



November 17, 2022

European Midcap Event 2022 in Madrid

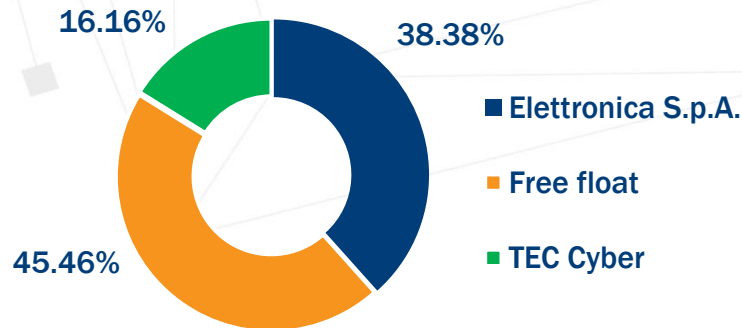
Agenda

- > **CY4Gate Group**
- > **Products & Markets**
- > **1H 2022 Results**
- > **Solution & Service Details**

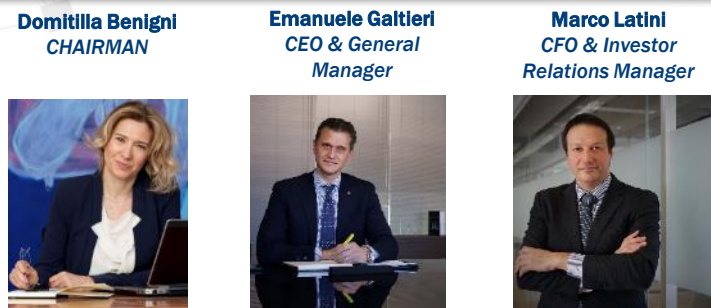
CY4Gate at a Glance

CY4Gate Group is composed by CY4Gate, founded in 2014, with the purpose to be a 360° Cyber Software House, addressing both the cyber intelligence and the cyber security market and **Aurora Group** ("RCS" going forward as key brand), founded in 1990 leading Italian player operating in the forensic intelligence & data analysis market

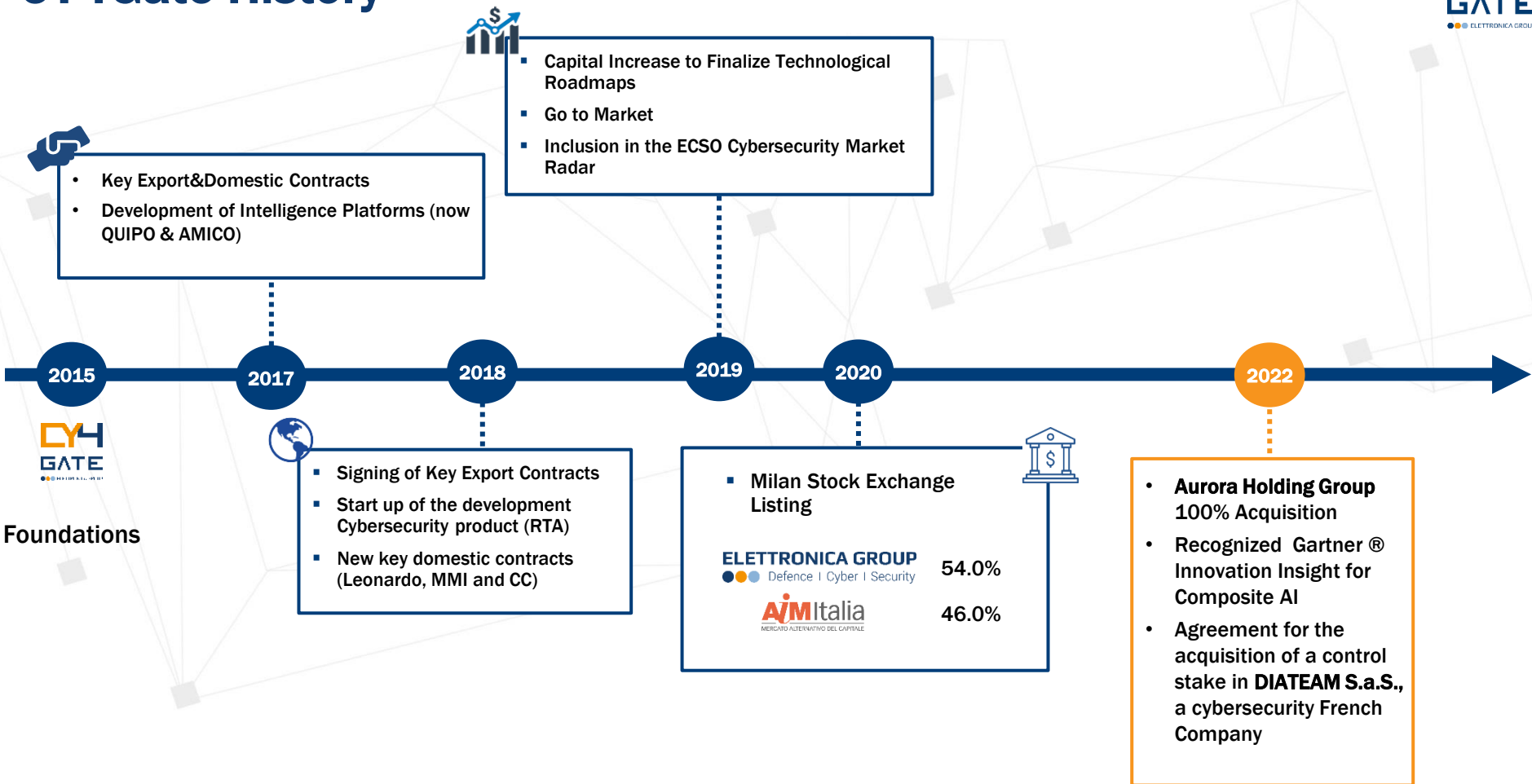
CY4Gate Group consists of 2 main business lines: cyber intelligence and cyber security. The company mainly operates in **Italy** and is also active in **Spain** and is increasing its presence in **Germany** and **France**.



TOP MANAGEMENT



CY4Gate History

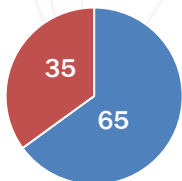


CY4Gate Group: Italian Leader in Cyber Security and Intelligence

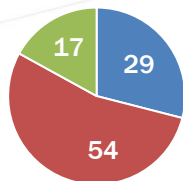
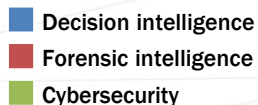
Group structure



