi) (the "**Accounts Receivable**");
- vii. all books, records, and files used in the formulation, design, production, marketing, distribution and sales of the Product Lines;
- viii. all software, to the extent assignable, used in the formulation, design, production, marketing, distribution and sales of the Product Lines. (including without limitation the customer relationship management (CRM) and ecommerce assets of the Seller located or hosted at foxlabs.com and amazon.com.

(b) "**Affiliate**" shall mean with respect to any person or entity, any other person or entity that directly or indirectly, through one or more intermediaries, controls, is controlled by, or is under common control with, such person or entity. The term "control" (including the terms "controlled by" and "under common control with") means the possession, directly or indirectly, of the power to direct or cause the direction of the management and policies of a person or entity, whether through the ownership of voting securities, by contract or otherwise.

1.3 **Assumed Liabilities.** Buyer shall not assume and shall not be responsible to pay, perform or discharge any Liabilities (as defined herein) of Seller or any of their Affiliates of any kind or nature whatsoever; except the accounts payable and sales tax payable set forth on Schedule 1.3. “**Liabilities**” shall mean liabilities, obligations or commitments of any nature whatsoever, asserted or unasserted, known or unknown, absolute or contingent, accrued or unaccrued, matured or unmatured or otherwise.

ARTICLE II
PURCHASE PRICE

2.1 Purchase Price; Payment of Purchase Price

Purchase Price. The total consideration to be paid for the Purchased Assets shall be **TWO MILLION ONE HUNDRED SEVENTY THREE FIVE HUNDRED TWELVE DOLLARS (\$2,173,512)** (the “**Purchase Price**”).

2.2 Payment of Purchase Price. Buyer shall deliver the Purchase Price to Seller, as follows:

- (a) At Closing, \$2,000,000 by wire transfer of immediately available funds;
- (b) Upon confirmation of transfer of the Closing Date Cash to Buyer, \$132,512 by wire transfer of immediately available funds; and
- (c) If Seller complies with the terms and conditions of Section 7.4 hereof, on the 60th day after the Closing Date, \$41,000 by wire transfer of immediately available funds

2.3 Allocation of Purchase Price. The Parties shall allocate the Purchase Price in a manner consistent with the allocation mutually determined by Seller and Buyer, as set forth on Schedule 2.3. The Parties agree to cooperate in the preparation of tax returns required with respect to the allocation of the Purchase Price, including those required by Section 1060 of the Internal Revenue Code of 1986, as amended, and the regulations promulgated thereunder.

ARTICLE III
REPRESENTATIONS AND WARRANTIES OF SELLER

Seller hereby represents and warrants to Buyer that each of the statements contained in this Article III are true, correct, and complete as of the Closing Date:

3.1 Organization and Status of Existence; Power and Authority. Seller is a corporation duly organized and validly existing under the laws of the State of Michigan. Seller has all requisite power and authority to own all of its assets, to conduct its business as is now being conducted, and to make, execute, deliver, and perform this Agreement and the other documents and instruments contemplated hereby.

3.2 Transaction Not a Breach. Neither the execution and delivery of this Agreement or any other agreements or instruments contemplated hereby, nor the consummation by Seller of the transactions contemplated hereby or thereby, nor compliance with any of the provisions hereof or thereof will: (a) conflict with or result in a breach of the articles of organization, or other governing documents of Seller; (b) violate any statute, law, rule, or regulation or any order, writ, injunction, or decree of any court or governmental authority; or (c) violate or conflict with or constitute a default under (or give rise to any right of termination, cancellation, or acceleration under) any agreement to which Seller are a party or by which any of the Purchased Assets may be bound.

3.3 Validity. This Agreement constitutes the legal, valid, and binding obligation of Seller and is enforceable against Seller in accordance with its terms.

3.4 Title to Purchased Assets; Sufficiency of Purchased Assets. Except as set forth on Schedule 3.4, as of the Closing Date, Seller has good and marketable title to the Purchased Assets, free and clear of any Liens. The Purchased Assets are in good operating condition and repair (reasonable wear and tear excepted) and are adequate for the uses to which they are being put, and none of the Purchased Assets are in need of maintenance or repairs, except for ordinary, routine maintenance and repairs that are not material in nature or cost.

3.5 Financial Statements. Schedule 3.5, sets forth true, complete and correct copies of the unaudited balance sheet, statement of income and retained earnings, and statement of cash flows of Seller, at and for the period ended April 30, 2022 (the “**Financial Statements**”). The Financial Statements (i) have been prepared in accordance with a cash basis for accounting, applied on a consistent basis, (ii) are based on the books and records of the Seller and (ii) present fairly in all material respects the financial position, results of operations and cash flows of the Seller as of and for the period indicated.

3.6 Intellectual Property.

(a) All required filings and fees related to the Intellectual Property have been timely filed with and paid to the relevant governmental authorities and authorized registrars, and the Intellectual Property is otherwise in good standing.

(b) Seller is the sole and exclusive legal owner of all right, title, and interest in and to the Intellectual Property, and has the valid right to use all other Intellectual Property, free and clear of all Liens.

(c) The consummation of the transactions contemplated by this Agreement will not result in the loss or impairment of or payment of any additional amounts with respect to, nor require the consent of any other person in respect of, Seller’s right to own, use, or hold for use any Intellectual Property as owned, used, or held for use in the conduct of Seller’s business.

(d) Seller's rights in the Intellectual Property are valid, subsisting, and enforceable. Seller has taken reasonable steps to maintain the Intellectual Property and to protect and preserve the confidentiality of all trade secrets included in the Intellectual Property.

(e) To Seller's knowledge, the formulation, design, production, marketing, distribution and sales of the Product Lines as currently and formerly conducted, and the products and processes of Seller have not infringed, misappropriated, or otherwise violated, and do not infringe, misappropriate, or otherwise violate the Intellectual Property or other rights of any person. To Seller's knowledge, no person has infringed, misappropriated, or otherwise violated, or is currently infringing, misappropriating, or otherwise violating, any Intellectual Property.

(f) There are no proceedings settled, pending, or, to Seller's knowledge threatened: (i) alleging any infringement, misappropriation, dilution, or violation of the Intellectual Property of any person by any Seller; (ii) challenging the validity, enforceability, registrability, or ownership of any Intellectual Property or Seller's rights with respect to any Intellectual Property; or (iii) by Seller or, to Seller's knowledge, any other person alleging any infringement, misappropriation, dilution, or violation by any person of the Intellectual Property. To Seller's knowledge, Seller is not subject to any outstanding or prospective governmental order that restricts or impairs the use of any Intellectual Property.

3.7 **Real Property.**

(a) Neither Seller nor any of their Affiliates own any real property that is used, useful in or necessary for the conduct of the formulation, design, production, marketing, distribution and sales of the Product Lines as currently conducted.

