



May 27, 2021

# VIRTUAL AIM CONFERENCE 2021

# AGENDA

INVESTOR PRESENTATION

- ❖ CY4GATE AT A GLANCE
- ❖ MARKETS & PRODUCTS
- ❖ FY 2020 RESULTS
- ❖ STRATEGY & OUTLOOK
- ❖ APPENDIX

# CY4GATE AT A GLANCE

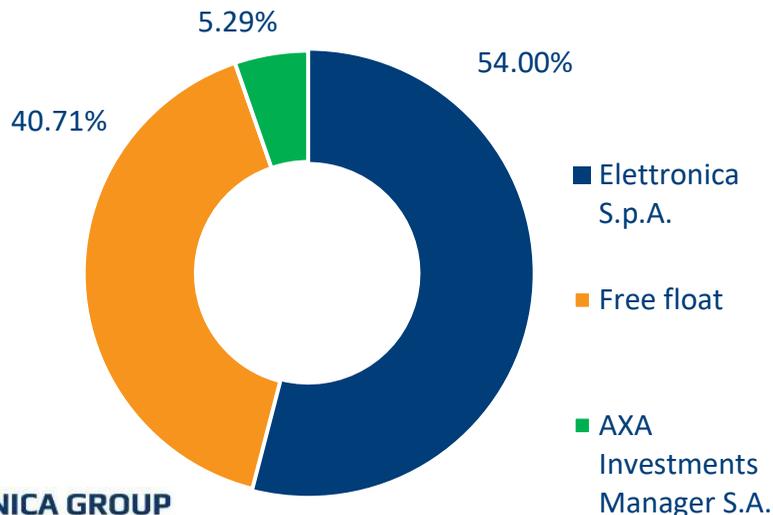
INVESTOR PRESENTATION

**CY4GATE** a listed company at AIM Italia operating in the 360° cyber market, was founded in 2014 by Elettronica S.p.A (which has been a leader for more than 60 years in the field of Electronic Countermeasures and which is nowadays the majority partner owing about 54% of the shares)

**CY4GATE** design, develop and produce I-Techs, goods and services which are able to satisfy even the most particular and peculiar “*Cyber Intelligence & Cyber Security*” needs moved by the Armed forces, Law Enforcement Agencies (LEA’s) and Enterprises within or outside the national borders and markets. The covered fields and offered services are for example: DSINT, Igea, when it comes to *Cyber Intelligence*; RTA, in the world of *Cyber Security*.



<b>Domitilla Benigni</b> <i>Chairman</i>		<b>Emanuele Galtieri</b> <i>CEO &amp; General Manager</i>
<b>Eugenio Santagata</b> <i>Member</i>		<b>Alberto Luigi Sangiovanni Vincentelli</b> <i>Member</i>
<b>Vincenzo Pompa</b> <i>Independent Member</i>		<b>Enrico Peruzzi</b> <i>Member</i>