Split by country



Split by markets

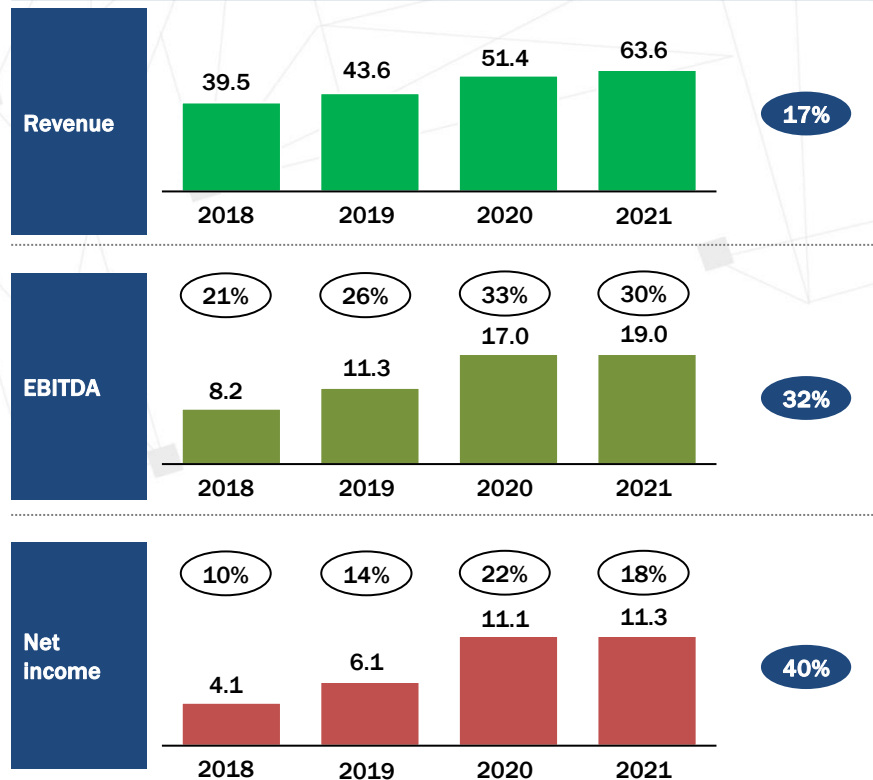


* Closing expected by the end of December 2022

** Excluding Diateam financial figures

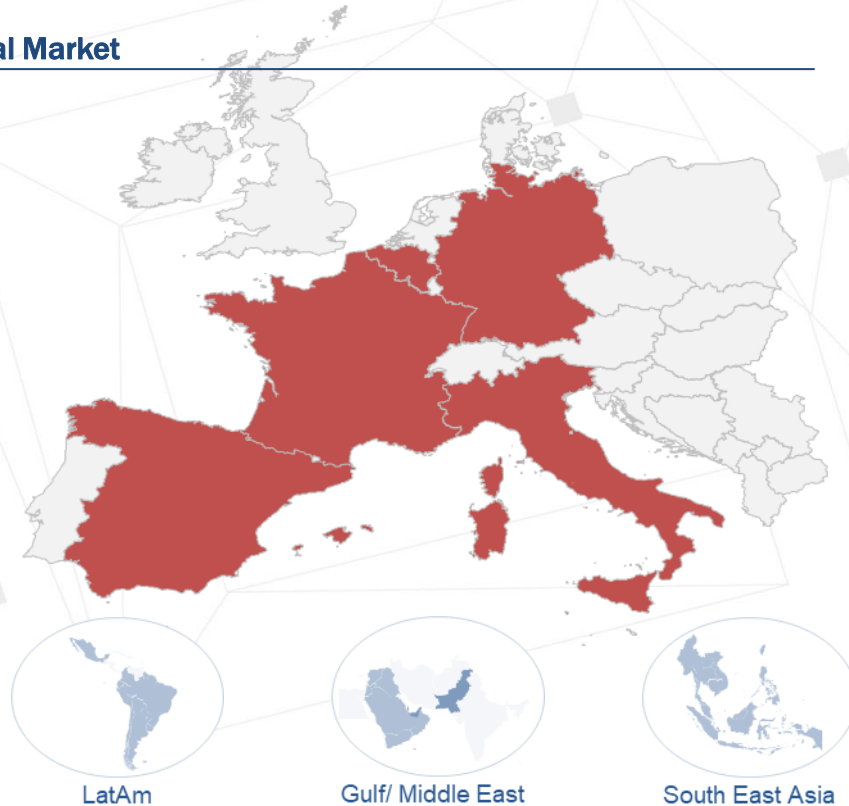
Main combined figures**, € mln

● CAGR 18-21 ○ Margin



CY4Gate Group: Geographical Presence

Global Market



Complementary geographical footprint thanks to:

- **RCS** mainly focused on **European countries**
- **Cy4Gate** with a more **global footprint**, with clients in **Middle/South East** and **Latin America**

Extensive coverage of domestic market by RCS, with consolidated presence and relationships across majority of regions

Further opportunities deriving from Elettronica geographical presence



CY4Gate Strategic Portfolio

CYBER INTELLIGENCE

Cyber Intelligence products and services collect and analyze information available online and generated through the use of digital and electronic devices



QUIPO is a complete **Decision Intelligence** platform, based on **artificial intelligence technology**, able to mix and match: several data sources, analytical capabilities, visualization functions in order to offer a better prediction for timely and effective reaction to events

AUGMENTED DATA
ANALYTICS &
INTELLIGENCE



Support law enforcement and int. agencies providing **customizable and easy-to-use forensic intelligence & data analysis solution** covering virtually any type of telecom network and electronic communications services.

FORENSIC INTELLIGENCE
& DATA ANALYSIS
VIRTUAL HUMINT



CYBER SECURITY

Cyber security products and services protect clients' information systems, enabling the detection of anomalies and generating response actions



Real time analytics (RTA) operationalize incident detection and response to rapidly strike back using a **Modern Security Information and Event Management (SIEM)** approach. RTA is the core of our **Managed Detection & Response** and **SIEM-aaS** services. **Diатеam** is the **Cyber Digital Twin platform**, for cyber training, prototyping, testing and validation

MODERN SIEM
SECURITY MONITORING
CYBER DIGITAL TWIN



Pool of strong **High-value Cyber Security services** covering the following topics:

- Red Teaming and Penetration Test
- Compliance Assessment
- Managed Detection & Response
- Incident Response & Malware Analysis
- Hands-on Cyber Training and Security Awareness
- Cyber Resilience Design for Critical Infrastructure

HIGH VALUE CYBER
SECURITY SERVICES

CY4GATE for Composite AI

CY4GATE has been identified as a **Sample Vendor** in the “**Emerging Technologies and Trends Impact Radar: Artificial Intelligence, 2021**” Gartner research for the Composite AI (or Hybrid AI) category

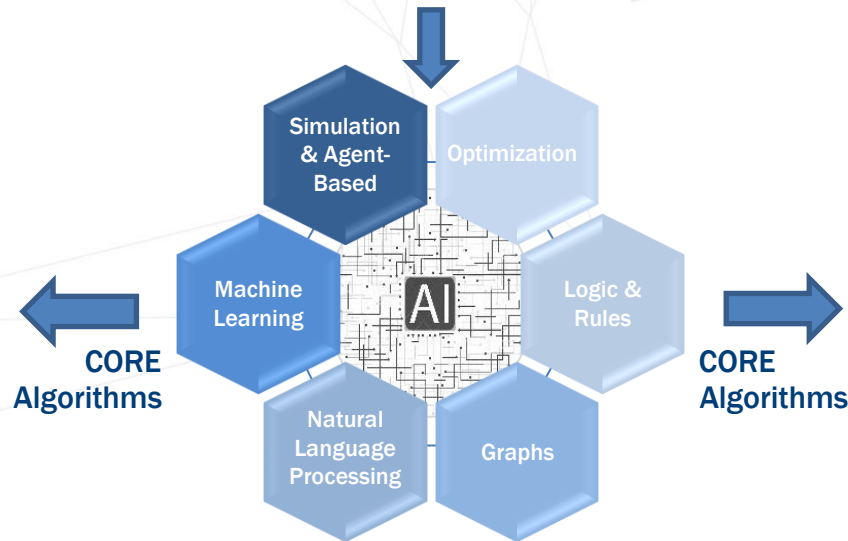
What is Composite AI?

Composite AI is the combined application of **different AI techniques** to improve the efficiency of learning in order to broaden the level of knowledge representations and solve efficiently a wider range of business problems



QUIP
Decision Intelligence Platform

- Semantic Analysis
- Image Analysis
- Multimedia Analysis
- Trend Analysis
- What-if Analysis



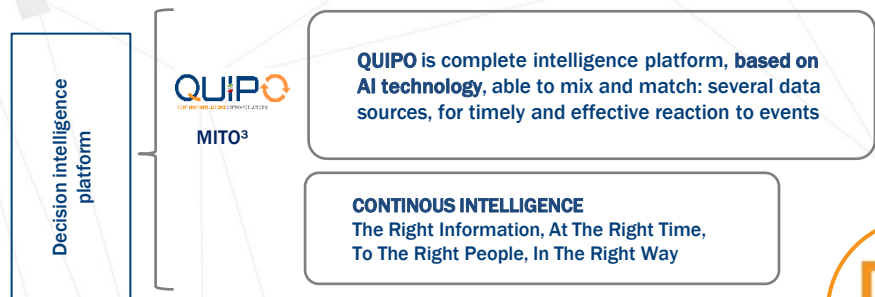
rta REAL TIME ANALYTICS_
Modern SIEM Platform

- Known Knowns (Rule and Threat Intelligence driven)
- Known Unknowns (Machine Learning and Profiling models)
- Unknown Unknowns (Supervised Self-Learning)

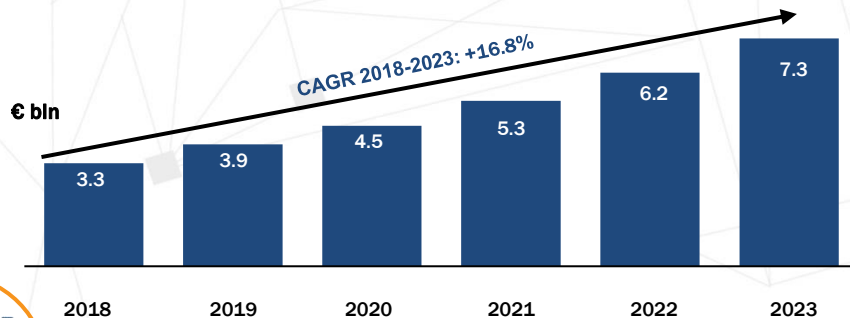
One-Stop-Shop Approach with Wide Range of Proprietary Products