(b) Schedule 3.6(b) sets forth each parcel of real property leased by Seller (or Seller's Affiliate) and used in or necessary for the to the formulation, design, production, marketing, distribution and sales of the Product Lines conduct as currently conducted (together with all rights, title and interest of Seller (or Seller's Affiliate) in and to leasehold improvements relating thereto, including, but not limited to, security deposits, reserves or prepaid rents paid in connection therewith, collectively, the "**Leased Real Property**"), and a true and complete list of all leases, subleases, licenses, concessions and other agreements (whether written or oral), including all amendments, extensions renewals, guaranties and other agreements with respect thereto, pursuant to which Seller holds any Leased Real Property (collectively, the "**Leases**"). Seller have delivered to Buyer a true and complete copy of each Lease. With respect to each Lease:

- i. such Lease is valid, binding, enforceable and in full force and effect, and Seller enjoys peaceful and undisturbed possession of the Leased Real Property;
- ii. Seller is not in breach or default under such Lease, and no event has occurred or circumstance exists which, with the delivery of notice, passage of time or both, would constitute such a breach or default, and Seller (or Seller's Affiliate) have paid all rent due and payable under such Lease;

- iii. Seller has not received nor given any notice of any default or event that with notice or lapse of time, or both, would constitute a default by Seller (or Seller's Affiliate) under any of the Leases and, to the knowledge of Seller (or Seller's Affiliate), no other party is in default thereof, and no party to any Lease has exercised any termination rights with respect thereto;
- iv. Seller has not subleased, assigned or otherwise granted to any Person the right to use or occupy such Leased Real Property or any portion thereof;
- v. Seller has not pledged, mortgaged or otherwise granted an Encumbrance on its leasehold interest in any Leased Real Property; and
- vi. Seller has not received any written notice of (i) violations of building codes and/or zoning ordinances or other governmental or regulatory laws affecting the Leased Real Property, (ii) existing, pending or threatened condemnation proceedings affecting the Leased Real Property, or (iii) existing, pending or threatened zoning, building code or other moratorium proceedings, or similar matters which could reasonably be expected to adversely affect the ability to operate the Leased Real Property as currently operated. Neither the whole nor any material portion of the Leased Real Property has been damaged or destroyed by fire or other casualty.

(c) The Leased Real Property is sufficient for the current conduct of the formulation, design, production, marketing, distribution and sales of the Product Lines and constitutes all of the real property necessary to conduct the formulation, design, production, marketing, distribution and sales of the Product Lines as currently conducted.

3.8 Legal Proceedings; Governmental Orders.

(a) There are no actions pending or, to Seller's knowledge, threatened against or by Seller: (i) relating to or affecting the Purchased Assets; or (ii) that challenge or seek to prevent, enjoin, or otherwise delay the transactions contemplated by this Agreement. No event has occurred, or circumstances exist that may give rise to, or serve as a basis for, any such action.

(b) There are no outstanding governmental regulatory orders and no unsatisfied judgments, penalties, or awards against, relating to, or affecting the Purchased Assets. No event has occurred or circumstances exist that may constitute or result in (with or without notice or lapse of time) a violation of any governmental order.

3.9 Operation of Product Lines and Relationships with Suppliers and Customers. Since April 30, 2022 (the “**April Balance Sheet Date**”), Seller has managed the operation of Product Lines and the relationships with Seller’s suppliers and customers in the ordinary course consistent with past practice; and (y) used best efforts to maintain and preserve intact its current relationships with its customers and suppliers. No adverse changes to the operation of Product Lines and the relationships with Seller’s suppliers and customers has occurred since the April Balance Sheet Date.

3.10 Brokers; Finders. Seller have not incurred any obligation or liability, contingent or otherwise, for any broker’s or finder’s fee or any other commission or other similar fee, directly or indirectly, in connection with the transactions contemplated by this Agreement.

**ARTICLE IV
REPRESENTATIONS AND WARRANTIES OF BUYER**

Buyer hereby represents and warrants to Seller that each of the statements in this Article IV are true, correct, and complete as of the Closing Date:

4.1 Organization and Good Standing; Power and Authority. Buyer is a corporation duly organized, validly existing, and in good standing under the laws of the State of Delaware. Buyer has all requisite power and authority to make, execute, deliver, and perform this Agreement and the other documents and instruments contemplated hereby.

4.2 Transaction Not a Breach. Neither the execution and delivery of this Agreement or any other agreement or instrument contemplated hereby, nor the consummation by Buyer of the transactions contemplated hereby or thereby, nor compliance with any of the provisions hereof or thereof will: (a) conflict with or result in a breach of the articles of incorporation, bylaws, or other governing documents of Buyer; (b) violate any statute, law, rule, or regulation or any order, writ, injunction, or decree of any court or governmental authority; or (c) violate or conflict with or constitute a default under (or give rise to any right of termination, cancellation, or acceleration under) any agreement or writing of any nature to which Buyer is a party. No consent or approval of or notification to any governmental authority is required in connection with the execution and delivery by Buyer of this Agreement or any writing relating hereto or the consummation of the transactions contemplated hereby or thereby.

4.3 Validity. This Agreement constitutes the legal, valid, and binding obligation of Buyer and is enforceable against Buyer in accordance with its terms.

4.4 Brokers; Finders. Buyer has not incurred any obligation or liability, contingent or otherwise, for any broker's or finder's fee or any other commission or other similar fee, directly or indirectly, in connection with the transactions contemplated by this Agreement.

4.5 Certain Proceedings. There are no pending proceedings that have been commenced against Buyer that challenge, or may have the effect of preventing, delaying, making illegal, or otherwise interfering with, any of the transactions contemplated hereby. To Buyer's knowledge, no such proceedings have been threatened. No event has occurred or circumstances exist that may give rise or serve as a basis for any such proceedings.

ARTICLE V CLOSING

5.1 Closing. Subject to the satisfaction or waiver by the appropriate Party of all of the conditions precedent to closing specified in Article VI, the consummation of the transactions contemplated by this Agreement ("**Closing**") shall take place on the date hereof (the "**Closing Date**").

5.2 Seller' Deliverables. At Closing, and unless otherwise waived by Buyer, Seller shall deliver to Buyer the following:

(a) a Bill of Sale, in the form attached hereto as Exhibit 5.2(a) duly executed by Seller, transferring to Buyer title to all of the Purchased Assets, free and clear of all Liens;

(b) an Intellectual Property Assignment Agreement in the form attached hereto as Exhibit 5.2(b) duly executed by Seller;

(c) a Guaranty in the form attached hereto as Exhibit 5.2(c) duly executed by Edward Ferguson;

(d) releases of all Liens, if any, on any of the Purchased Assets;

(e) Seller Closing Certificate, with copies of (i) charter, (ii) bylaws, (iii) resolutions duly adopted by Seller, authorizing and approving the performance of the transactions contemplated hereby and the execution and delivery of this Agreement and the documents described herein by Seller and (iv) incumbency;

(f) Certificate regarding Status of Existence of Seller, certified by the Michigan Department of Licensing and Regulation, dated on or before the Closing Date; and

(g) such other instruments and documents as Buyer reasonably deems necessary to effect the transactions contemplated by this Agreement.

5.3 Buyer's Deliverables. At Closing, and unless otherwise waived by Seller, Buyer shall deliver to Seller the following:

- (a) the portion of Purchase Price due on the Closing Date, as set forth in Section 2.2 hereof;
- (b) the counterpart of the Intellectual Property Assignment Agreement, duly executed by Buyer;
- (c) Buyer Closing Certificate, with copies of (i) charter, (ii) bylaws, (iii) resolutions duly adopted by Buyer, authorizing and approving the performance of the transactions contemplated hereby and the execution and delivery of this Agreement and the documents described herein by Buyer and (iv) incumbency;
- (d) Certificate of Good Standing of Buyer certified by the Delaware Secretary of State, dated on or before the Closing Date; and
- (e) such other instruments and documents as Seller reasonably deem necessary to effect the transactions contemplated by this Agreement.

