

## Press release

### THE BOARD OF DIRECTORS OF CY4GATE APPROVED CONSOLIDATED FIGURES AS AT SEPTEMBER 30, 2024

#### ECONOMIC INDICATORS IMPROVED COMPARED TO THE PREVIOUS YEAR THANKS TO M&A TRANSACTIONS AND ONGOING DESEASONALIZATION GUIDANCE 2024 CONFIRMED

- **Value of production:** € 47.5 million (€ 44.9 million)<sup>1</sup>+5.8%;
- **Revenues:** € 45.4 million (€ 43.6 million) +4.0%;
- **EBITDA<sup>2</sup>:** € 3.6 million (€ 3.2 million) +11.9%;
- **NFP<sup>3</sup>:** negative cash of € 30.8 million (negative of € 7.9 million).

#### 2025 CORPORATE EVENTS CALENDAR APPROVED

**Rome, November 12, 2024** – The Board of Directors of **CY4GATE** (CY4.MI), a national and European player in cyber security and cyber intelligence, meeting today under the chairmanship of Domitilla Benigni, approved the Consolidated Interim Report as at 30 September 2024.

**Emanuele Galtieri**, CEO & General Manager of Cy4Gate Group stated: *“The third quarter 2024 results show an improvement in all economic indicators compared to last year, confirming the work we are doing to consolidate the top line. We are continuing in the direction taken in these 9 months, to deseasonalize the business, significantly increasing recurring business in all operating sectors with the closing of significant contracts in terms of amount and profitability, with multi-year duration. Looking to the future, we are working on new development opportunities both in Italy and abroad to accelerate growth and thus establish a prominent position in the sector that our technologies and products preside over.”*

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#### MAIN CONSOLIDATED ECONOMIC-FINANCIAL DATA AS OF SEPTEMBER 30, 2024

The third quarter still remains a period heavily influenced by seasonality, but the Group is continuing to work on various initiatives always with a view to deseasonalization.

The **value of production** amounted to € 47.5 million, an increase of 5.8% compared to September 30, 2023 (€ 44.9 million). This increase is mainly attributable to excellent revenue growth in the Defence sector and Forensic Intelligence Italy, together with the consolidation of XTN. The complex and still uncertain geopolitical

<sup>1</sup> The figures in brackets refer to Group's financial figures as at 30 September 2023 and 31 December 2023, respectively.

<sup>2</sup> EBITDA: is calculated by adjusting the result for the year to exclude the effect of taxes, net financial income (expenses), depreciation, amortisation, write-downs and value adjustments of financial assets, as well as charges deemed by the Group to be non-recurring and extraordinary, mainly related to M&A activities.

<sup>3</sup> The NFP does not include the provision for contingent financial liabilities related to Diateam's and XTN's put/call option for the purchase of the remaining non-controlling interest (totalling €4.4 million) and instead includes, in application of IFRS 16, leases and rents amounting to €3.8 million.

environment affected the lack of revenues related to foreign orders in the Forensic Intelligence sector.

It should be noted that, in the third quarter of 2024, the Group acquired new contracts amounting to approximately € 8.2 million to which an additional € 15.1 million was added acquired from October until today.

**Total costs** amounted to € 44.1 million, in line with the same period of the previous year, despite the inclusion of XTN Cognitive Security in the scope.

**EBITDA** was € 3.6 million (€ 3.2 million), up 12% YoY, and shows an **EBITDA Margin** of about 8%. Margins were affected by lower revenues in the foreign Forensic Intelligence segment, a highly profitable business, only partially offset by sales related to Decision Intelligence, cyber security and Forensic Italia.

The **Net Financial Position** is cash negative by € 30.8 million - it does not include the provision for contingent financial liabilities related to the put/call for the acquisition of the remaining 29.34% of Diateam and an additional 2.20% of XTN, totaling € 4.4 million; while it includes, in application of IFRS 16, leases and rents for € 3.8 million. The increase compared to the net financial debt recorded as of December 31, 2023 (€ 7.9 million) is due to the effect of capital absorption to finance the acquisition of XTN, capex for the period, as well as the purchase of an additional 15.33% of Diateam in July 2024 as well as typical working capital dynamics with seasonal slowdown in PA payments in the summer months.