Cyber intelligence

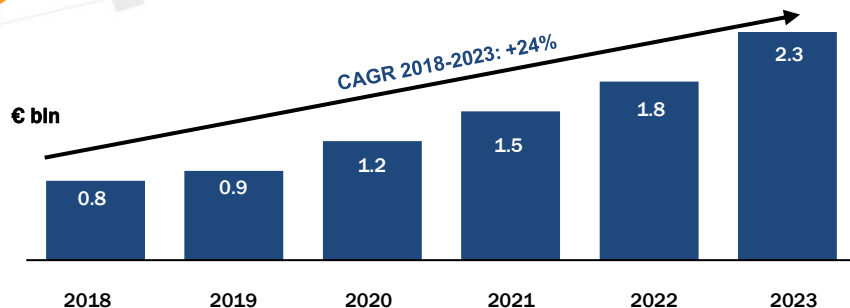
Cyber Intelligence products and services collect and analyze information available online and generated through the use of digital and electronic devices



Global opensource intelligence (Osint) market



Global forensic intelligence & data analysis



One-Stop-Shop Approach with Wide Range of Proprietary Products

Cyber Security

Cyber security products and services protect clients' information systems, enabling the detection of anomalies and generating response actions

SIEM
(Security information and event management)
MONITORING

Real time analytics (RTA) is a security information and event management (SIEM), advanced cyber security application that enables the analyst to detect cyber security anomalies and creates conditions to rapidly strike back. and

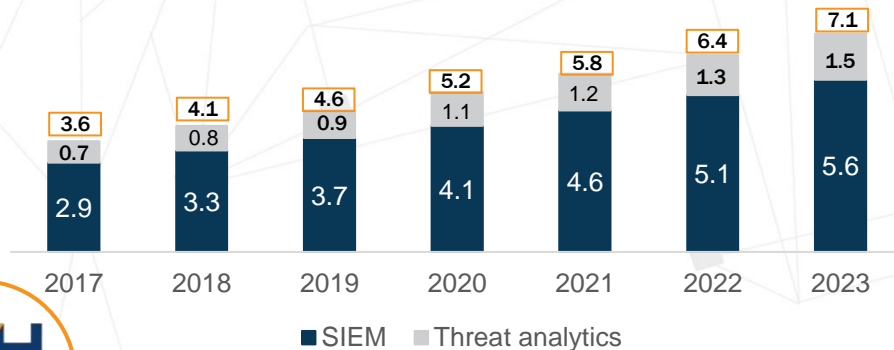
HIGH VALUE CYBER
SECURITY SERVICES

Pool of Cyber Security services covering the following topics:

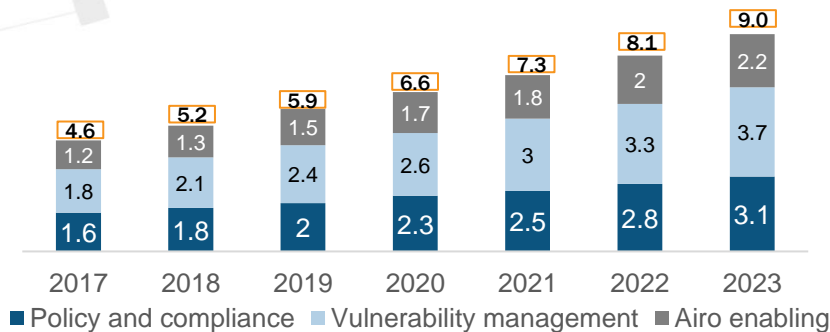
- Red Teaming and Penetration Test
- Compliance Assessment
- Managed Detection & Response
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- Cyber Resilience Design for Critical Infrastructure



Global AIRO Security Products Market



Global AIRO Security Services

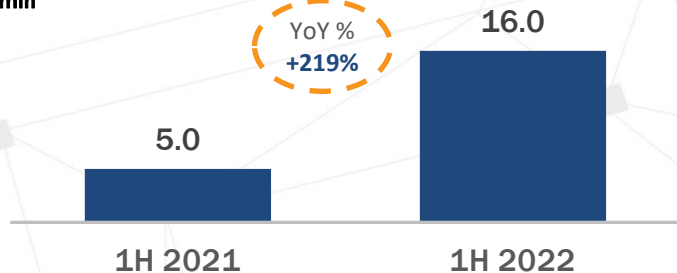




1H 2022 Financial Highlights*

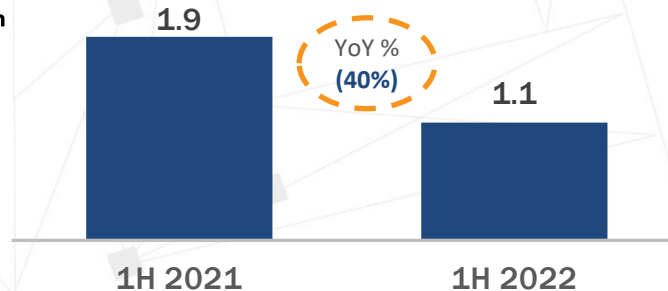
Revenues

€ mln



R&D investments

€ mln



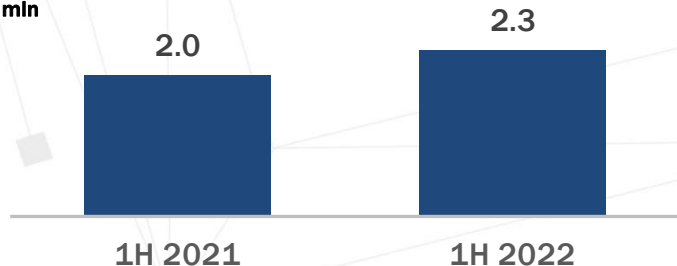
EBITDA

Margin (%)

39%

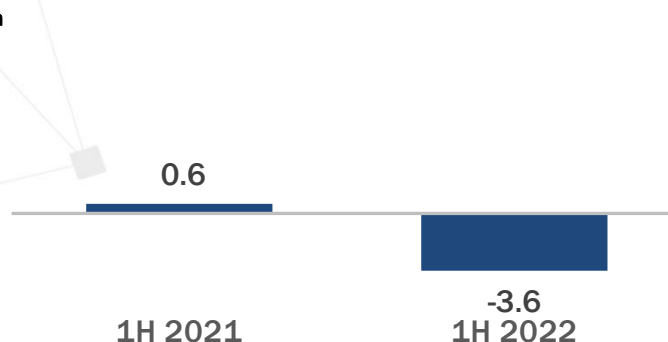
14%

€ mln



Net profit

€ mln

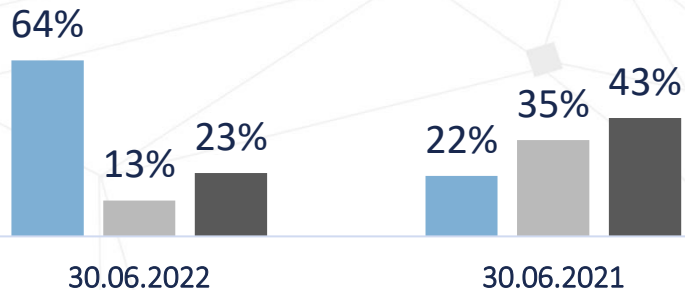


* 2021 and 2022 economic data have been restated due to the transition from Italian GAAP (OIC) to International Accounting Standards (IFRS):

- 1H 2021 financial results refer to Cy4Gate stand alone
- 1H 2022 financial results refer to Cy4gate Group (6 months of Cy4Gate + 3 months of Aurora Group)

1H 2022 Revenues Breakdown

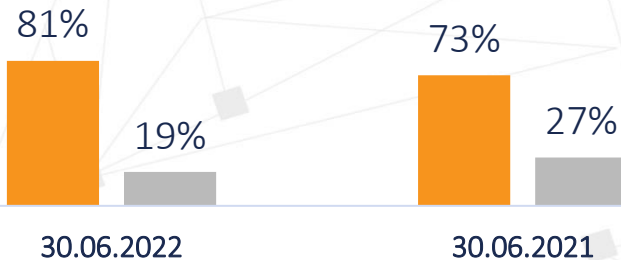
By Segment



- Forensic Intelligence
- Cyber Security
- Decision Intelligence

Forensic Intelligence revenues increased due to the acquisition of Aurora Group and new projects acquired from Cy4gate