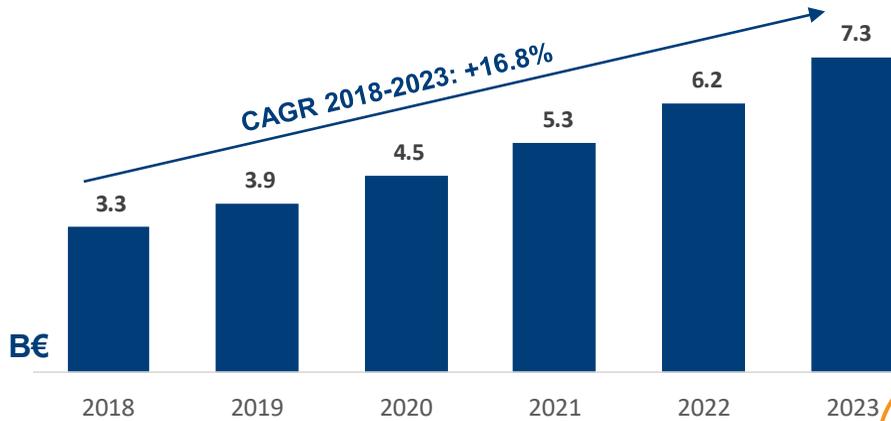
## TOP MANAGEMENT

<b>Domitilla Benigni</b> <i>CHAIRMAN</i> 	<b>Emanuele Galtieri</b> <i>Deputy General Manager</i> 	<b>Luca Lucidi</b> <i>CFO &amp; Investor relations manager</i> 
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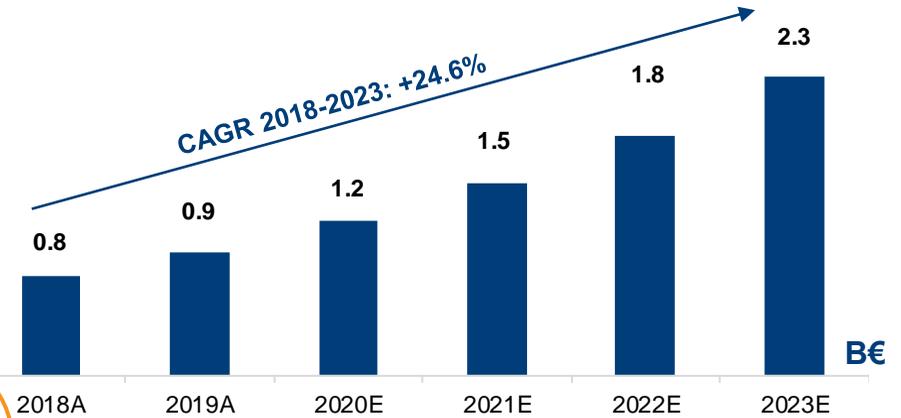


# MARKETS

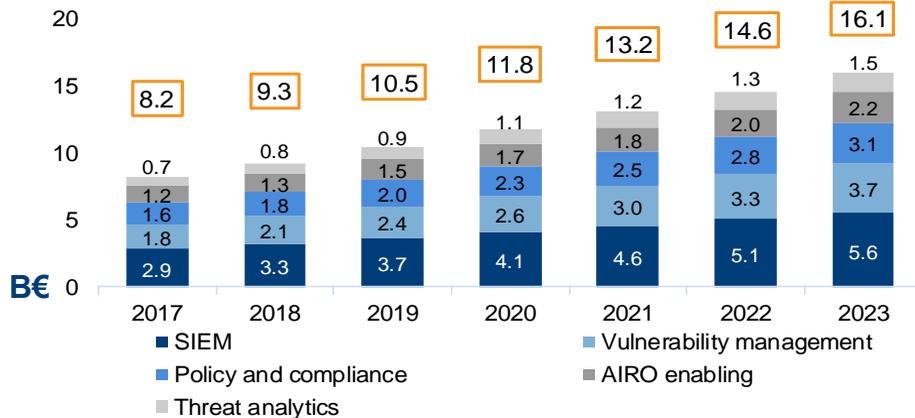