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## MAIN SIGNIFICANT EVENTS THAT OCCURRED DURING THE FIRST 9 MONTHS OF 2024

- On **16 January 2024**, Cy4Gate signed, in partnership with Alfa Group, the closing for the purchase of 97.8% XTN Cognitive Security S.r.l. (formerly IKS TN), an Italian cyber security company, operating in the IT security sector and leader in the fight against fraud digital with a significant *footprint* in banking and also present in the *automotive* market.
- On **12 February 2024**, Cy4Gate and ATTIVA EVOLUTION, a division of ATTIVA S.p.A. and one of the main in *tech* distribution *player* operating in the Italian market, announce that they have signed a strategic agreement which sees ATTIVA as distributor for Cy4Gate solutions on the corporate Italian market both in the cyber security and Decision Intelligence fields.
- On **27 February 2024**, the company XTN Cognitive Security®, part of the Cy4Gate Group since January 2024, was quoted in the Gartner report Emerging Tech: “5 Elements to Prevent Digital Commerce Fraud”, a recognition that testifies to XTN's excellence and innovation in the fields of Transaction Monitoring, Behavioral Analytics and Monetics.
- On **11 March 2024**, Cy4Gate signed two contracts for a total value of over € 600,000 for the execution of two research and innovation projects in the cyber security field with a primary Italian high-tech company, operating both in Italy and abroad, for a period of 12 months.
- On **13 March 2024** Cy4Gate signed a contract with a foreign institutional client for carrying out evolutionary activities on proprietary "Decision Intelligence" systems already previously acquired by the client. The value of the contract acquired amounts to approximately € 850,000, for a duration of 12 months.
- On **28 March 2024** S&P Global, after completing the assessment for the IT sector, issued the ESG rating

for Cy4Gate with a score of 26/100, higher than the sector average, which stands at 19/100.

- On **03 April 2024** Cy4Gate signed a contract for a total value of over €6.5 million for the execution of a series of projects in the Defense sector with ELT Group, a leading company in Europe in Electronic Defense for over 70 years and reference shareholder of Cy4Gate.
- On **23 April 2024** Cy4Gate signed some contracts with leading Italian companies operating in the financial services sector, for the acquisition and functional extension of the Cognitive Security Platform®, a platform produced by XTN Cognitive Security® and a recognized national and international player European Union in the field of detection and response to fraud and digital threats.
- On **09 May 2024** Cy4Gate and Innover, a multinational company that offers specialized consultancy services for innovative solutions in the field of Information and Communications Technology, announced that they have signed a strategic agreement which sees Innover as a Partner for Cy4Gate solutions on the Italian Corporate market both in the cyber security and Decision Intelligence fields.
- On **13 May 2024** Cy4Gate signed a contract worth a total of approximately € 1 million with a leading Italian high-tech company operating on the domestic and foreign market for cyber security solutions.
- On **21 May 2024** Cy4gate was awarded three international research tenders in the context of the European Defense Fund (EDF) and the Digital Europe Program (DEP) for a total value of approximately € 1.7 million in 3 years starting from 2025 by increasing the Group's order book;
- On **6 June 2024** XTN Cognitive Security® was cited as a representative vendor in the “Gartner Emerging Tech report: GenAI Security Services for Online Fraud Prevention”;
- On **17 June 2024** Cy4Gate signed, through one of its subsidiaries, contracts with a total value of approximately € 1.7 million for the renewal and evolution of Decision Intelligence solutions on foreign markets.
- On **12 July 2024** Cy4Gate confirmed that in the second quarter of 2024 it had signed contracts with leading Italian companies operating in the financial services sector for the acquisition and functional extension of the Cognitive Security Platform®;
- On **23 July 2024** Cy4Gate announced that binding agreements have been signed for the launch of a strategic partnership between CDP Venture Capital and Cy4Gate through the establishment of a joint venture dedicated to the cyber security of SMEs;
- On **25 July 2024** XTN Cognitive Security® was cited as a representative vendor in the “Gartner Hype Cycle for Generative AI in Banking report”;
- On **26 July 2024** Cy4Gate signed the closing for the purchase of a further 15.33% of DIATEAM, a French company specialized in the design, development and creation of advanced systems for testing, validation and training in the cyber security domain, for government and corporate clients, thus coming to hold 70.66% of its share capital;
- On **05 August 2024** Cy4Gate was awarded a contract, lasting 2 years and with a total value of €2 million, for solutions in the forensic intelligence field in favor of a European institutional body;
- On **08 August 2024** Cy4Gate was awarded contracts, lasting 3 years with a total value of approximately € 1.2 million, for solutions in the cyber security and Decision Intelligence fields;
- On **02 September 2024** Cy4Gate was awarded contracts with a total value of approximately € 1.4 million for cyber security solutions for the benefit of primary corporate and institutional clients;

- On **10 September 2024** Ethifinance completed the assessment of Cy4Gate, assigning the company a score of 82/100, a clear improvement compared to 2023 in all areas assessed. With this score, Cy4Gate is significantly above the average of the 264 companies subject to the rating belonging to the IT sector;
- On **16 September 2024** Cy4Gate was awarded contracts with a total value of approximately € 700 thousand for solutions in the area of Decision Intelligence for a leading European institutional entity;
- On **23 September 2024** Cy4Gate was awarded a two-year contract with a total value of € 1.2 million for cyber security training activities for a leading national company.