By Geographical Area

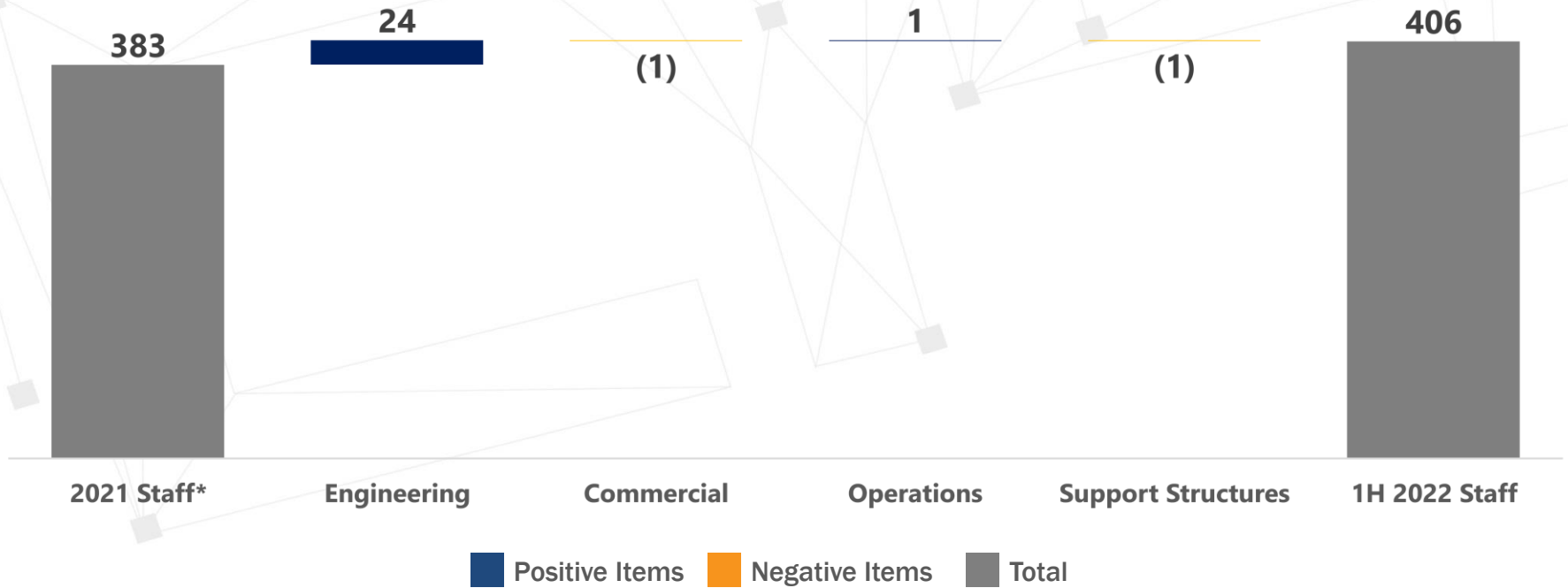


- Italy
- Export

Consolidated Group's presence in the domestic market

Personnel's Investments

- Significant investment in staff: +23 resources YoY
- Total FTE almost entirely due to the hiring of engineering resources to strengthen the operational structure to achieve the future results envisaged by management in the strategic plan.



* Cy4Gate staff + Aurora Group staff

Profit & Loss

| € mln | 1H 2022 | 1H 2021 |
|---|--------------|------------|
| Operating Revenues | 16.0 | 5.0 |
| Other Operating Revenues | 0.7 | 0.1 |
| Value of production | 16.7 | 5.1 |
| Services, Procurement & Personnel Costs | 14.2 | 3.1 |
| Other Operating Costs | 0.2 | 0.1 |
| Costs | 14.4 | 3.1 |
| EBITDA | 2.3 | 2.0 |
| EBITDA Margin | 14% | 39% |
| One off costs | 2.4 | - |
| Depreciation & Ammortization [including leasing costs] | 3.6 | 1.4 |
| Financial Income (Expenses) | (0.3) | (0.0) |
| Income Taxes | (0.4) | (0.0) |
| Profit (loss) for the period | (3.6) | 0.6 |

Executive Summary:

- **Operating Revenues** +219% compared to 1H21, +35% organically. Strong seasonality effect with orders' concentration and deliveries in the last 3 months of the year.
- **Services and Procurement Costs** increased mainly due to business volumes after the Aurora Group's acquisition
- Rising **Personnel Costs** is entirely attributable to the strengthening of the structure, particularly to achieve the goals of new Group.
- **EBITDA margin** at about 14% as the result of the seasonality of the business, the higher incidence of cost increases in 1H and higher revenues' concentration in the 2H
- **Net Loss** is due to the combined effect of the costs for the transaction (€ 2.4 million one off costs) and higher depreciation and ammortization

Asset & Liabilities

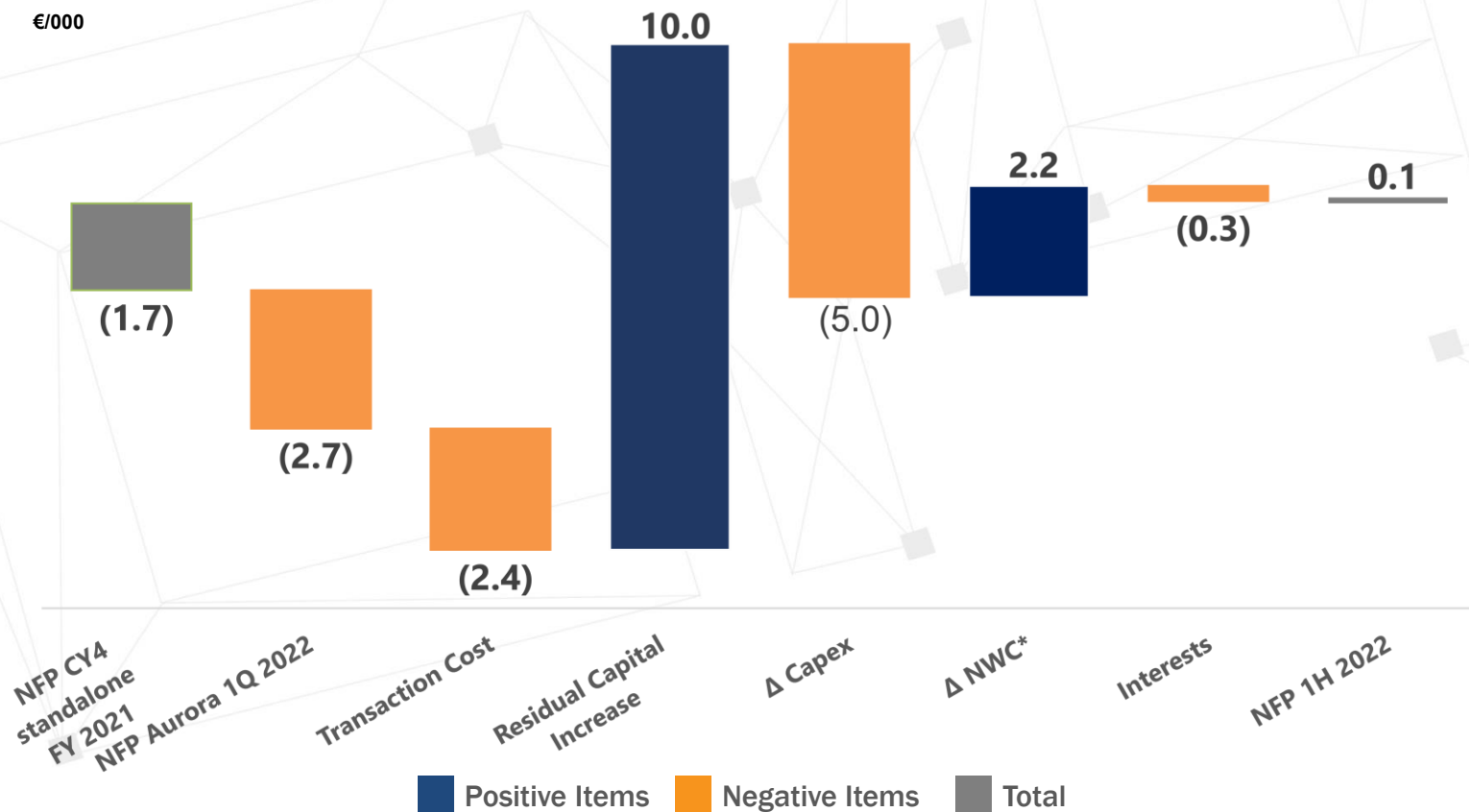
| €/000 | 1H 2022 | FY 2021 |
|-------------------------------|----------------|---------------|
| Fixed assets | 83.2 | 10.3 |
| Inventory | 3.4 | 1.5 |
| Trade Receivables | 55.3 | 23.6 |
| Trade Payables | (5.9) | (4.3) |
| Trade Working Capital | 52.9 | 20.8 |
| Other Assets (Liabilities) | (5.1) | 0.9 |
| Net Working Capital | 47.7 | 21.7 |
| Net Capital Invested | 130.9 | 32.0 |
| Cash and cash equivalents | 20.0 | 2.3 |
| Non current financial assets | 0.5 | 0.0 |
| Financial Liabilities | (16.7) | (2.0) |
| Lease liabilities | (3.8) | (2.0) |
| Net Financial Position | 0.1 | (1.7) |
| Potential earn out | (15.0) | 0.0 |
| Shareholders' Equity | (116.1) | (30.3) |
| Sources | (130.9) | (32.0) |

