

Press Release

**THE BOARD OF DIRECTORS OF CY4GATE APPROVES THE FINANCIAL STATEMENTS AND
CONSOLIDATED FINANCIAL STATEMENTS, INCLUDING THE SUSTAINABILITY REPORT AS OF
DECEMBER 31, 2024**

**THE GROUP CONTINUES ITS PATH OF CONSOLIDATION AND GROWTH, DRIVEN BY THE DEFENCE, CORPORATE,
AND FORENSIC ITALY BUSINESS SEGMENTS**

ORDER INTAKE INCREASES TO €84 MILLION, UP 15% COMPARED TO 2023

SOLID BACKLOG OF €36 MILLION, UP 40% COMPARED TO 2023

NEW CONTRACT AWARDS IN THE FIRST MONTHS OF THE YEAR TOTALING APPROXIMATELY €22 MILLION

2025 GUIDANCE

EXPECTED FY 2025 REVENUES IN THE RANGE OF € 84-87 MILLION

BACKLOG AND RECURRING CONTRACTS AMOUNTING TO APPROXIMATELY € 67 MILLION

COMMERCIAL PIPELINE CONVERSION FOR APPROXIMATELY € 19 MILLION

CONSOLIDATED DATA:

- **Production value:** € 75.1 million (€ 68,3 million)¹ +10%;
- **Revenues:** € 72.4 million (€ 66.5 million) +9%;
- **EBITDA²:** € 12.0 million (€ 12.1 million);
- **EBITDA Margin:** 16% (18%);
- **Shareholders' Equity:** € 102.3 million (€ 111.1 million);
- **Net Financial Position (NFP)³:** cash negative of € 26.7 million (negative € 7.9 million)

**ARIANNA CICCOLELLA APPOINTED AS NEW CFO AND MANAGER IN CHARGE AND ALESSIA PISONI AS NEW
INVESTOR RELATIONS OFFICER OF THE CY4GATE GROUP**

SHAREHOLDERS' MEETING SCHEDULED FOR APRIL 28, 2025

Rome, March 12, 2025 – The Board of Directors of **CY4GATE** (CY4.MI), a national and European player in cybersecurity and cyber intelligence, met today, approved the Draft Financial Statements and the Consolidated

¹ The figures in brackets refer to Group's financial figures as at 31 December 2023

² 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.

³ The NFP does not include the provision for contingent financial liabilities related to Diatteam's and XTN's put/call option for the purchase of the remaining non-controlling interest (totalling €4.2 million) and instead includes, in application of IFRS 16, leases and rents amounting to €5.9 million.

Financial Statements, including the Consolidated Sustainability Report for the 2024 financial year, in accordance with Legislative Decree No. 125 of September 6, 2024.

Emanuele Galtieri, CEO & General Manager of Cy4Gate Group, stated: *"The results approved by the Board of Directors confirm the company's growth trend, both organically and through M&A. 2024 has been a year of development and consolidation, marked by a 15% increase in orders and a significant backlog growth of +40%, clear indicators of the strength of our strategy and the customers' trust in our solutions. For 2025, we expect revenues between €84 and €87 million, with strong visibility on the commercial pipeline and projected revenues from orders and recurring activities of approximately €67 million (about +25% compared to March 2024). These figures reinforce our forecasts for 2025 performance while also confirming our clear vision of our customers' needs. I would like to extend my gratitude to Marco Latini for his valuable contribution to the company over the years and wish him all the best for the future. We warmly welcome Arianna Ciccolella, our new CFO, and express our best wishes to Alessia Pisoni in her new role as Investor Relations Officer: their talent will be instrumental in our growth journey. We will continue to invest in innovation and in our people, with the goal of creating even greater value for all our stakeholders. We look to the future with determination, aware that our commitment and ability to innovate will be the key drivers in facing the challenges ahead and further strengthening Cy4Gate's position in both the national and international landscape."*

KEY CONSOLIDATED FINANCIAL DATA AS OF DECEMBER 31, 2024

The production value amounts to € 75.1 million, reflecting an increase of approximately 10% compared to December 31, 2023 (€ 68.3 million). Revenues amounts to €72.4 million (€66.5 million), marking a 9% growth. This increase is primarily driven by strong performances in the Defence, Forensic Italy, and Corporate segments, supported by M&A activities. However, the continuing instability and conflict situations in various geographical areas affected the awarding of major contracts and consequently the lack of revenue related to them in the foreign Forensic Intelligence segment.

Total costs amount to € 63.1 million (€ 56.2 million). The 12% increase in costs is largely due to changes in the company's scope following the acquisition of XTN Cognitive Security, as well as the need to strengthen the skillset required for project execution in the Defense and Law Enforcement sectors. The company is now structured to generate higher revenues with the same level of deployed resources.