## GLOBAL OPENSOURCE INTELLIGENCE (OSINT) MARKET



## GLOBAL LAWFUL INTERCEPTION MARKET



## CYBERSECURITY ANALYTICS, INTELLIGENCE, RESPONSE AND ORCHESTRATION (“AIRO”) WORLDWIDE



- 3 fast growing markets
- CAGR > 15%
- High level of diversification

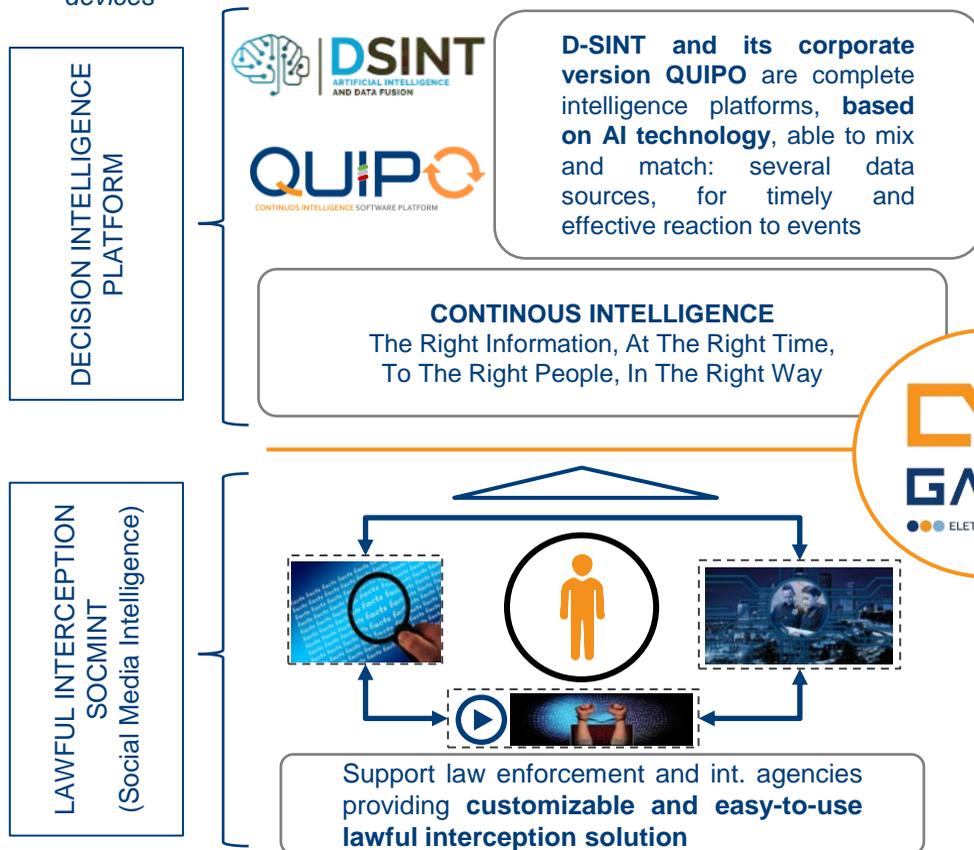
# ONE-STOP-SHOP APPROACH WITH A WIDE RANGE OF PROPRIETARY PRODUCTS