ARTICLE VI
CLOSING CONDITIONS

The obligations of Buyer and Seller to consummate the transactions contemplated hereby are subject to the satisfaction of each of the following conditions:

6.1 Representations, Warranties and Covenants.

(a) **Representations, Warranties, and Covenants of Seller.** All representations and warranties of Seller contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date, as if such representations and warranties were made on and as of the Closing Date, and Seller shall have performed all agreements and covenants required hereby to be performed by Seller prior to or as of the Closing Date.

(b) **Representations, Warranties and Covenants of Buyer.** All representations and warranties of Buyer contained in this Agreement shall be true and correct in all material respects at and as of the Closing Date, as if such representations and warranties were made on and as of the Closing Date, and Buyer shall have performed all agreements and covenants required hereby to be performed by Buyer prior to or as of the Closing Date.

6.2 Liens Released. Any and all Liens on any of the Purchased Assets shall be released to Buyer's satisfaction.

6.3 Closing Deliverables. Seller shall have delivered the closing deliverables set forth in Section 5.2, and Buyer shall have delivered the closing deliverables set forth in Section 5.3.

6.4 Website and Other E-commerce and CRM Assets. On or before the Closing Date, Seller will cause the transfer of website, other e-commerce, and CRM assets held by Fox Labs and otherwise useful to facilitate the transfer of information regarding the Product Lines, and related digital content (*e.g.* images, product details and reviews) without any material loss of the content.

6.5 No Adverse Change. There shall have been no material change in the Business, the Purchased Assets, or other condition which has a material adverse effect on the Business.

In the event that any one of the conditions set forth in this Article VI is not fulfilled, the Party who is benefited by the conditions may, by notice to the other Party on the Closing Date, elect not to consummate the transactions contemplated hereby.

ARTICLE VII
POST-CLOSING AGREEMENTS

7.1 Taxes. Seller shall be responsible and obligated to pay, now and in the future, all Taxes respecting the Purchased Assets which are assessed and charged by any governmental entity prior to the Closing Date, or which are otherwise assessed against the Purchased Assets arising out of acts or omissions of Seller prior to the Closing Date. Buyer shall be responsible and obligated to pay all Taxes respecting the Purchased Assets which are assessed and charged by any governmental entity as of and after the Closing Date. As used in this Agreement, “**Taxes**” means all federal, state, local, foreign, and other net income, gross income, gross receipts, sales, use, ad valorem, transfer, franchise, profits, license, lease, service, service use, withholding, payroll, employment, excise, severance, stamp, occupation, premium, property, windfall profits, customs, duties, or other taxes, fees, assessments, or charges of any kind whatsoever, together with any interest and any penalties, additions to tax, or additional amounts with respect thereto.

7.2 Seller Name Change. Within three days of the Closing Date, Seller will change its corporate name and logo and undertake all other action necessary to avoid confusion in the market as to the owner of the Assets and the production, distribution and sale of the Product Lines.

7.3 Public Announcements. Neither Party shall make any public announcements in respect of this Agreement or the transactions contemplated hereby or otherwise communicate with any news media without the prior written consent of the other Party (which consent shall not be unreasonably withheld or delayed), and the Parties shall cooperate as to the timing and contents of any such announcement, unless (i) disclosure is required by applicable law or regulation (“**Applicable Law**”); *provided, however,* that the Party so required by Applicable Law will, to the extent permitted by Applicable Law, notify the other Party in writing promptly of such requirement, or (ii) disclosure is made in connection with the proper exercise of any remedies or in defense of any claim provided in this Agreement.

7.4 Collection and Remittance of Accounts Receivable.

- (a) Seller shall continue to accept payments in the ordinary course to its accounts in satisfaction of the Accounts Receivable.
- (b) On the 1st business day of each month during June, July and August of 2022, Seller shall deliver to Buyer a report setting forth the following information:
 - i. Payments received in to satisfy any of the Accounts Receivable identified to specific invoices; and
 - ii. aging of unpaid Accounts Receivable, payment history, disputes, and any claims of credits and allowances in respect of the Accounts Receivable;
- (c) Seller shall not agree to any compromise, settlement, allowance, or credit in respect of any Accounts Receivable unless the same shall have been approved by Buyer in writing

7.5 **Further Assurances.** The Parties shall execute and deliver such further documents, instruments, certificates, agreements, or other writings, and perform such further acts, as may be necessary or desirable to transfer and convey the Purchased Assets to Buyer, on the terms set forth in this Agreement, and to otherwise comply with the terms of this Agreement and consummate the transactions contemplated hereby.

**ARTICLE VIII
INDEMNIFICATION**

8.1 **Indemnification Obligations of Seller.**

(a) Seller shall defend, indemnify, and hold harmless Buyer and its officers, directors, employees, agents, and successors and permitted assigns (the "**Buyer Indemnified Parties**") from and against any and all losses, liabilities, damages, costs (including, without limitation, court costs and costs of appeal), and expenses (including, without limitation, reasonable attorneys' fees and fees of expert consultants and witnesses) ("**Losses**") sustained or incurred by any of the Buyer Indemnified Parties resulting from or arising out of or by virtue of any one or more of the following:

- (i) any breach of any representation or warranty made by Seller under this Agreement;
- (ii) any breach by Seller of, or failure by Seller to comply with, any of its covenants or obligations under this Agreement; and
- (iii) any act or omission of Seller relative to the operation of the Business which arose prior to Closing.

(b) The Buyer Indemnified Parties shall give prompt written notice (in no case, more than 10 days after the Buyer Indemnified Party first became aware thereof) to Seller of the assertion of any claim, or the commencement of any suit, action, or proceeding in respect of which indemnity may be sought under this Section 8.1 against Seller, specifying, if known, the facts pertaining thereto and the amount or an estimate of the amount, if known, of the liability arising therefrom, but no failure or delay in giving such notice shall relieve Seller of any liability hereunder, except if and to the extent that such failure or delay unduly prejudiced Seller's ability to defend and/or settle such matter and/or resulted in a default judgment against Buyer or other damages or losses directly attributable to such failure or delay. Seller shall have the right to assume, at its own expense, the defense of any such suit, action, or proceeding. The Buyer Indemnified Parties shall have the right (but not the duty) to participate, at their own expense, in the defense of any such suit, action, or proceeding; *provided that* if Seller do not, or by reason of any conflict of interest, cannot assume the defense of any such suit, action, or proceeding, or if Seller fail adequately to prosecute any such defense, the reasonable fees and expenses of any attorneys retained by the Buyer Indemnified Parties shall be paid by Seller. Seller shall not settle or consent to the settlement of any claim with respect to which it has assumed the defense hereunder, without the prior approval of the Buyer Indemnified Parties, which consent shall not be unreasonably withheld or delayed. Whether or not Seller choose to defend any claim, each Party shall cooperate in the defense thereof and shall take all such actions as may be reasonably requested in connection therewith.

8.2 Indemnification Obligations of Buyer.

(a) Buyer shall defend, indemnify, and hold harmless Seller and its successors and permitted assigns (the "**Seller Indemnified Parties**") from and against all Losses sustained or incurred by any of the Seller Indemnified Parties resulting from or arising out of or by virtue of any one or more of the following:

(i) any breach of any representation or warranty made by Buyer under this Agreement; and

(ii) any breach by Buyer of, or failure by Buyer to comply with, any of its obligations under this Agreement (including its obligations under this

Article VIII).