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#### MAIN SIGNIFICANT EVENTS AFTER THE FIRST 9 MONTHS OF 2024

- On **4 October 2024** Cy4Gate signed a contract worth over € 1 million with ELT Group in cyber security for the Defense - naval Domain;
- On **10 October 2024** Cy4Gate signed a new contract worth € 1.6 million with domestic high tech company for the provision of products and services and advanced research and development activities on cyber security;
- On **21 October 2024** Cy4gate was awarded new contracts with a total value of approximately € 2.5 million for solutions in cyber security for the benefit of leading corporate and institutional clients;
- On **11 November 2024** Cy4Gate was awarded new contracts with a total value of about € 10 million for solutions in Decision Intelligence for the benefit of primary foreign institutional clients.

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#### OUTLOOK

Look at the results obtained in the first nine months of 2024, the Group continues on the growth path undertaken by aiming at a robust consolidation, streamlining and creation of synergies on the acquired realities, always favouring the maintenance of technological excellence and enhancing the broad product portfolio that today can count on leading-edge cyber solutions capable of supporting the most challenging customer needs, and allows to confirm the 2024 guidance, in the lower part of the range:

- a conversion of the commercial pipeline in the range between € 13-15 million;
- backlog and recurring contracts effective 2024 in the range between € 69-72 million;
- total revenues in the range between € 84-90 million.

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The Board of Directors approved the 2025 corporate events calendar, pursuant to Article 2.6.2 of the Borsa Italiana S.p.A. Regulations, as follows:

- **12<sup>th</sup> March 2025: Board of Directors** to approve the draft annual financial statements as at 31<sup>st</sup> December 2024 and the consolidated financial statements as of 31<sup>st</sup> December 2024;
- **13<sup>th</sup> March 2025: Analysts-Investors Conference Call** FY 2024;

- **28<sup>th</sup> April 2025 (single call): Shareholders' Meeting** to approve the financial statements as at 31<sup>st</sup> December 2024 and present of the consolidated financial statements as at 31<sup>st</sup> December 2024;
- **14<sup>th</sup> May 2025: Board of Directors** to approve the additional consolidated financial information as at 31<sup>st</sup> March 2025;
- **15<sup>th</sup> May 2025: Analysts-Investors Conference Call** additional consolidated financial information as at 31<sup>st</sup> March 2025;
- **11<sup>th</sup> September 2025: Board of Directors** to approve the half-yearly consolidated financial report as at 30<sup>th</sup> June 2025;
- **12<sup>th</sup> September 2025: Analysts-Investors Conference Call** half-yearly consolidated financial report as at 30<sup>th</sup> June 2025;
- **13<sup>th</sup> November 2025: Board of Directors** to approve the additional consolidated financial information as at 30<sup>th</sup> September 2025;
- **14<sup>th</sup> November 2025: Analysts-Investors Conference Call** additional consolidated financial information as at 30<sup>th</sup> September 2025.

Cy4Gate S.p.A. will promptly give notice regarding any changes to the dates indicated above.

The Corporate Events Calendar is also available on the Company's website at <https://www.cy4gate.com/en/company/investor-relations/financial-calendars/>.

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## FILING OF DOCUMENTATION

A copy of the Consolidated Financial Report as of 30 September 2024 will be made available to the public within the legal terms at the registered office in Rome, as well as through publication on the institutional website [www.cy4gate.com](http://www.cy4gate.com) in the "Investor Relations/Financial Statements/Year 2024" and on the authorized storage mechanism [www.1info.it](http://www.1info.it)

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The Manager responsible for the preparation of the Company's financial reports – Marco Latini - declares, pursuant to paragraph 2 of Article 154-bis of the TUF, that the accounting information contained herein is consistent with the underlying accounting documents, books and records.

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It should also be noted that this press release contains forward-looking data and forward-looking statements regarding strategic objectives established as part of corporate planning. Readers of this release should not place undue reliance on such forward-looking statements as actual results could differ significantly from those contained in such forecasts as a consequence of multiple factors, most of which are beyond the Group's control.

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**CY4Gate Group results for the nine months of 2024** will be presented to the financial community on **13 November 2024** during a **conference call at 10:00 AM (CET) 9:00 AM (UK)**.

For information, please contact the contacts at the bottom of this press release.

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This Press Release is available on the “1info” ([www.1info.it](http://www.1info.it)) storage mechanism and on the Company’s website [www.cy4gate.com](http://www.cy4gate.com).