INVESTOR PRESENTATION

A unique, defensive and offensive platform of integrated HW and SW proprietary modules to gather, collect, analyze, protect or disrupt data and networks, and to extract and disseminate operational meaningful information

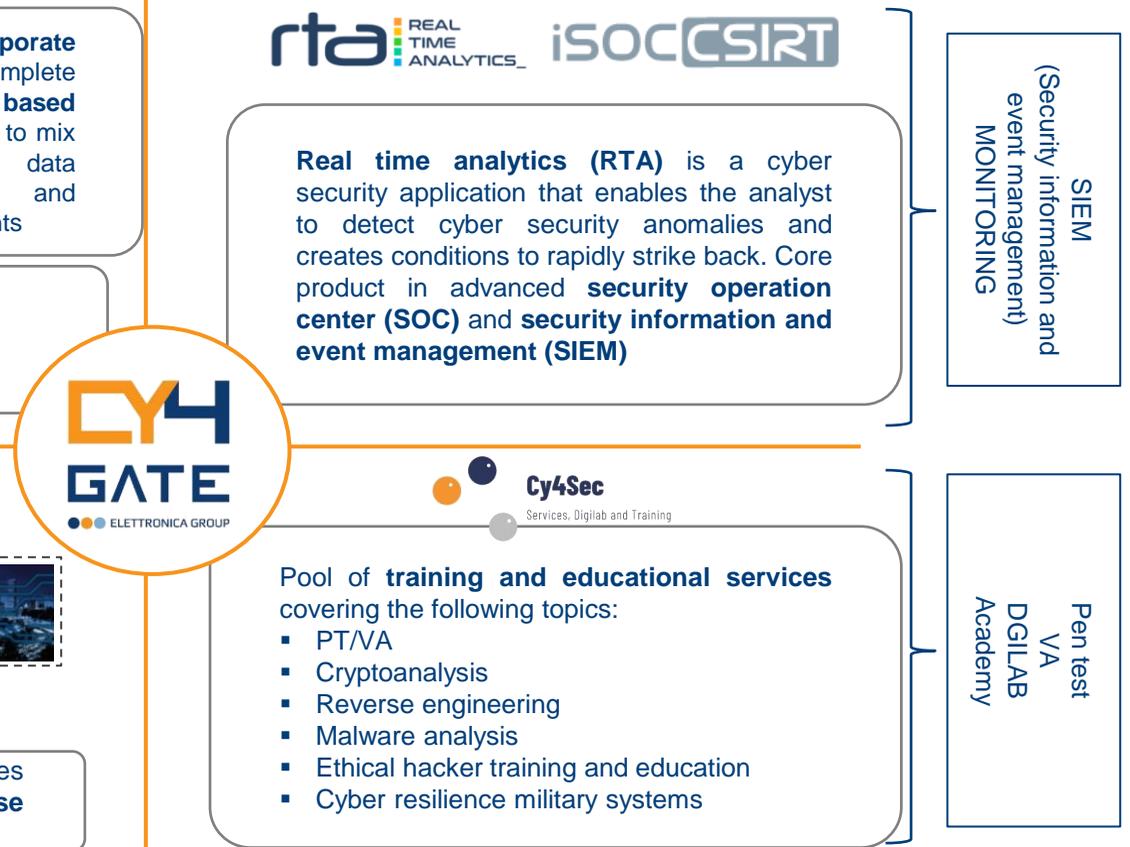
## CYBER INTELLIGENCE

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



## CYBER SECURITY

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

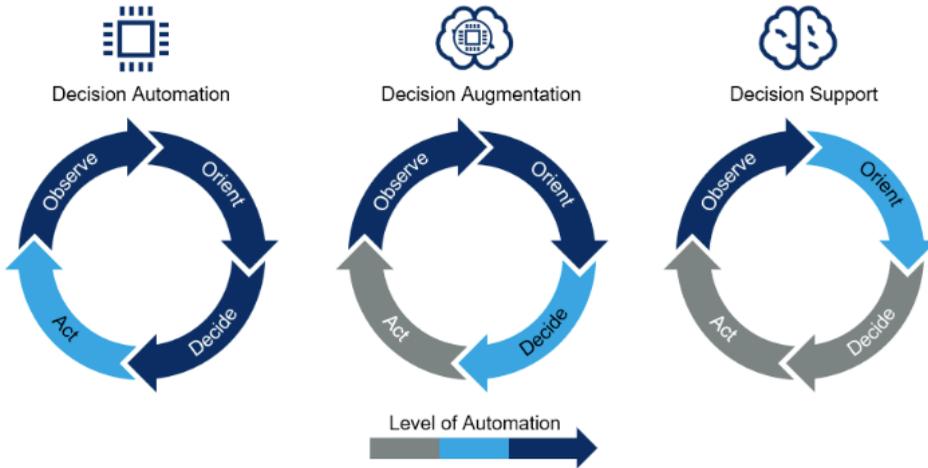


# GARTNER: DECISION INTELLIGENCE KEY TRENDS

INVESTOR PRESENTATION

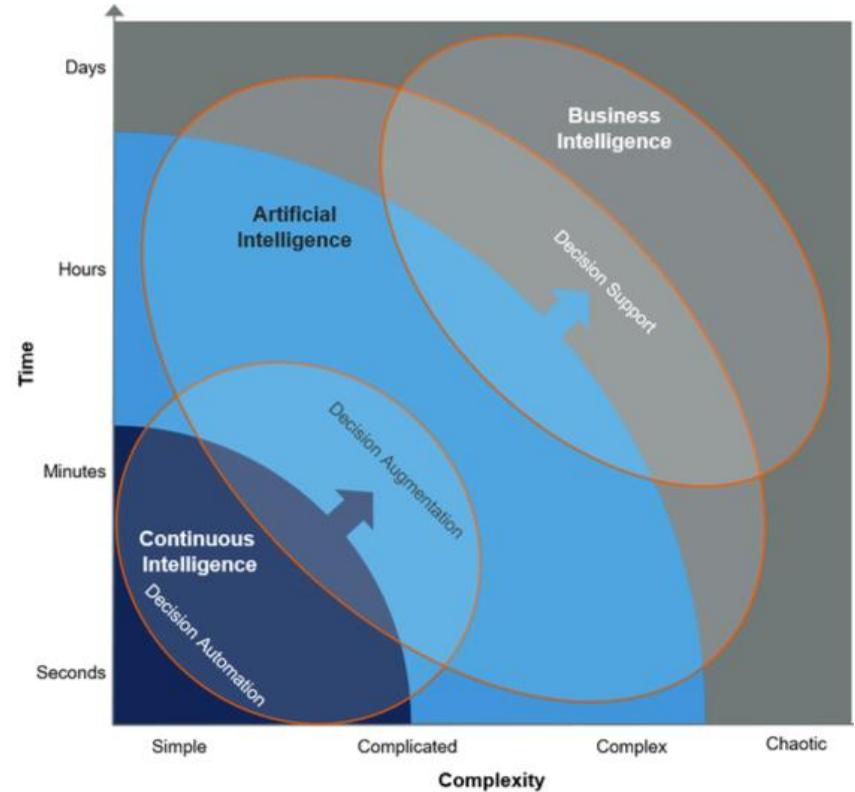
**Gartner**

## Levels of Automation in Decision Automation, Augmentation and Support



Source: Gartner  
ID: 434126

## Enabling Technologies in the Decision Assessment Model



Source: Gartner  
ID: 434126

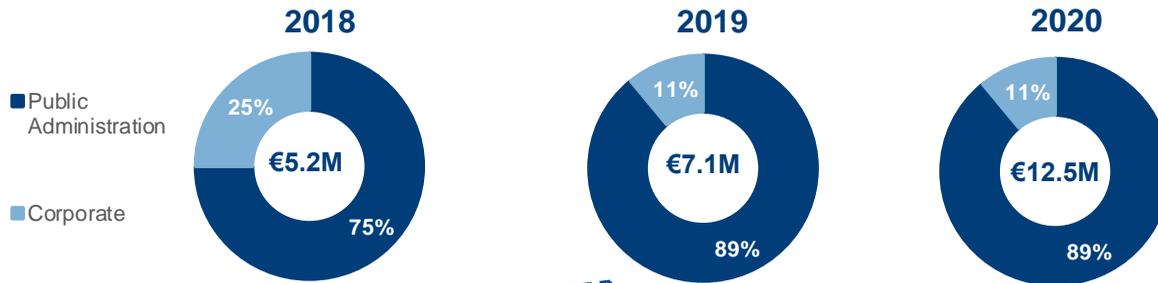
**QUIP**   
CONTINUOUS INTELLIGENCE SOFTWARE PLATFORM

# HIGH-STANDING CUSTOMER BASE IN DIVERSIFIED END MARKETS

INVESTOR PRESENTATION

CY4's main customers are currently Public entities and Governments and the company is already well-equipped to enlarge its customer portfolio to corporates

## REVENUES BY CUSTOMER TYPE



Revenues coming from corporates clients accounted for 25% of total revenues in 2018 and 10-11% in 2019/2020. **Historically, CY4 registered revenues from corporate clients for c €1.0M**