EBITDA stands at € 12.0 million (€ 12.1 million), with an **EBITDA Margin of 16%** (18%). Profitability was affected by lower revenues in the Foreign Forensic Intelligence segment—a high-margin business—only partially offset by revenues from Decision Intelligence, Cybersecurity, and Forensic Italy.

EBIT is negative at € 9.5 million (negative at € 4.7 million). This decline is mainly attributable to a 28% increase in D&A (Depreciation & Amortization), driven by the amortization of specialized software and RCS development activities, along with necessary investments to support the business. **Adjusted EBIT**, which excludes the effects of Purchase Price Allocation (PPA) and one-off costs, is negative at € 4.8 million (negative at € 0.2 million).

As a result, the net loss for the year amounts to € 5.6 million (compared to a net loss of € 8.9 million in 2023), benefiting from a positive tax impact. The **Adjusted Net Loss**—excluding PPA effects, related taxes, and extraordinary costs—stands at € 1.9 million (Adjusted Net Loss of € 2.9 million in 2023).

Shareholders' equity is € 102.3 million (€ 111.1 million), primarily impacted by the net loss for the year.

The net financial position (NFP) is cash negative at € 26.7 million. This figure does not include the provision for potential financial liabilities related to put/call options for the acquisition of the remaining 29.34% of Diateam and an additional 2.20% of XTN, totaling € 4.2 million. However, it does include, in accordance with IFRS 16, lease and rental liabilities amounting to €5.9 million. The increase in net financial debt compared to December 31, 2023 (€ 7.9 million) is due to capital absorption for funding the XTN acquisition, capital expenditures (CapEx) during the period, the acquisition of an additional 15.33% of Diateam in July 2024, as well as the payment of financial charges and dividends. During the year, the company repurchased treasury shares with a cash outflow of € 1.6 million. Today, the company holds treasury shares in its portfolio with a carrying value of € 3.2 million.

Orders acquired during the entire 2024 amounted to € 84 million, reflecting a 15% increase compared to the 2023 order book.

The backlog as of December 31, 2024, stands at € 36 million, marking a 40% increase compared to the previous year. In the first few months of 2025, the Group secured new contract awards totaling €22 million.

The initiatives implemented in the early months of 2024, in line with CY4GATE Group's strategy and set to continue over the next two years, have strengthened the Group's ability to build backlog. As a result, they are gradually reducing the seasonal impact of a business that, even in 2024, generated approximately 37% of its annual revenues in the fourth quarter, with 25% recorded in December alone.

MAIN SIGNIFICANT EVENTS DURING 2024

All events that occurred during the financial year 2024 have been published on the Company's website at the following link:

<https://www.cy4gate.com/company/investor-relations/financial-press-releases/year-2024/>

MAIN SIGNIFICANT EVENTS THAT OCCURRED AFTER THE END OF THE YEAR

- On **24 January 2025** Cy4Gate announced that, in the last days of 2024, it has been awarded additional contracts of approximately € 8.5 million with a 2-year term, for cyber security and decision intelligence solutions for domestic and foreign institutional tech customers;

- On **27 January 2025** Cy4Gate signed a partnership agreement with RedCarbon in the area of artificial intelligence for the cyber security domain;
- On **03 March 2025** Cy4Gate announced that, in the last two months, it has signed 1-year contracts worth a total of € 1.65 million with leading institutional and hi-tech customers in Italy and abroad. The contracts refer to the acquisition of technologies and developments in the field of Decision Intelligence;
- On **05 March 2025** announced the helmon brand new cybersecurity player dedicated to SMEs, the result of a strategic partnership between CDP Venture Capital and Cy4Gate;
- On **07 March 2025** Cy4gate was awarded a contract worth a total of € 20.5 million, with a three-year term, with a major European institutional customer for the provision of technology and evolution in the area of Decision Intelligence, with the aim of supporting complex decision-making processes through innovative, high-performance tools.

OUTLOOK

The Group will continue along the growth path it has embarked upon, aiming at a robust consolidation, streamlining and creation of synergies in the acquired companies, 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. The current organisational structure and resources will allow future growth to be sustained with a strong increase in operating leverage.

The strategy for the next two years will aim to:

- intercept the growing needs of the **Defence** market, characterised by significant investments at a global level, and by multi-year contracts with important size, accelerating the creation of backlog and therefore, contributing - together with the Corporate market - in reducing seasonality risks;
- further consolidate its leadership position in Italy in the **Security & Law Enforcement** market (with initiatives aimed at mitigating the potential effects of the reforms launched in the sector) and strengthen, making it structural, growth in EU countries.
- ensure greater expansion in the Italian **Corporate** market on cybersecurity, enabled by M&A, with a progressive penetration in Europe; the development of the Corporate market is an important tool for mitigating the seasonality of the Group's business.