(b) The Seller Indemnified Parties shall give prompt written notice (in no case, more than 10 days after the Buyer Indemnified Party first became aware thereof) to Buyer of the assertion of any claim, or the commencement of any suit, action, or proceeding in respect of which indemnity may be sought under this Section 8.2 against Buyer, specifying, if known, the facts pertaining thereto and the amount or an estimate of the amount, if known, of the liability arising therefrom, but no failure or delay in giving such notice shall relieve Buyer of any liability hereunder, except if and to the extent that such failure or delay unduly prejudiced Seller's ability to defend and/or settle such matter and/or resulted in a default judgment against Buyer or other damages or losses directly attributable to such failure or delay. Buyer shall have the right to assume, at its own expense, the defense of any such suit, action, or proceeding. The Seller's Indemnified Parties shall have the right (but not the duty) to participate, at their own expense, in the defense of any such suit, action, or proceeding; *provided that* if Buyer does not, or by reason of any conflict of interest, cannot assume the defense of any such suit, action, or proceeding, or if Buyer fails adequately to prosecute any such defense, the reasonable fees and expenses of any attorneys retained by the Seller's Indemnified Parties shall be paid by Buyer. Buyer shall not settle or consent to the settlement of any claim with respect to which it has assumed the defense hereunder, without the prior approval of the Seller's Indemnified Parties, which consent shall not be unreasonably withheld or delayed. Whether or not Buyer chooses to defend any claim, each Party shall cooperate in the defense thereof and shall take all such actions as may be reasonably requested in connection therewith.

ARTICLE IX
MISCELLANEOUS

9.1 Schedules and Other Instruments. Each Schedule and Exhibit to this Agreement shall be considered a part hereof as if set forth herein in full.

9.2 Notices. All notices required or permitted to be given under this Agreement shall be in writing and may be delivered by hand, by nationally recognized private courier, or by United States mail. Notices delivered by mail shall be deemed given three (3) business days after being deposited in the United States mail, postage prepaid, registered or certified mail. Notices delivered by hand or by nationally recognized private carrier shall be deemed given on the day of receipt, if the day of receipt is a business day or if not, on the first business day thereafter. All notices shall be addressed as follows:

If to Buyer, then to:

Byrna Technologies Inc.
Attn: Michael Wager, Chief Strategy Officer
100 Burt Road, Suite 115
Andover, Massachusetts 01810
Email: mwager@byrna.com

If to Seller, then to:

Fox Labs International, Inc.
Attention: Edward L. Ferguson, President
7115 Oak Ridge Ct
Clarkston, MI 48346
Email: president@foxlabs.com

With copy to:

Wayne G. Wegner PC
23201 Jefferson Ave.
St. Clair Shores, MI 48080
Email: wwegner@wegnerlaw.com

and/or to such other respective address as may be designated by notice given in accordance with the provisions of this Section 9.2.

9.3 Entire Agreement; Modifications. This Agreement supersedes all prior agreements, whether written or oral, between the Parties with respect to the subject matter hereof (including any letter of intent and any confidentiality agreement between Buyer and Seller) and constitutes (along with the Schedules, Exhibits, and other documents delivered pursuant to this Agreement) a complete and exclusive statement of the terms of the agreement between the Parties with respect to the subject matter hereof. This Agreement may not be amended, supplemented, or otherwise modified except by a written agreement executed by the Party to be charged with the amendment.

9.4 Survival. Subject to the limitations and other provisions of this Agreement, the representations and warranties contained herein shall survive Closing and shall remain in full force and effect until the date that is twenty-four (24) months from the Closing Date; *provided that* the representations and warranties contained in Section 3.1, Section 4.1) and the first sentence of Section 3.4 shall survive indefinitely. All covenants and agreements to be performed after Closing, in whole or in part, shall survive Closing in accordance with their express terms, or otherwise, until the expiration of the applicable statute of limitations. For the avoidance of doubt, this Section 9.4 shall not affect any rights to bring claims after twenty-four (24) months based on any covenant or agreement of the Parties which contemplates performance after such twenty-four (24) month period.

9.5 Applicable Law. This Agreement shall be governed by and construed under the laws of the State of Michigan, without regard to conflicts of laws principles that would require the application of any other law.

9.6 Assignment, Successors, and Third-Party Rights Neither Party may assign any of its rights or delegate any of its obligations under this Agreement without the prior written consent of the other Party, except that Buyer may assign any of its rights and delegate any of its obligations under this Agreement to any Affiliate of Buyer. Subject to the preceding sentence, this Agreement will apply to, be binding in all respects upon, and inure to the benefit of the successors and permitted assigns of the Parties. Nothing expressed or referred to in this Agreement will be construed to give any person or entity other than the Parties any legal or equitable right, remedy, or claim under or with respect to this Agreement or any provision of this Agreement, except such rights as shall inure to a successor or permitted assignee pursuant to this Section 9.6.

9.7 Waiver of Jury Trial. EACH PARTY HEREBY IRREVOCABLY WAIVES ANY AND ALL RIGHTS IT MAY HAVE TO DEMAND THAT ANY ACTION, PROCEEDING, OR COUNTERCLAIM ARISING OUT OF OR IN ANY WAY RELATED TO THIS AGREEMENT OR THE RELATIONSHIPS OF THE PARTIES HERETO BE TRIED BY JURY. THIS WAIVER EXTENDS TO ANY AND ALL RIGHTS TO DEMAND A TRIAL BY JURY ARISING FROM ANY SOURCE, INCLUDING, BUT NOT LIMITED TO, THE CONSTITUTION OF THE UNITED STATES OR ANY STATE THEREIN, COMMON LAW, OR ANY APPLICABLE STATUTE OR REGULATIONS. EACH PARTY ACKNOWLEDGES THAT IT IS KNOWINGLY AND VOLUNTARILY WAIVING ITS RIGHT TO DEMAND TRIAL BY JURY.

9.8 Interpretation. Neither Party shall be considered the drafter of this Agreement. The headings of sections in this Agreement are provided for convenience only and will not affect its construction or interpretation.

9.9 Remedies Cumulative; Waiver. The rights and remedies of the Parties are cumulative and not alternative. No waiver by any Party of any of the provisions hereof shall be effective unless explicitly set forth in writing and signed by the Party so waiving. No waiver by any Party shall operate or be construed as a waiver in respect of any failure, breach, or default not expressly identified by such written waiver, whether of a similar or different character, and whether occurring before or after that waiver. No failure to exercise, or delay in exercising, any right, remedy, power, or privilege arising from this Agreement shall operate or be construed as a waiver thereof; nor shall any single or partial exercise of any right, remedy, power, or privilege hereunder preclude any other or further exercise thereof or the exercise of any other right, remedy, power, or privilege.

9.10 Severability. If any provision of this Agreement is held invalid or unenforceable by any court of competent jurisdiction, the other provisions of this Agreement will remain in full force and effect. Any provision of this Agreement held invalid or unenforceable only in part or degree will remain in full force and effect to the extent not held invalid or unenforceable.

9.11 Expenses. Except as otherwise provided in this Agreement, each Party will bear its respective fees and expenses incurred in connection with the preparation, negotiation, execution, and performance of this Agreement and the transactions contemplated hereby, including all brokers' fees and attorneys' fees. If this Agreement is terminated, the obligation of each Party to pay its own fees and expenses will be subject to any rights of such Party arising from a breach of this Agreement by the other Party.