The company is now focused on scaling up this revenues stream by implementing the **following strategic actions**

- ▶ During 2020, CY4 started to invest in a **marketing and communication campaign** targeting corporate clients
- 👤 **Dedicated sales force** to serve corporate clients
- 📈 **Enhancement of indirect sales channels**

## MAIN CLIENTS



## RECURRING CORPORATE CLIENTS



# CY4GATE VALUE PROPOSITION AND MAIN BENCHMARKS

INVESTOR PRESENTATION

## Background

Market **highly fragmented** in **3 key segments** (Intelligence platforms, lawful interceptions and cyber security)

**Competitive dynamics** in the **European market** characterized by few **large international players** and many **small start-ups / local players** in each market

Cyber intelligence



Intelligence platforms

Lawful interception

Cyber security



## Overview of selected competitors

Italy



Yaroi

Europe



International (US & Israel)



Ability Inc





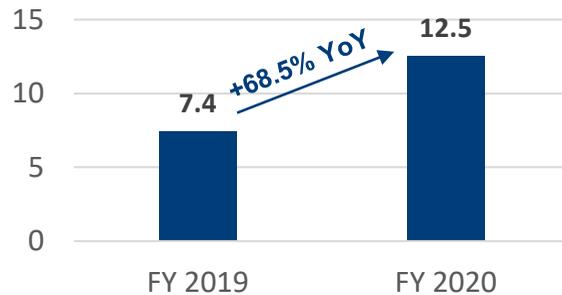
# FY 2020 FINANCIAL HIGHLIGHTS

INVESTOR PRESENTATION

Keep on proprietary SW products commercialization, enabling revenues growth and solid margin and cash generation

## ATTRACTIVE REVENUES

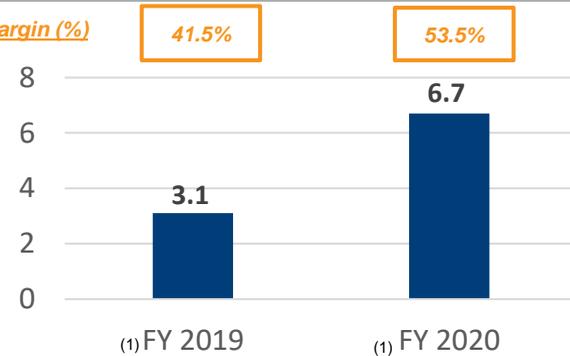
REVENUES (€M)



## EBITDA GROWTH

EBITDA (€M)