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**About CY4Gate S.p.A.**

The Company was founded in 2014 to meet an unconventional demand for cyber security. Listed on Euronext Growth Milan in June 2020, CY4Gate S.p.A. has also been listed on the Euronext Milan Star segment since June 2023. CY4Gate S.p.A. was conceived to design, develop and manufacture technologies and products, systems and services that meet the most stringent and modern “Cyber Intelligence & Cyber Security” requirements expressed by Law Enforcement Agencies, Armed Forces, Institutions and Companies, both at home and abroad. Representing a unique Italian industrial project, CY4Gate S.p.A. operates in all facets of the cyber market, with proprietary products that meet both information collection and analysis and security needs: QUIPO and AMICO in the world of Cyber Intelligence along with RTA, Diateam, CTI and Pronto Cyber in the world of Cyber Security

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Attached are the Reclassified Consolidated Income Statement and Consolidated Balance Sheet as at September 30th, 2024

## RECLASSIFIED INCOME STATEMENT

| Reclassified Income Statement                                                     | Financial Year closed at |                     |
|-----------------------------------------------------------------------------------|--------------------------|---------------------|
| (in euro)                                                                         | 30/09/2024               | 30/09/2023          |
| Operating Revenues                                                                | 45,352,850               | 43,601,391          |
| Other operating revenues                                                          | 2,190,975                | 1,315,627           |
| <b>Revenues</b>                                                                   | <b>47,543,825</b>        | <b>44,917,018</b>   |
| Purchase, services and other operative costs                                      | 20,142,338               | 19,330,900          |
| Personnel costs                                                                   | 23,787,212               | 22,356,667          |
| <b>Costs</b>                                                                      | <b>43,929,550</b>        | <b>41,687,567</b>   |
| <b>EBITDA</b>                                                                     | <b>3,614,275</b>         | <b>3,229,451</b>    |
| <b>EBITDA Margin</b>                                                              | <b>7.6%</b>              | <b>7.2%</b>         |
| Amortisation, depreciation, write-downs and value adjustments of financial assets | (11,372,139)             | (9,559,835)         |
| <b>EBIT adjusted</b>                                                              | <b>(7,757,863)</b>       | <b>(6,330,383)</b>  |
| Amortisation/depreciation (connected to the PPA)                                  | (3,389,563)              | (3,389,563)         |
| <b>EBIT</b>                                                                       | <b>(11,147,426)</b>      | <b>(9,719,946)</b>  |
| Financial Income (Charges)                                                        | (1,839,967)              | (1,018,232)         |
| Extraordinary costs (one off)                                                     | (225,412)                | (2,440,767)         |
| <b>EBT</b>                                                                        | <b>(13,212,806)</b>      | <b>(13,178,945)</b> |

## RECLASSIFIED BALANCE SHEET

| Reclassified Balance Sheet                  | Financial Year closed at |                      |
|---------------------------------------------|--------------------------|----------------------|
| (in euro)                                   | 30/09/2024               | 31/12/2023           |
| <b>Fixed Asset</b>                          | <b>96,759,434</b>        | <b>87,936,990</b>    |
| Inventories                                 | 1,541,461                | 759,066              |
| Assets (liabilities) arising from contracts | 6,090,395                | 3,109,905            |
| Trade receivables                           | 49,373,303               | 53,651,187           |
| Trade Payables                              | (11,084,695)             | (14,377,973)         |
| <b>OWC</b>                                  | <b>45,920,464</b>        | <b>43,142,185</b>    |
| Other assets (liabilities)                  | (12,981,052)             | (6,307,719)          |
| <b>NWC</b>                                  | <b>32,939,413</b>        | <b>36,834,466</b>    |
| <b>NIC</b>                                  | <b>129,698,847</b>       | <b>124,771,456</b>   |
| Liquid Assets                               | 8,285,281                | 17,561,190           |
| Financial Activities                        | 3,417,987                | 1,369,509            |
| Financial liabilities                       | (43,058,340)             | (28,798,385)         |
| Lease liabilities                           | (3,820,840)              | (3,778,467)          |
| <b>NFP</b>                                  | <b>(35,175,911)</b>      | <b>(13,646,153)</b>  |
| Put option liability                        | (4,417,692)              | (5,740,397)          |
| Book value of treasury shares in portfolio  | (3,214,883)              | (1,600,410)          |
| <b>NFP Adjusted</b>                         | <b>(27,543,335)</b>      | <b>(6,305,346)</b>   |
| <b>Shareholders' Equity</b>                 | <b>(94,552,937)</b>      | <b>(111,125,303)</b> |
| <b>Total sources</b>                        | <b>(129,698,847)</b>     | <b>(124,771,456)</b> |