9.12 Execution of Agreement. This Agreement may be executed in one or more counterparts, each of which will be deemed to be an original copy of this Agreement and all of which, when taken together, will be deemed to constitute one and the same agreement. The exchange of copies of this Agreement and of signature pages by facsimile or other electronic transmission shall constitute effective execution and delivery of this Agreement as to the Parties and may be used in lieu of the original Agreement for all purposes. Signatures of the Parties transmitted by facsimile or other electronic transmission shall be deemed to be their original signatures for all purposes.

[Signatures Appear on the Following Page]

In Witness Whereof, the Parties have executed this Agreement effective as of the Closing Date.

BUYER:

BYRNA TECHNOLOGIES INC.

By: /s/ Bryan S. Ganz
Bryan S. Ganz
Chief Executive Officer

SELLER:

FOX LABS INTERNATIONAL, INC.

By: /s/ Edward L. Ferguson
Edward L. Ferguson
President



Byrna Technologies Acquires the Assets of Fox Labs International

Hires Industry Veteran David Happe to Run Byrna's Pepper Spray Division

ANDOVER, MA (MAY 26, 2022) — Byrna Technologies Inc. (“Byrna” or “the Company”) (Nasdaq: BYRN) today announced that it has acquired the assets of Fox Labs International Inc. (“Fox Labs”). Fox Labs, which has been in business for more than 30 years, produces what is arguably the strongest pepper spray on the market today, catering primarily to law enforcement and other security professionals (both domestically and internationally).

Byrna is acquiring substantially all the assets of Fox Labs International for \$2.17 million from longtime owner and CEO, Ed Ferguson. Ed, who turned 75 this year, was looking for a buyer that shared his commitment to producing the highest quality products and had the resources to take Fox Labs to the next level. Byrna plans to build upon the very successful and profitable company that Ed grew and managed for almost 30 years.



Byrna intends to retain the Fox Labs brand as the brand has a stellar reputation with law enforcement and a loyal customer base of law enforcement dealers and agencies, many of whom have been using the Fox Labs pepper spray for decades. Fox currently offers 11 different SKU's including it's extremely popular “5.3”, which refers to 5.3 million SHU rating (Scoville Heat Units). In addition to these fast-acting oil-based sprays, Fox Labs also offers water-based sprays including “Mean Green”, which includes green dye to mark an assailant and “White Lightning” a clear spray that includes an ultra-violet dye. You can find the current Fox Labs offering at foxlabs.com.

Along with the acquisition, Byrna is acquiring the rights to Sudecon, the only truly effective pepper and tear gas neutralizing agent on the market. Sudecon, which is extremely popular with law enforcement, can clean up a suspect that has been sprayed with pepper (OC) and/or tear gas (CS). It both stops the pain and neutralizes any residual OC or CS on the suspect. It is also effective on Byrna Max and Byrna Pepper. Byrna has interested in developing a neutralizing agent for some time that can be used to clean up someone hit with a Byrna Max or Byrna Pepper round. Sudecon is just such a product. The Company believes that Sudecon will be of great interest to Byrna's current law enforcement and civilian customers as well as to all consumers that carry pepper spray.

In addition to retaining Fox Labs' current book of business with the Fox Labs brand, Byrna plans to draw on Fox Labs technology and 30+ years of experience to create its own line of Byrna branded sprays featuring the best in class Byrna Maximum Strength "Bad Guy Repellant" which will use both OC (pepper) and CS (tear gas) to subdue an attacker with maximum effect. Byrna expects that these branded sprays will be sold on Byrna.com as well as on Byrna's Amazon store and through Byrna's network of brick & mortar dealers.

While Byrna's primary focus has been the direct-to-consumer market, Fox Labs' primary focus has been law enforcement and corrections both domestically and abroad. As a result, Fox Labs sprays are widely recognized by law enforcement officers as one of the fastest acting and most effective sprays on the market and Fox Labs sprays are currently standard issue in hundreds of law enforcement agencies throughout the United States. In addition, Fox Labs sprays are sold through several premiere law enforcement dealers including Kroll, Galls and PS Security Products.

Bryan Ganz, CEO of Byrna, stated that "we have been looking to get into the defensive spray market for some time. Not only does it give us another personal self-defense product at a lower point on the "Continuum of Force," but it gives us that very important price point product for consumers that are looking for effective self-defense tools but cannot afford a Byrna SD. What makes this acquisition so strategic is that we not only acquire a suite of complementary new products, but we also acquire hundreds of new law enforcement customers. In fact, not one of Fox Labs' top 20 customers is currently a Byrna customer. We plan to use Fox Labs strong law enforcement presence to help drive growth in Byrna's law enforcement division."

Mr. Ganz continued, "By developing and offering a line of Byrna branded self-defense sprays, aptly named "Byrna Bad Guy Repellent" we believe that we can generate millions of dollars of incremental business from our current customer base. Byrna currently has more than 22,000 web sessions a day on Byrna.com and another 9,000 sessions a day on Amazon.com. In addition, Byrna has an email list of more than 225,000 opt-in subscribers and another 75,000 SMS text subscribers. We believe that a best-in-class self-defense spray will be of great interest to these members of Byrna Nation."

Mr. Ganz continued, "Fox Labs is an ideal acquisition for Byrna as it meets all our M&A criteria. First, it produces a best-in-class product that is complementary to our current range of products. Second, there is enormous opportunity for growth as Fox Labs has never done any marketing, relying solely on word of mouth. Third, Fox Labs is, and has consistently been, profitable and will not be a drain on Byrna's human or financial resources and fourth, we can easily fund the purchase from cash on hand without straining the balance sheet."



As part of the acquisition strategy, Byrna hired industry veteran David Happe to serve as President of the newly created Self-Defense Aerosol Spray division. Happe was the former Executive Vice President of Mace pepper spray and most recently was a consultant to Fox Labs. His background includes 30 years in retail, first as a national buyer for Best Buy and then Walmart Stores, Inc. Happe was the lead consultant to Amazon when they opened their consumer electronics store. David then struck out on his own, creating a consumer products company, Vigilant, which he ultimately sold to Mace Security. Happe, who joined the Byrna team on May 23, 2022, is responsible for global sales of both the Byrna and Fox Labs branded self-defense sprays.

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 U.S 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", "projects", "intends", "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 expectation that the Company's current customers will be interested in Fox products, the plan to sell these products on Byrna's company and Amazon websites, the belief that offering Byrna brand self-defense sprays may generate significant incremental sales, the implication that marketing of Fox products will result in growth in sales of those products, the statement that Fox Labs business is consistently profitable and statements regarding the integration of Fox Labs into Byrna's operations.. 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, prolonged, new, or exacerbated disruption of our supply chain, delays in developing and introducing new products, determinations by third party controlled distribution channels not to carry or reduce inventory of our products, challenges associated with integrating the Fox Labs business into Byrna's operations, inability to retain or grow Fox labs' historic customer base, and potential cancellations of existing or future orders including as a result of any fulfillment delays, introduction of competing products, 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.