Executive Summary:

- **Fixed Asset** increase mainly due to the effects of the transaction: recognition of goodwill and increase related to other intangible assets
- **Net Working Capital:** The Group absorbed cash mainly due to the post-transaction payment of suppliers, which offset the positive effect of the reduction in trade receivables.
- **Net Financial Position** substantially break-even (cash for € 0.1 million)
- **Shareholders' Equity** amounted to €116.1 million, due to the full subscription of the capital increase for a total amount of €90 million.

Net Debt & Cash Flow Analysis: Dec' 21– Jun' 22

€/000



* Including Other



Cy4Gate has strong growth ambitions

Strategy pillars

Commercial/Sales

Salesforce development to improve Italian market penetration coupled with reinforced commercial efforts to strengthen agreements with key partners

Products Development

Creation of integrated solutions through the development of new functions with the aim of creating a competitive product offering both in Italy and abroad

Brand Positioning

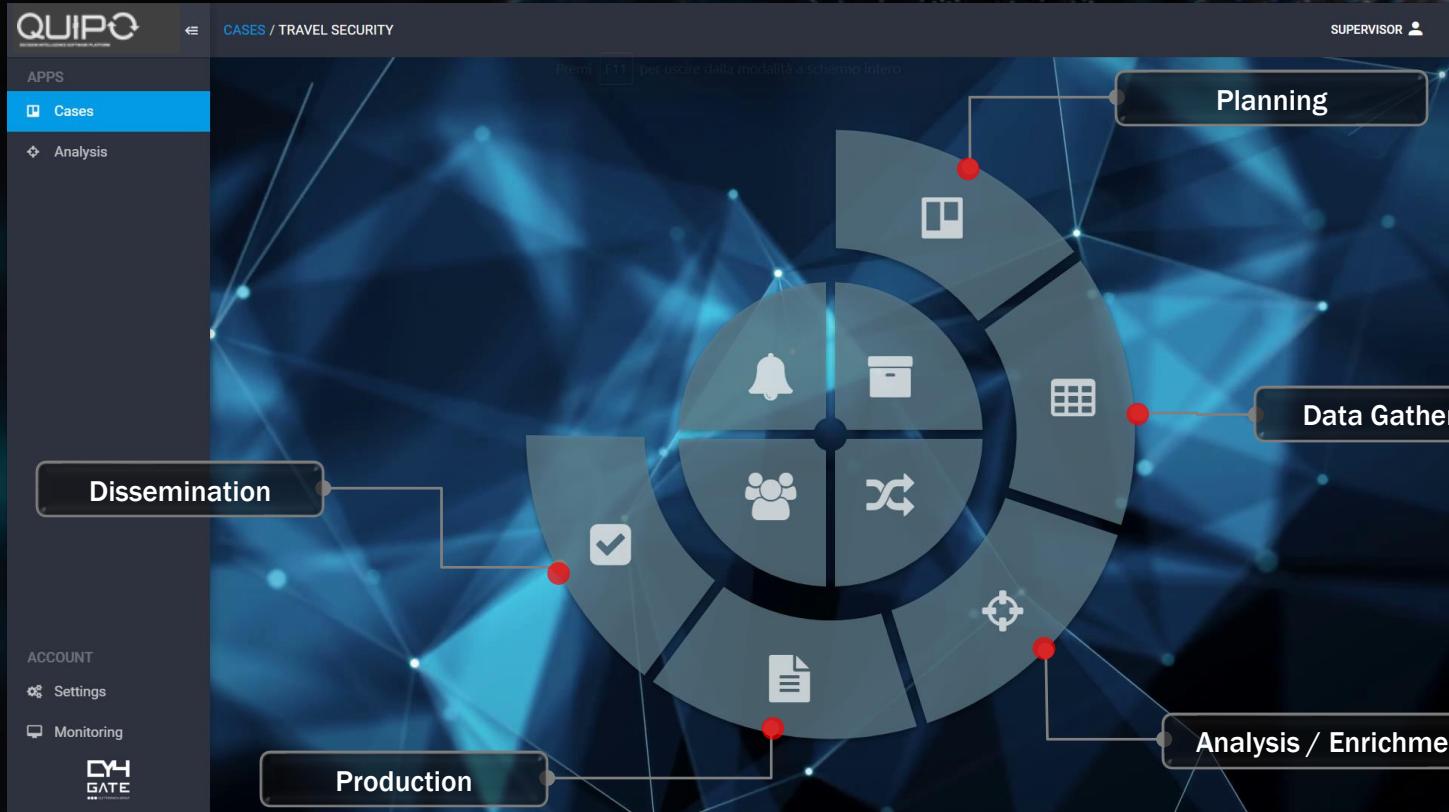
Improvement of brand positioning and visibility through proper communication campaign and opening of commercial branches

M&A Activity, Talent Acquisition and Retention

Cy4Gate aims to expand its business through M&A activity and to gather the best human resources operating in the reference industry



QUIPO Automation for Decision Augmentation





QUIPO

DECISION INTELLIGENCE

*The Right Information, At The Right Time,
To The Right People, In The Right Way*

QUIPO is a **Decision Intelligence** platform based on AI algorithms that transforms **data into knowledge** and provides **Decision Support** and **Decision Augmentation** more and beyond traditional solutions based on conventional IT technologies

Value drivers

Multilayer analysis in a unique solution

The integrated collection of multiple information assets (internal or external) enables the possibility to combine multiple analysis models (video tagging, audio tagging, semantic analysis, face recognition, location identification, feature detection, link analysis, etc.).

Prompt Information from large datasets

More effective real time access to external and internal information minimizes reputational risks, and a fraud and product development mitigates costs