Pursuing the above-mentioned actions in the various markets would enable the Cy4Gate Group to achieve **total revenues in the range of € 84 to € 87 million** for the financial year 2025, of which:

- **Backlog and recurring contracts equal to approximately € 67 million**
- **Commercial pipeline conversion equal to approximately € 19 million**

ALLOCATION OF THE RESULT FOR THE YEAR

Based on the results for the financial year 2024, the Board of Directors will propose at the next Annual Shareholders' Meeting to carry forward the loss for the year of €5,964,955.26.

2024 SUSTAINABILITY REPORTING AS OF 31 DECEMBER 2024

The Board of Directors, during the approval of the Consolidated Financial Statements, also approved the Consolidated Sustainability Report for the financial year 2024 pursuant to Legislative Decree No. 125 of 6 September 2024 as of 31 December 2024, which implements the so-called Corporate Sustainability Reporting Directive (CSRD).

The Cy4gate Group in adherence to its vision works to make an active contribution to a safer world and to protect fundamental human rights through its Cyber technologies and products. The Group's strategy continues to be based on three fundamental pillars such as technological innovation, internationalisation and social responsibility.

Investments in training and research & development, partnerships with academic institutions and research centres, the promotion of an inclusive and equal working environment, as also witnessed by the renewal and extension of the Gender Equality certification for Cy4Gate and RCS, as well as the monitoring of greenhouse gas emissions and adhesion to the UN Global Compact with its commitment to the promotion of human rights and the fight against corruption are some of the initiatives implemented by the Group as evidence of its responsibility towards society and the planet. Cy4Gate is committed to continuing along the trajectory of sustainable growth, with the aim of consolidating its leading role in the European and international cyber landscape.

NOTICE OF CALL OF ORDINARY SHAREHOLDERS' MEETING

The Board of Directors also resolved to convene the Ordinary Shareholders' Meeting on 28 April 2025 in a single call, to resolve on the following agenda:

1. Approval of the Financial Statements as of 31 December 2024 and presentation of the Consolidated Financial Statements as of 31 December 2024, including the Consolidated Sustainability Report for the year 2024 pursuant to Legislative Decree No. 125/2024. Allocation of the result for the year. Related and consequent resolutions.
 - 1.1. Approval of the financial statements as at 31 December 2024. Reports of the Board of Directors, the Board of Statutory Auditors and the Independent Auditors; inherent and consequent resolutions;
 - 1.2. Allocation of the result for the year; resolutions pertaining thereto and resulting therefrom;
2. Resolutions concerning the report on the remuneration policy and compensation paid pursuant to Article 123-ter of Legislative Decree 58/98 ("TUF") and Article 84-quater of the Consob Regulation adopted by resolution No. 11971/1999.

- 2.1 Binding vote on the remuneration policy for the year 2025 illustrated in the first section of the report; related and consequent resolutions;
- 2.2 Consultation on the second section of the report concerning the remuneration paid in or relating to the financial year 2024; inherent and consequent resolutions.

The notice convening the Shareholders' Meeting shall also indicate the procedures for participation in the meeting, in accordance with the provisions of the Articles of Association and the legislation in force at the time.

CY4GATE GROUP'S NEW CFO AND NEW INVESTOR RELATOR APPOINTED

In addition, the Board of Directors, following the consensual termination of the employment relationship of Mr. Marco Latini, CFO, Manager in Charge and Investor Relator of the Company, effective as of 13 March 2025, appointed:

- (i) Ms. Arianna Ciccolella as Chief Financial Officer and, subject to the opinion of the Board of Statutory Auditors, Manager in Charge of Financial Reporting pursuant to Article 154-bis of the TUF; and
- (ii) Ms. Alessia Pisoni in the role of Group Investor Relator.

Arianna Ciccolella began her career in auditing, later holding the position of Controller in important Italian companies; most recently, she was appointed by e-GEOS (Agenzia Spaziale Italiana / Telespazio), a global leader in geoinformation, satellite applications and services, as Chief Financial Officer reporting directly to the CEO.

Alessia Pisoni, former Head of FP&A of the Group and Investor Relations Coordinator supporting the CFO after 17 years of experience in an American multinational company, obtained the certification of Investor relator at the Academy Euronext in 2024.

The Company sincerely thanks Marco Latini for the important work he has carried out and the high professional standing he has shown over the years in which he has held the aforementioned positions, and welcomes Arianna Ciccolella wishing her a fruitful and long term collaboration with the Company.