Contact:

Byrna Technologies, Inc.
David North, Chief Financial Officer
978-269-7785



INVESTOR PRESENTATION
May 2022

SAFE HARBOR STATEMENT

Cautionary Note Regarding Forward-Looking Statements

In addition to historical information, this presentation and other written reports and oral statements made from time to time by us may contain forward-looking statements. All statements, other than statements of historical fact, included herein that address activities, events or developments that we expect or anticipate will or may occur in the future or projections by third parties are forward-looking statements. Generally, these forward-looking statements can be identified by the use of forward-looking terminology such as "estimate," "plan," "anticipate," "expect," "intend," "believe," "project," "target," "budget," "may," "seek," "will," "would," "could," "should," "seek," or "scheduled to," or other similar words, or negatives of these terms or other variations of these terms or comparable language or any discussion of strategy or intentions. Forward-looking statements address activities, events or developments that the Company expects or anticipates will or may occur in the future and are based on current expectations and assumptions. Forward-looking statements expressed or implied in this presentation include our projected market opportunity, expectations related to sales drivers, projected revenue for fiscal 2022, plans and expectations for product development, new product introduction, inventory growth and adequacy, and sales channel expansion, our expectations as to future consumer responses to our product and future sentiment related to gun violence, our ability to penetrate the law enforcement and private security markets and the associated time frame, including expected deployment in Spokane, the extent to which our strategic acquisitions strengthen our competitive moat, our projected sales breakdown by market channels and product types, our target profit margins, our expected execution of our share repurchase program and our expectations as to the size of the buyback and the value it will create. These statements involve known and unknown risks, uncertainties, assumptions and other factors which may cause our actual results, performance or achievements to be materially different from any results, performance or achievements expressed or implied by such forward-looking statements.

Although these forward-looking statements were based on assumptions that the Company believes are reasonable when made, you are cautioned that forward-looking statements are not guarantees of future performance and that actual results, performance or achievements may differ materially from those made in or suggested by the forward-looking statements expressed or implied in this presentation. Risks that could cause actual results to differ from those anticipated include: recurrence or escalation of recent disruption of production, new product introduction and our ability to build inventory to meet demand and maintain Amazon warehouse and retailer shelf space related to ongoing, extended or new constraints to the supply for any reason including due to the ongoing pandemic, extended export permit delays, or air freight disruption that could interfere with delivery of components or shipments out of South Africa where the Company has a production facility and in the United States, or elsewhere, new developments related to existing or new strains of COVID-19 or related events including reinstatement or expansion of curfews or government ordered shutdowns or stay-at-home orders, outbreaks in our facilities or new health and safety protocols, or further increases in rising component and freight costs and availability, any of which could disrupt product development or distribution, or operations of our suppliers and negatively impact prices, production, profit and revenues; our successful design and production of products, including products previously manufactured by third parties that we intend to manufacture in-house; our success in retaining key talent and recruiting in a highly competitive market; our ability to successfully transition to managing production and sales of multiple product; our successful execution of plans to enter into new and potentially higher volume distribution channels; market response to our existing and new products; any design or production issues that may necessitate a recall or damage our reputation; our competitors' introduction of new products or execution of competing marketing strategies; and changes to our capital, new alternative investment or marketing opportunities, or other economic or market conditions that may lead us to suspend, change or terminate the intended repurchase of up to \$30M of our common stock. In addition, even if Company results, performance, or achievements are consistent with the forward-looking statements contained in this presentation, those results, performance, or achievements may not be indicative of results, performance, or achievements in subsequent periods. Given these risks and uncertainties, you are cautioned not to place undue reliance on these forward-looking statements. Any forward-looking statements made in this presentation speak only as of the date of those statements, and the Company undertakes no obligation to update those statements or to publicly announce the results of any revisions to any of those statements to reflect future events or developments. Comparisons of results for current and any prior periods are not intended to express any future trends or indications of future performance, unless expressed as such, and should only be viewed as historical data.

Although the Company has attempted to identify important factors (including in the Risk Factors referenced below) that could cause actual results to differ materially from those described in forward-looking statements, there may be other factors that cause results not to be as anticipated, estimated or intended. You should review "Risk Factors" contained in our Annual Report on Form 10-K for the year ended November 30, 2021 for more information about these and other risks. These risks may include the following and the occurrence of one or more of the events or circumstances alone or in combination with other events or circumstances, may have a material adverse effect on the Company's business, cash flows, financial condition and results of operations. Important factors and risks that could cause actual results to differ materially from those in the forward-looking statements include, among other things: risks related to Byrna's limited operating history on which the business can be evaluated; risks related to Byrna's history of operating losses; risks related to Byrna's potential need for additional capital in the future to support operations and growth plans; risks related to whether Byrna can successfully implement its business plan for the sale of the Byrna HD; risk that revenue growth could be slower than expected and that the business, operating results and financial condition could be adversely affected; risks related to Byrna depending on the sale of the Byrna HD and on maintaining and strengthening the Byrna brand; risks related to Byrna depending on third-party suppliers including sole source providers for certain components and for chemical irritant projectiles; risks related to Byrna being subject to extensive regulation, non-compliance with which could result in fines, penalties and other costs and liabilities; risks related to the potential delivery of products with defects, which may make Byrna subject to product recalls or negative publicity, harm credibility, reduce market acceptance of Byrna products, and expose the Company to liability; risks related to potential product liability lawsuits and other litigation against Byrna which could cause Byrna to incur substantial liabilities and to limit commercialization of any products that may be developed in the future; risks related to the markets for security products and defense technology, which are in a state of technological change which could have a material adverse impact on Byrna's business; financial condition and results of operations; risks related to macroeconomics, such as general economic conditions and epidemic and pandemic diseases (including the COVID-19 pandemic), could have a material adverse effect on Byrna's business, financial condition, results of operations, cash flows, and ability to comply with regulatory requirements; risks related to Byrna's performance being influenced by a variety of economic, social, and political factors; risks related to whether Byrna is able to protect its intellectual property, which may cause it to lose a competitive advantage or incur substantial litigation costs to protect its rights; risks related to Byrna's trading market being limited, and the trading market for its common stock may not develop or be sustained; risks related to Byrna's stock price, which may be volatile or may decline, including due to factors beyond Byrna's control.

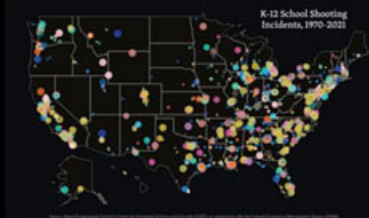
Industry and Market Data

In this presentation, Byrna relies on and refers to information and statistics regarding Byrna and certain of its competitors and other industry data. The information and statistics are from third-party sources, including reports by market research firms.

BYRNA IS PART OF THE SOLUTION

"Our mission is to save lives by providing both safe and effective non-lethal alternatives to firearms as well as defensive products which can protect civilians and security professionals alike from lethal fire."

Live Safe™



K-12 School Shooting Incidents, 1970-2021

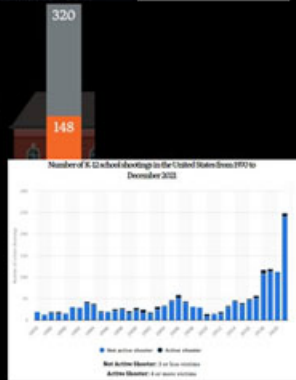
An active shooting can take place any time, anywhere

The statistics are alarming

School shootings are a wide-reaching problem that has gotten progressively worse in the past few decades. These horrific tragedies are unpredictable – no one knows where or when an active school shooting will take place. As difficult as this topic is to address, we must confront it head-on. Our children have an at-risk. As parents, it is our duty to research their safety.

148 of the 320 students shot on college campuses were shot in mass shootings (three or more people shot at once).