Unique platform for Better Intelligence

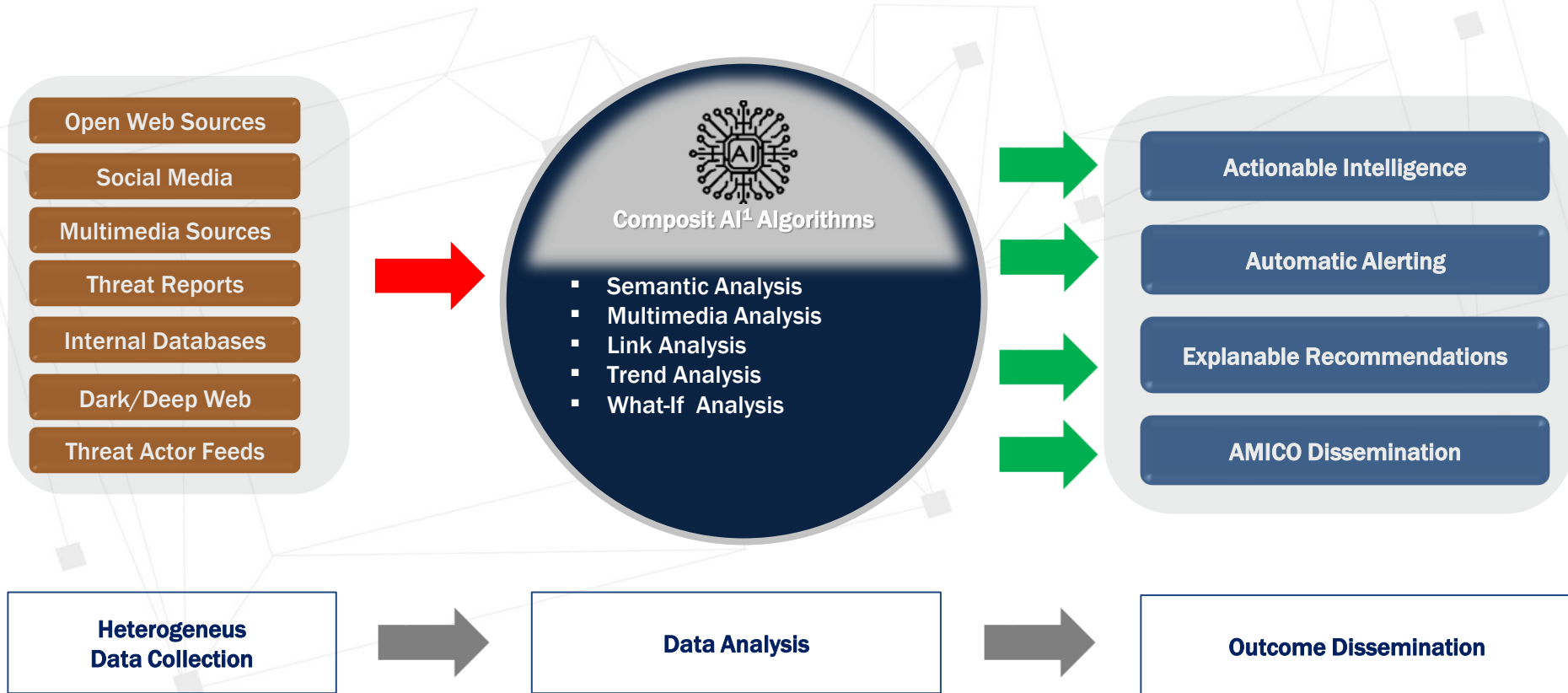
A central platform, specifically designed to support the intelligence cycle, help the possibility to improve the analysis, dissemination and production possibilities



How Is It Different?

- Fully **customizable software platform** specifically designed for the efficient **management of structured and unstructured data**
- **AI Technologies** to automate and augment the analysis activities. Different modules (semantic module, image tagging/face recognition modules, “anomalous behaviour” module) which works on machine learning, cognitive computing and deep learning
- **Multiyear experience in the intelligence domain and enterprises security** transformed into a platform that supports analysts from A to Z

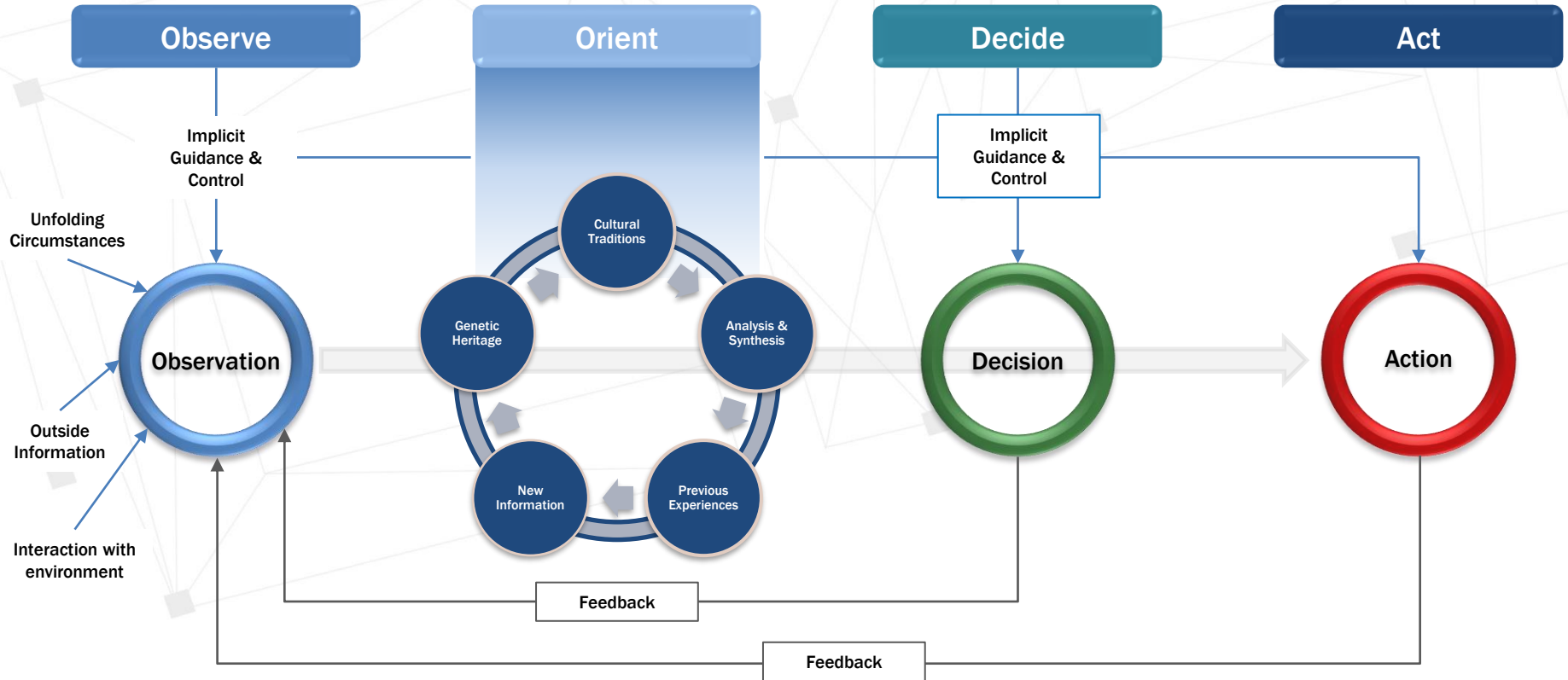
QUIPO Data Centric Intelligence Architecture



1. CY4 has been cited by Gartner as a cool vendor of composite AI (ref. Innovation Insight for Composite AI published 10 January 2022)