Marco Latini will remain with the Company as an executive until 13 March 2025, to then undertake a new professional challenge. Instead, with regard to the positions held in any other Group company, the relevant proxies and/or powers of attorney will be revoked as of 13 March 2025.

There are no indemnities or other benefits due to Marco Latini following the end of his employment with the Company.

Finally, in compliance with the Instructions to the Rules of the Markets organised and managed by Borsa Italiana S.p.A., it is hereby specified that - on the basis of the information made available to the Company - as of today's

date, Mr. Marco Latini and Ms. Arianna Cicoella and Ms. Alessia Pisoni do not hold - either directly or indirectly - any CY4Gate shares.

FILING OF DOCUMENTATION

The documents relating to the Shareholders' Meeting with the items on the agenda, including the draft financial statements as of 31 December 2024, the Group's consolidated financial statements as of 31 December 2024, the management report, including the Consolidated Sustainability Report for the year 2024 pursuant to Legislative Decree no. 125, the report of the independent auditors and the report of the Board of Statutory Auditors, as well as the directors' reports on the items on the agenda of the Shareholders' Meeting will be made available to the public, within the legal terms, at the Company's registered office in Rome, as well as through publication on the institutional website www.cy4gate.com under the section "Governance/Shareholders' Meeting" and on the authorised storage mechanism www.1info.it

The Manager responsible for the preparation of the Company's financial reports – Marco Latini - declares, pursuant to paragraph 2 and 5 ter of Article 154-bis of the TUF that the accounting information contained herein is consistent with the underlying accounting documents, books and records.

It should also be noted that this press release contains forward-looking statements regarding strategic objectives established within the framework of corporate planning. Readers of this press release should not place undue reliance on these forward-looking statements as the final results could differ materially from those contained in said forecasts, due to a variety of factors, most of which beyond the Group's control.

2024 Cy4Gate Group results will be presented to the financial community on 12 March 2025 during a conference call at 6:00 PM (CET) 5:00 PM (UK).

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

This Press Release is available on the "1info" (www.1info.it) storage mechanism and on the Company's website www.cy4gate.com.

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

CY4GATE S.p.A. – Part of ELT

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Share Capital 1,441,499.94 euro
Rome Business Register, Tax Code, VAT no. 13129151000
REA RM-1426295
www.cy4gate.com – www.elettronicagroup.com

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 December 31th, 2024 not audited by the statutory auditors.

RECLASSIFIED CONSOLIDATED PROFIT AND LOSS STATEMENT

Reclassified Income Statement	Financial year closed at	
(in euro)	31/12/2024	31/12/2023
Operating Revenues	72,364,427	66,489,053
Other operating revenues	2,714,371	1,775,265
Revenues	75,078,798	68,264,318
Purchase, services and other operative costs	(30,335,440)	(27,144,755)
Personnel costs	(32,791,815)	(29,056,401)
Costs	(63,127,255)	(56,201,156)
EBITDA	11,951,543	12,063,162
EBITDA Margin	15.9%	17.7%
Amortisation, depreciation, write-downs and value adjustments of financial assets	(16,794,237)	(12,085,948)
EBIT adjusted	(4,842,694)	(206,921)
Amortisation/depreciation (connected to the PPA)	(4,703,552)	(4,519,417)
EBIT	(9,546,245)	(4,726,338)
Financial Income (Charges)	(2,366,770)	(2,019,473)
Extraordinary costs (one off)	(332,192)	(2,747,305)
Taxes	6,606,696	594,951
Profit (Loss)	(5,638,511)	(8,898,165)
<i>of which third-party profit (loss)</i>	1,800,003	1,806,514

RECLASSIFIED CONSOLIDATED BALANCE SHEET

Reclassified Balance Sheet	Financial year closed at	
(in euro)	31/12/2024	31/12/2023
Fixed Asset	97,950,592	87,936,990
Inventories	973,831	759,066
Assets (liabilities) arising from contracts	5,957,176	3,109,905
Trade receivables	49,940,566	53,651,187
Trade Payables	(11,918,398)	(14,377,973)
OWC	44,953,175	43,142,185
Other assets (liabilities)	(9,707,167)	(6,307,719)
NWC	35,246,007	36,834,466
NIC	133,196,599	124,771,456
Liquid Assets	14,537,530	17,561,190
Financial Activities	1,472,983	1,369,509
Financial liabilities	(41,070,786)	(28,798,385)
Lease liabilities	(5,859,148)	(3,778,467)
NFP	(30,919,421)	(13,646,153)
Adjustments for non-recurring events and/or extraordinary transactions	(4,173,798)	(5,740,397)
NFP Adjusted	(26,745,623)	(7,905,756)
Shareholders' Equity	(102,277,177)	(111,125,303)
Total sources	(133,196,599)	(124,771,456)