Source: Campus Safety



DETERIORATION OF SAFETY AND CIVILITY

5% increase in homicides 2021 vs. 2020

42M total guns sold in 2021 and 2020

13.8 M guns sold to FIRST TIME buyers in 2021 and 2020

460 school shootings in last five years

118% increase in school shootings in 2021 vs 2020

Source: Council on Criminal Justice, NCIS Firearm Checks, Major Cities Chiefs Association, Naval Postgraduate School's Center for Homeland Defense and Security and Small Arms Analytics, Free Range American, Statista

BYRNA PRODUCT RANGE



Passive / Less Tactical

Active / More Tactical

EXPANSIVE SELF DEFENSE PLATFORM

BYRNA HANDHELD LAUNCHERS



- Fires kinetic and chemical irritant projectiles using CO2
- Incapacitates an assailant from a safe standoff distance of up to 60 feet
- No license, background check or waiting period required
- Patented trigger-pull technology
- Easy to use
- Installed User Base: 150,000+ launchers sold since inception
- MSRP: \$399

Note: Possession and use may be subject to state or local regulation.

BYRNA SHOULDER FIRED LAUNCHERS



Byrna TCR: Tactical Compact Rifle



M4: Tactical Full-Sized Rifle

- Fires .68 caliber projectiles using 12 gram CO2
- Capable of shooting 17+ rounds at 300 FPS
- MSRP: \$699
- Fires .68 caliber projectiles using 88 gram CO2
- Capable of shooting 60 rounds at 325 FPS
- MSRP: \$899

Note: Possession and use may be subject to state or local regulation.

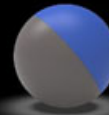
BYRNA PROJECTILES

- Full line of .68 caliber projectiles
- Inert, kinetic and chemical irritant versions
- Environmentally friendly Eco-Kinetic round
- Ramping in-house production
- Re-occurring consumable sale
- 500,000 rounds sold / month and growing
- 15% of revenue today

SELF-DEFENSE



Pepper

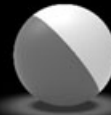


Max

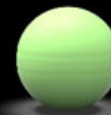


Kinetic

TRAINING AND RECREATION



Inert



Eco-Kinetic

BYRNA 40MM Impact Rounds

- Blunt Impact Projectile (BIP) uses patented collapsible gel head technology
- Best in class 40MM less lethal round
- Restricted to law enforcement
- Shoots out of 40MM Launcher



BYRNA SHIELD AND BALLISTIPAC

- IIIA Soft, Hard and III+ Rifle Armor
- Focus for School Safety program
- Ballistipac - Features a patented quickdraw system, enabling a front plate carrier to be deployed using one hand
- Contains front and back Byrna Shield Armor Plates
- MSRP: \$149 (Byrna Shield) and \$339 (Byrna Ballistipac)



BYRNA SELF DEFENSE SPRAYS

- Acquisition of Fox Labs portfolio of aerosol spray products
- Fills void in Byrna's continuum of force
- Softer product category than launchers but active protection compared to Byrna Banshee
- Will be marketed to over 225,000 members of Byrna nation across all sales channels
- Adds another product in the entry-level price point for consumers



BYRNA BANSHEE

- Personal Safety Alarm that emits 130db siren when pulled
- Comfortable entry-level price point for consumers
- Softer product category than launchers - > introduction to Byrna brand
- Approximately 20,000 units sold since August 2021 launch
- MSRP: \$30



BYRNA ACCESSORIES

- 14% of revenue
- Retargeting and follow up campaigns to installed user base
- Continuing to source and develop additional accessories to complement core products:
 - 7-round magazine
 - Magazine Sleeves

TARGET TRAPS ARE BACK!



INTRODUCING BYRNA LASERCHER WRAPS x GUNSKINS



THE SD EVERYDAY CARRY STARTER KIT. ENTRY-LEVEL PRICE. HIGH-LEVEL PROTECTION.



BYRNA IS ALWAYS AT YOUR SIDE. BYRNA WAISTBAND HOLSTER



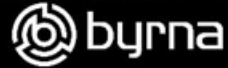
THERE'S NO SUCH THING AS BEING TOO PREPARED.



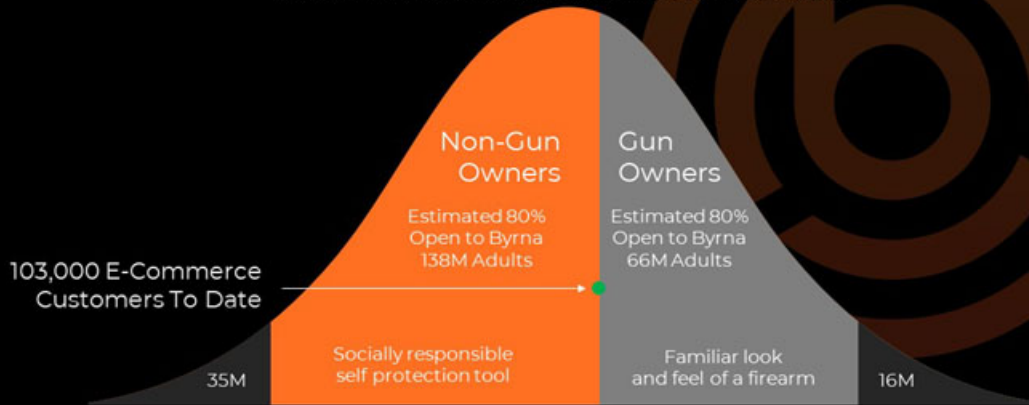
BYRNA IS ALWAYS AT YOUR SIDE. BYRNA 7-RD MAGAZINE



US CONSUMER MARKET OPPORTUNITY



US Consumer Market
204M Potential Customers Out Of 255M Adults



Note: Byrna estimates that approximately 80% of US adults would consider purchasing Byrna products.

US LAW ENFORCEMENT MARKET OPPORTUNITY

- Focus on generating credibility in the law enforcement (LE) community
- 147 agencies trained through our T3 program
- Early adopters include both federal and state agencies such as the ATF and Spokane County
- Go to market strategy: through T3 training and LE specific dealers and distributors



SOUTH AFRICA

MARKET OPPORTUNITY

- Second home market – local manufacturing factory in Pretoria
- Local regulations require strict licensing for firearms
- Addressable Markets:
 - Taxi Drivers – 1.2mm
 - Private Security Guards - 1mm
 - Outdoors Retail Stores

CANADA AND INTERNATIONAL MARKET OPPORTUNITY

- Recent orders from Argentina, France, South Korea, Poland and Chile
- Large Tenders
- Longer sales process (exports, etc) but significantly larger orders
 - Indonesia (\$1mm initial purchase order)
 - Argentina (\$400k initial purchase order)
- Untapped markets where countries are looking to upgrade existing less lethal options (e.g. 12 gauge bean bag, tasers, pepper spray)

SCHOOL SAFETY MARKET OPPORTUNITY

- Andy Pollack leading school safety effort
- Byrna Shield for students, adults for personal protection
- Byrna Ballistipac for School Resource Officers (SRO) and Law Enforcement
- Market more broadly to larger audience – e.g. those unwilling to carry a weapon



Note: External link to <https://www.youtube.com/watch?v=OmORWVzxCU8> (BYRNA SHIELD | ANDY POLLACK - YouTube)