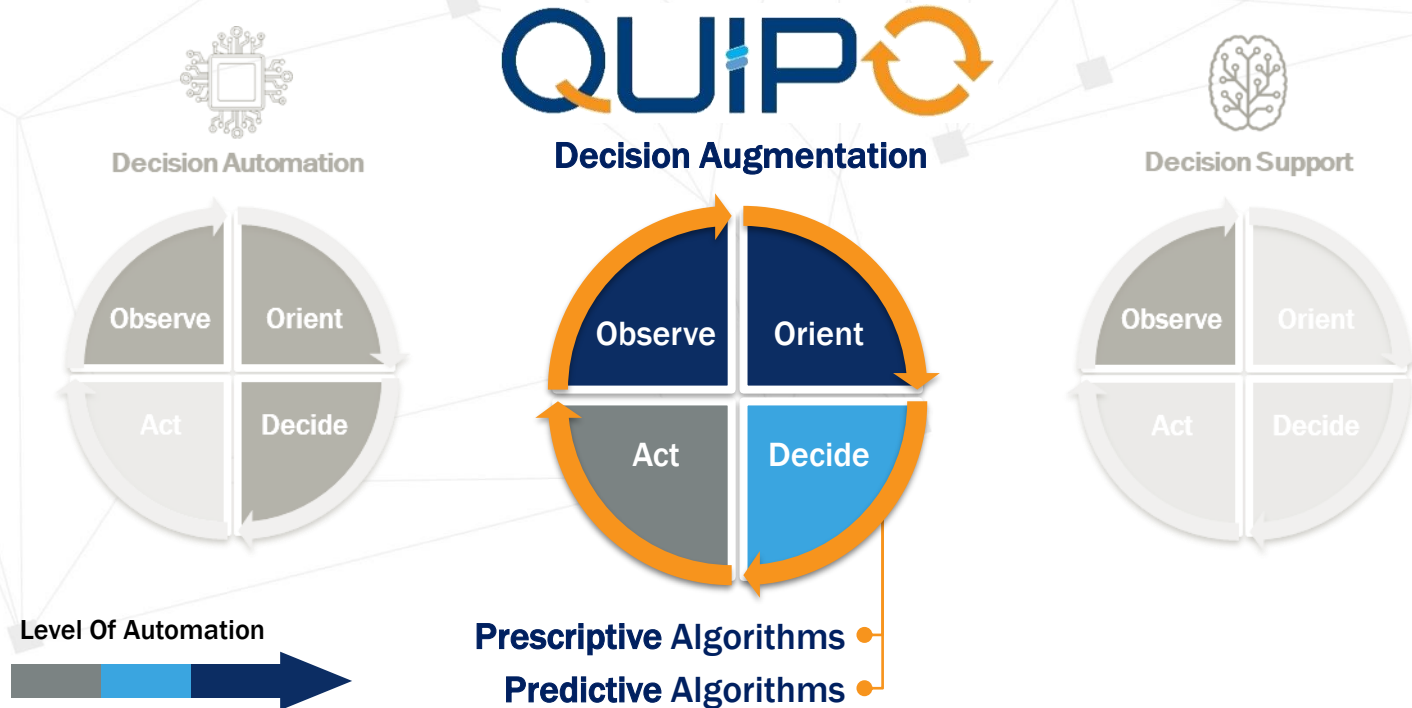
Observe – Orient – Decide - Act

Heterogeneous Information Collection + Data Valorisation + Data Analysis = Intelligence for a Decision



Decision Intelligence = Decision Augmentation

Use of **predictive algorithms** (what will happen) together with **prescriptive algorithms** (what to do) exponentially increase automation factor of the decision phase in an **Augmented Decision Process**





RTA

Real Time Analytics

Upgrade your threat detection tools

RTA is a cyber security application framework that allows real-time ingestion, processing, enrichment and analysis of different kind of security events, aka Modern SIEM

RTA enables the analyst to detect anomalies and establishes the conditions to rapidly strike back

Value drivers

Sensors are everywhere

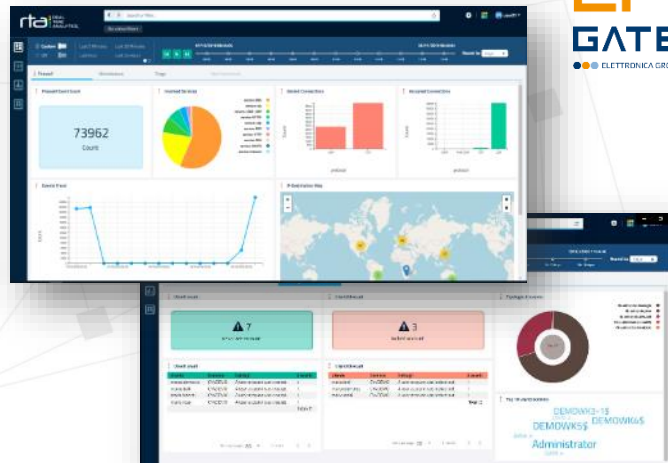
Smart collection and normalization of every sensor enables: understandable data meaning, rapid anomaly detection among billions of data. Raw Network traffic can be collected and analysed as well

More Enrichment → More Context → Better Insight

RTA enrich all events adding information on the execution context, the involved entities and the purposes of the action.

Drill down and Situation Awareness

A single point of view for the Analyst allows more efficient browsing, helping to detect entities and their relationships. RTA is able to identify relationship network, through visualization tools allowing for a more accurate analysis of threats.

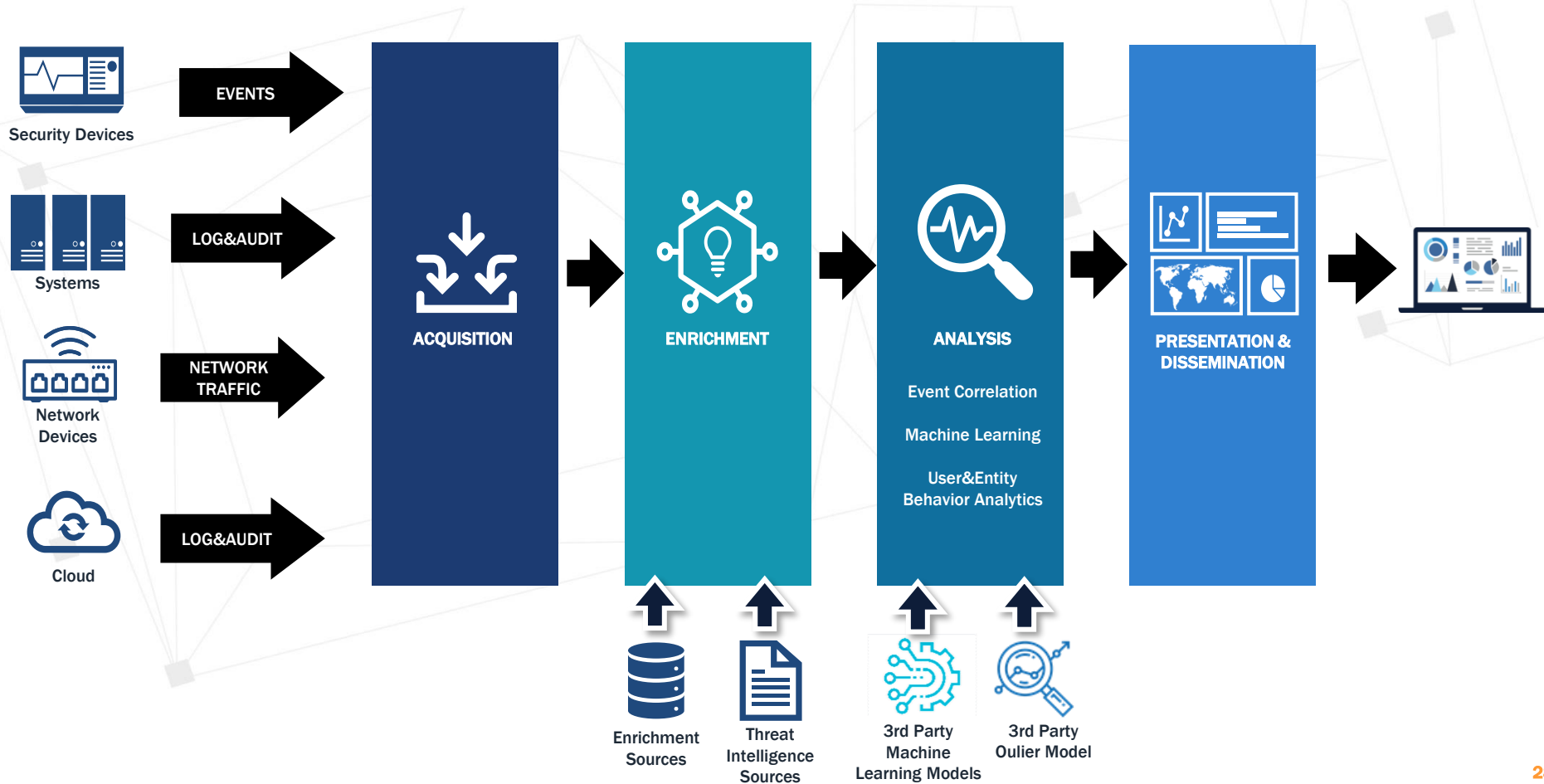


How Is It Different?

- **“Time Machine” approach**, which allows the analyst both to gather historical information (so to **“freeze the crime scene”**) and to flash forward to gather information regarding potential effects of occurring events
- **Composite Artificial Intelligence Technologies** boost RTA during the enrichment and correlation phase, allowing faster exploitation of information
- **Alarms are based on correlation, machine learning or behavioral rules** Alarms are operated by the indexing engine and then transferred to the graphical user interface which allows the analyst to perform several actions simultaneously to handle alarms



Solution Architecture (Processing)



RTA: Augmented Incident Management Process

REAL TIME ANALYTICS

⚙️
🗖️
admin ▾

No active filters

Refresh
↺
INTERVAL

Last 5 Minutes

Last 30 Minutes

Last Hour

Last 24 Hours

10/09/2020 14:30:21

10/09/2020 17:59:21

Round to: Days

Alert Timeline

Alerts

| Timestamp | IP Sorgente | Prodotto | Score | details |
|---------------------|--------------|------------|-------|--|
| 10-09-2020 17:45:55 | 10.10.80.1 | pfSense | 6 | <p>UNUSUAL: Activity to suspicious ip destination address</p> <p>First seen connection to suspicious ip destination address 80.41.33.22 on port 3389.</p> |
| 10-09-2020 17:41:01 | 10.10.100.40 | Smartprobe | 4 | <p>ANOMALY: Possible DGA Attack</p> <p>The .WPAD domain has a 0.9170781373977661 chance of being a DGA.</p> |

DIATEAM Hands-on Cyber Twin Solution

Solutions and Services

● Product ● Services



Hybrid Digital Twin

Virtual environment that enables simulated cyber-attacks, systems development, testing and benchmarking



Cyber training

Skills development training, in particular, threat recognition and management



Incident response

Emergency response for declared incident (e.g., ransomware, data leakage)



Test e Validation

Virtual environment with Hardware and Software in the loop to test networks and OT infrastructure and cyber defense tools.





