

**ANALYSED THE PRELIMINARY STATEMENTS AS OF 31 DECEMBER 2020  
REVENUES AND MARGINS ABOVE EXPECTATIONS AND MARKET ESTIMATES IN  
SIGNIFICANT GROWTH VS. FY2019 REVENUES + 80% AND EBITDA APPROXIMATELY  
+100%**

**PRESENTED AND APPROVED THE 2021-2023 STRATEGIC PLAN  
REVENUES FOR 2023 WITH A CAGR OF GROWTH OF APPROXIMATELY 40%  
MARGINS OVER 40%  
THROUGH ORGANIC GROWTH DRIVEN BY PROPRIETARY CYBER PRODUCTS ALONE,  
OVERSEAS EXPANSION AND INCREASED CORPORATE CUSTOMERS**

**EUGENIO SANTAGATA WILL TAKE OVER AN IMPORTANT POSITION IN A LEADING ITALIAN  
TECHNOLOGY GROUP AS OF APRIL 1<sup>ST</sup>, REMAINING ON CY4GATE'S BOARD OF DIRECTORS  
AS WELL AS A MEMBER OF CY4GATE'S NEWLY SET UP STRATEGIC COMMITTEE**

**EMANUELE GALTIERI, ALREADY DEPUTY GENERAL MANAGER OF THE COMPANY, PROPOSED AS  
NEW CEO OF CY4GATE**

Rome, 22 January 2021 – **CY4GATE** (AIM: CY4) - a company operating in the entire cyber market at 360°, announces that its Board of Directors, held at the date hereof, analysed the Preliminary Economic and Financial Statements as of 31 December 2020 and approved the 2021-2023 Business Plan.

#### **Preliminary economic and financial statements as of 31 December 2020**

Total revenues, in a range between €12,5 million up to €13,0 million show a significant growth higher than 80% compared to 31 December 2019. This increase is due to the significant number of contracts signed during the year with a considerable peak in the last quarter of 2020, with government institutional customers for proprietary Cyberintelligence and Cybersecurity products (D-SINT and the device of LAWFUL INTERCEPTION and Real time analytics -RTA) and still residually with Corporate customers for proprietary Cybersecurity products (QUIPO and Real time analytics -RTA).

The marginality in the range between € 6.5 to 6.7 million shows a significant improvement of more than 100% compared to 2019 due to the positive turnover trend and the highly scalable business model through the sale of proprietary software.

The net financial position is positive and it is assessed in a range between € 8.5 and 9.0 million.

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#### **2021-2023 Business Plan**

Moreover, the Board of Directors analysed and approved the 2021 - 2023 Business Plan. The context in which the Plan has been constructed, as of today exclusively with organic growth, provides for a strong development of Cy4Gate's reference markets, as well as the further boost that will come from the use of Recovery Fund funds at Cyber level.

The assumptions underlying the growth of revenues over the three-year period derive from the consolidation and further increase in contracts with government customers, the increase in contracts with

corporate customers, with the current proprietary products; from the development of additional cyber proprietary products, as well as the expansion in foreign markets over the three years of the Plan, to reach a turnover target with an organic growth of 40% (CAGR) by the end of 2021.

The approved plan does not include growth through external lines through extraordinary transactions to which the company is working on, as defined during the IPO process, which will further accelerate Cy4Gate's growth.

The main targets for 2023 include:

- Total revenues higher than €30 millions
- Margins around 40% (EBITDA Margin)
- Positive NFP thanks to positive cash flow generation

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In addition, **Cy4Gate** announces that **Eugenio Santagata**, in a transition agreed between all the main stakeholders of reference for its business, will take over an important management position in a leading Italian technology group as of April 1<sup>st</sup>, 2021.

The Board of Directors of the Company has identified **Emanuele Galtieri**, already Deputy General Manager of the Company, as the new CEO of CY4GATE and, to this end, will propose his appointment as Director to the Shareholders' Meeting to be convened for the approval of the 2020 Financial Statements. Galtieri will have the important task to continue and implement Cy4Gate's strategic plan.

In order to optimize and make more efficient the joint efforts for **Cy4Gate's** growth strategy, a **Strategic Committee** has been set up, with focus also on growth through M&A, chaired by Prof. Alberto Sangiovanni Vincentelli, and composed of Domitilla Benigni, Chairman of Cy4Gate and CEO of Elettronica, Emanuele Galtieri (once become CEO of the Company) and Eugenio Santagata who will retain the office of member of the Board of Directors of the Company.

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Domitilla Benigni, CEO of Elettronica and Chairman of Cy4gate: *"Eugenio and I have worked side by side for more than 15 years and I want to express my heartfelt thanks to him for his important contribution to the Elettronica Group and in particular for the creation and the enhancement of Cy4gate which, in just a few years, become one of the most important players in the Cyber segment in Italy and Europe. I wish Eugenio the best success in his new professional challenge and Emanuele the best of luck in this important challenge ahead of us".*

Eugenio Santagata, CEO & General Manager of Cy4gate: *"I would like to thank the Chairman and the Board of Directors for the full and complete trust and support received in these years. Cy4gate is a well-established company, with a winning business model, which shown strong resilience even in the face of extraordinary external circumstances, such as the current emergency situation. I have 30 years of professional knowledge, common background and deep respect for Emanuele. I am sure he will be able to lead the Company towards new and more challenging goals. I am also honoured to have the possibility to further develop in a systematic way in Italy the competencies as well as the industrial and business capabilities in the Cyber and high-tech market and industry. In addition"* - continues Santagata

- "I am extremely satisfied with the excellent economic and financial results achieved for the year 2020. This is the result, in addition to a precise growth strategy, of a winning team of managers who are determined to achieve the goals set so far. I have complete trust in my friend and new CEO Emanuele Galtieri in the guidance and execution of the important 2021-2023 Business Plan, which we built together with the team, which I will continue to support with my presence in the BoD and Strategic Committee of Cy4Gate."

Emanuele Galtieri, Deputy General Manager of Cy4gate: "I am particularly grateful and honoured for the trust that the Board placed in me by proposing my appointment" – effective as of 1<sup>st</sup> April 2021 – as CEO of Cy4Gate. As I enthusiastically take up the important legacy that Eugenio Santagata and Cy4Gate's colleagues have been able to build in a few years, I feel a strong responsibility towards Customers and Shareholders to ensure the utmost satisfaction of the high expectations of the company".

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#### **About CY4GATE**

CY4GATE was founded in 2014 to meet demand for unconventional cybersecurity solutions. Listed on the AIM since June 2020, CY4GATE was created to design, develop and produce technologies, products and services that respond to even the most rigorous and sophisticated "Cyber Intelligence & Cyber Security" needs expressed by the Armed forces, Police, Intelligence Agencies and Companies in Italy and abroad. With its one-of-a-kind Italian business model, CY4GATE covers the entire cyber market with proprietary products for both data collection and analysis and security: DSINT, HYDRA, EPEIUS, Gens.AI and Igea for cyber intelligence; RTA for Cyber Security.

#### **For further information:**

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