EXPANSION OF SALES CHANNELS

E-COMMERCE



DEALERS AND DISTRIBUTORS



SCHEELS



BI-MART

DAVIDSON'S



BYRNA EXPERIENCE

Retail Store in Las Vegas



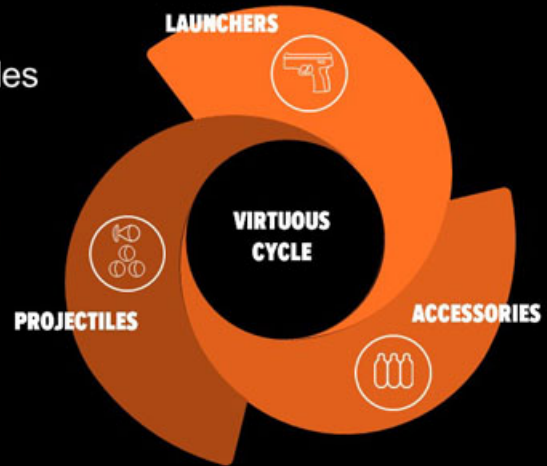
Sales % Breakdown by Market Channel

	Current	Target
E-Commerce (byrna.com)	68%	40%
E-Commerce (Amazon)	10%	17%
Dealer / Distributor	19%	18%
International	1%	15%
Law Enforcement / Private Security / Schools	1%	10%
Total	100%	100%

Note: Current reflects data for quarter ending February 28, 2022.

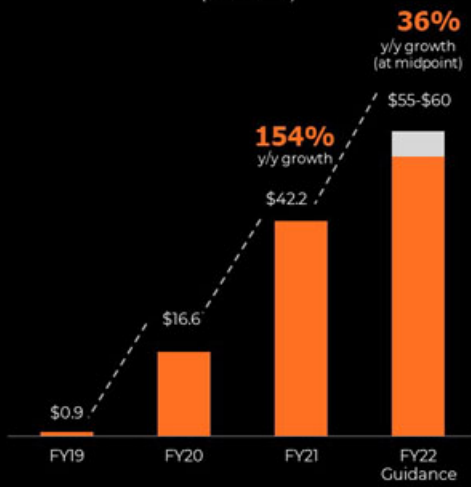
RAZOR / RAZOR BLADE BUSINESS MODEL

- Launchers drive consumable sales
- Recommendations from Byrna Nation
- Robust level of repeat orders
- Installed base likely to upgrade



COMPELLING GROWTH PROFILE

Annual Revenue *(\$ in millions)*



Growth Strategy Leverage the Byrna brand


-  New Products
-  New Channels
-  New Markets
-  Strategic Acquisitions

REVENUE GROWTH – EXCLUDING HANNITY

Annual Revenue Excluding Hannity Mentions
(\$ in millions)



Gross Profit Margin / EBITDA Margin



	2020	2021	Target
Gross Profit %	45%	54%	60 - 65%
Adj. EBITDA	N/A	3%	30%

Note: See appendix for a reconciliation of GAAP comprehensive income to adjusted EBITDA, and definition of adjusted EBITDA.

NEW PRODUCT INNOVATION

Handheld Launchers



LE: SWAT / ERT



PE: High End Conceal Carry

Shoulder-Fired Launchers



PAL: Pump Action Shotgun

12 – Gauge Non Lethal Rounds

- Utilizes patented fin-tailed technology, enabling accuracy beyond 100 feet
- .61 caliber round ball + filled fin section provides more payload delivery compared to .68 caliber ball projectile
- Inert, kinetic and chemical irritant versions under development
- Taps into established base of 100M shotguns in the US



STRATEGIC ACQUISITIONS

Mission Less Lethal



Acquired Mission Less Lethal assets in May 2021
Leader in non-lethal, shoulder-fired rifles
Full suite of products necessary for Law Enforcement
IP portfolio strengthens competitive moat

Byrna Shield



Acquired assets of Ballistipax® in August 2021
Single-handed, rapidly-deployable bulletproof backpacks
Offered under "Byrna Shield" product name in three configurations.
Included in school safety offering and training program

Fox Labs



Acquired assets of Fox Labs International in May 2022
Best-in-class formulation
Primarily catering to law enforcement
Allows Byrna to immediately enter the chemical aerosol sprays market

M&A Focus



Smaller Undercapitalized Companies



Natural Fit with Byrna's Mission and Customer Base



Cottage Industry in Less Lethal – Roll Up Opportunities



Minimal Drain on Management Resources (Stable EBITDA)

FINANCIAL POSITION

(\$ in thousands)

As of March 31, 2022 (unaudited)

Cash	\$34,476
Inventory	\$13,666
Receivables	\$1,108
Debt	\$0
Treasury Shares	1,050,249

- \$10 M share repurchase completed in March – 1,050,249 shares in treasury stock - \$9.52 average repurchase price
- No need to access public markets to execute plan

INVESTMENT THESIS

- Byrna Undervalued Relative to Peers on Comparable Metrics
 - EV / FY22E Sales:
 - BYRN: 2.9x
 - AXON: 8.2x
 - WRAP: 10.1x
 - FY21A Gross Margins:
 - BYRN: 54.2%
 - AXON: 62.7%
 - WRAP: 25.8%
 - FY19-FY22E Rev. CAGR:
 - BYRN: 289%
 - AXON: 25%
 - WRAP: 161%
- Right Product For The Times
 - *Reduce gun violence*
 - *Increase safety*
- Enormous Total Addressable Market
 - *Civilians, Law Enforcement, Schools, International*
- Robust Product Development Pipeline
 - *Byrna is the place for all things "Personal Self-defense"*
- Expanding Sales Channels
 - *3rd party E-Commerce (Amazon.com / OpticsPlanet)*
 - *Brick & Mortar / Experiences*

Note: As of April 22, 2022. Based on Wall Street research estimates.

EXPANDED MANAGEMENT TEAM TO SUPPORT GROWTH



Bryan Ganz
CEO, President & Chairman
30+ years experience



Brian Terando
VP of Production and Supply Chain
30+ years experience



David North
Chief Financial Officer
30+ years experience



Luan Pham
Chief Marketing & Revenue Officer
25+ years experience



Lisa Wager
Corporate Secretary
20+ years experience



Michael Wager
Chief Strategy Officer
30+ years experience



André Buys
Chief Technology Officer
15+ years experience



Sandra Driscoll
Chief People Officer
20+ years experience



Victor Eng
Chief of Staff
8+ years experience

From **10** employees in Jan 2019 to **157** in February 2022

ADJUSTED EBITDA RECONCILIATION

(\$ in thousands)

	FY20	FY21
GAAP Comprehensive income (loss)	(\$12,487)	\$(3,327)
Net interest expense	233	34
Income tax provision	293	(160)
Depreciation and amortization expense	242	487
Stock-based compensation expense	1,252	3,150
Severance expense	-	1,300
Accretion of debt discounts	755	-
Forgiveness of PPP loan	-	(190)
Loss on extinguishment of debt	6,027	-
Warrant inducement expense	845	-
Change in fair value of derivative liabilities	-	-
Other financing costs	-	14
Adjusted EBITDA	(\$2,840)	\$1,308

Note: Adjusted EBITDA is a non-GAAP financial measure and does not replace the presentation of our GAAP financial results and should only be used as a supplement to, not as a substitute for, our financial results presented in accordance with GAAP. Our adjusted EBITDA measure eliminates potential differences in performance caused by variations in capital structures (affecting finance costs), tax positions, the cost and age of tangible assets (affecting relative depreciation expense) and the extent to which intangible assets are identifiable (affecting relative amortization expense). We also exclude certain one-time and non-cash costs.