ISOC-CSIRT

Monitor, Withstand And Mitigate Cyber-attacks Against Your Network

Our Security Operation Center (SOC) mission is to continuously monitor and improve our customers' cyber security posture giving a full MDR (Managed Detection and Response) experience.

We can setup a full outsourced service sized according to the Customer infrastructure or support the Customer to deploy and integrate our technologies for a local Security Operation Center (SOC)

Value drivers

Be Prepared and Respond quickly

A SOC increase the effectiveness of the cyber-attack detection and response capabilities

Technology, Processes & People Combined Together

We combined best practices in class technical aspects with human resources, advanced expertise and policies

Full Outsourcing With Full Visibility

This model let you to have a SOC at the best conditions (minimum involvement and controlled cost).

This model supplies competent and operational people available 24/7



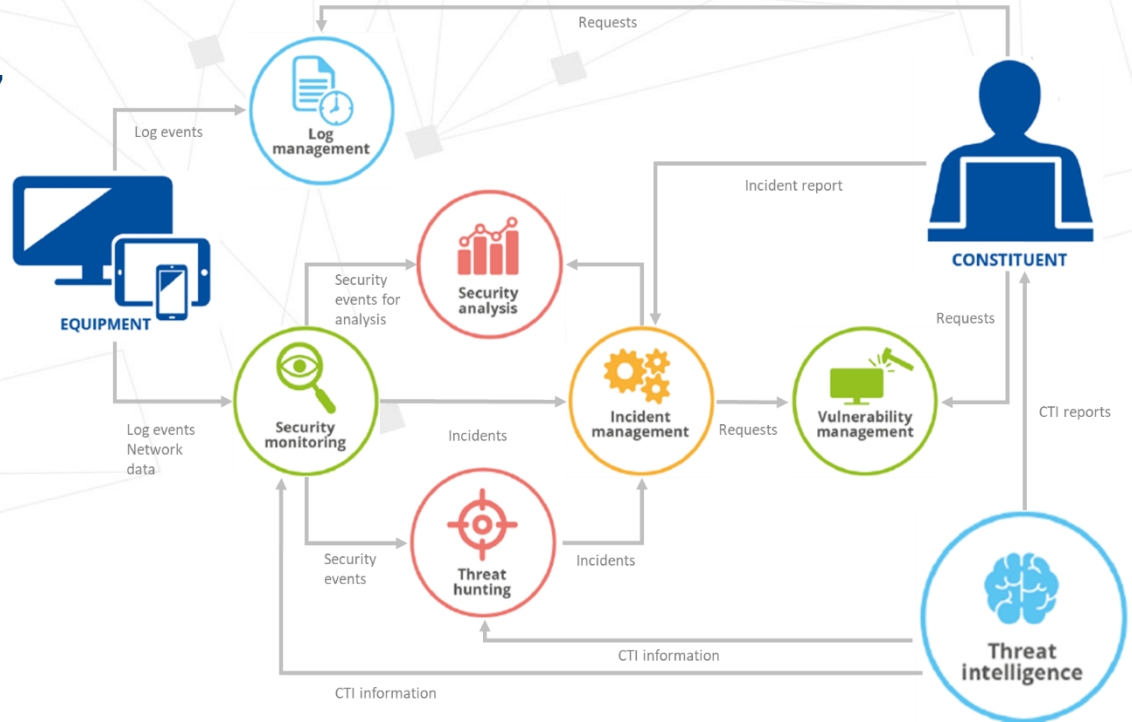
How Is It Different?

- **24/7 hardworking forces dedicated to preventing, detecting, assessing, and responding to the cyber threats and vulnerabilities.** Highly skilled and organized team with the mission of continuously monitoring and improving the security posture of an organization
- Huge amount of data ingested, analysed and enriched from cyber, IT/OT ecosystem
- Third parties tools integration with proper products and technologies for maximizing our security analysis.
- **Your SOC is our SOC. We use the same SOC we offer for defending our network**

MDR (Managed Detection & Response) Service

The SOC is a structure that centralises all information on the security status of a company's IT, offering an integrated MDR (Managed Detection & Response) service

The SOC, delivered 'as-a-service' solution, leverages the skills of the team of operators and security analysts and the best security technologies, including the proprietary RTA solution



ProntoCyber: a Fast and Ready-to-Go Cyber Solution

INDUSTRIAL

SALES AND

DELIVERY

PROCESSES TO

REDUCE TIME

AND COSTS

- ✔ Digital Support
- ✔ Instant Rescue
- ✔ Continuous Awareness

IL PRONTO INTERVENTO DIGITALE

ProntoCyber è la prima piattaforma, dedicata a tutte le Aziende, che garantisce un supporto rapido ed efficace nella gestione dei Cyber-incidenti



PRONTOCYBER®
BY CY4GATE

Perché ProntoCyber®?

Non farti trovare impreparato: i Cyber attacchi sono sempre più diffusi e molto spesso sono le PMI ad esserne vittima. Dotarsi di un Pronto Intervento Digitale ti permette di minimizzare probabilità ed impatto degli attacchi cyber.

Cos'è ProntoCyber®?

Pronto Intervento Digitale

- ✔ Cyber Expertise
- ✔ Consulenza Legale Informatica

Cyber Resilience

- ✔ Vulnerability Assessment
- ✔ Penetration Test

Cyber Awareness

- ✔ Cyber Education
- ✔ Campagne Phishing

CY4GATE ACADEMY

Advanced knowledge, skills, capability

CY4Gate Academy provides recruiting, educational and training programs to address today's needs in intelligence, cyber intelligence and cyberwarfare.

Value drivers

Capability Oriented

Capability refers to the process of converting 'cyber knowledge' into specific results. "Cyber Knowledge", indeed, never transforms in cyber capability automatically because requires a combined hands-on and exercise oriented approach

Creating better staff

Your staff deserves the opportunity to learn, begin and grow a career in the cyber and intelligence fields

More Readiness → Better Security

Becoming prepared about threats and the best techniques to face them, will make it harder for a cybercriminal to access your data



How Is It Different?

- Some (successful) cybersecurity expert skills simply cannot be taught in a traditional classroom. This is why **we always offer Modern vocational training and skills education programs** through interactive scenarios, "cyber arenas" where to simulate real cyber competition, and challenges to solve real-world business and human competitions
- **"Learning elements, contents, and skills" together.** Bringing together all the best cyber security and cyber intelligence elements, **from those who are doing it, those who did it,** and those **who learned from it,** and delivering to your organization
- CY4GATE Academy offers an innovative **method for assessment inside and outside your organization**

DIGILAB

Prepare Your Cyber Mission!

The DIGILAB is a strategic asset, dedicated to perform digital activities for platform and system analysis, vulnerability management, attack pattern engineering

Value drivers

Beyond the Academic Approach

The building up of a lasting capability on all the aspects of Cyber Warfare can hardly be achieved by traditional education & training which is useful for the creation of individual competences, but not sufficient to establish a permanent capability. So, also for this reason we have DIGILAB that integrates our Cyber Academy offering

Tailored around the Customer

Every customer has his needs and for this reason each DIGILAB is a unique mix of education, training, labs and continuous support for preparing customer's missions

Focused on Teamworking

Final goal of a DIGILAB program is to train all the teams (Penetration Testing team, Intelligence Team, Malware reversing and exploiting team, Reversing team, Crypto-analysis team and so on) to understand how to approach a cyber mission and identify the right tools for each specific task



How Is It Different?

- We own **full penetration testing and validation capabilities** against complex systems to check the HW, SW, firmware. Also the wireless level
- We create **laboratories** and services for **malicious code analysis** and define a valid counter-strategy
- We can **reverse engineer** things to catch how a **device or algorithm works**



CY4



GATE



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