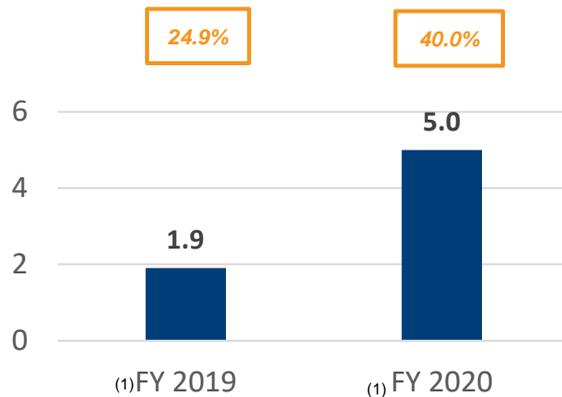
Margin (%)



## ENABLING INTERESTING RETURNS

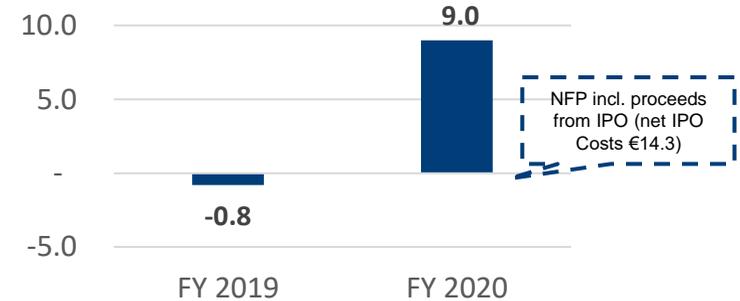
NET INCOME (€M)

Margin (%)



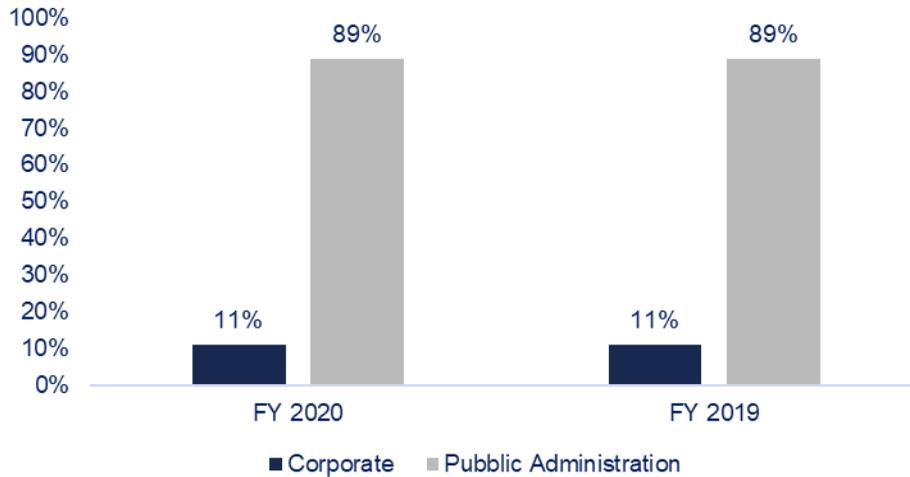
## DECREASING LEVERAGE

NFP (€M)

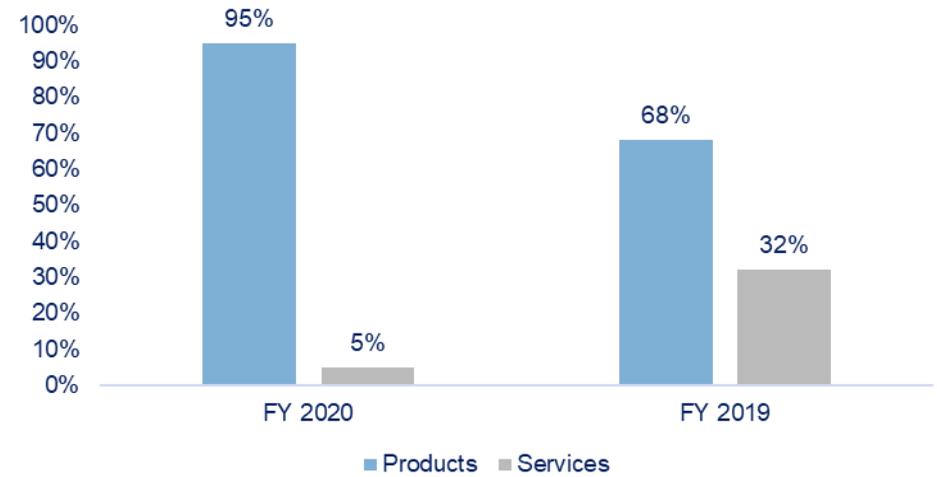


# REVENUES BREAKDOWN FY 2020

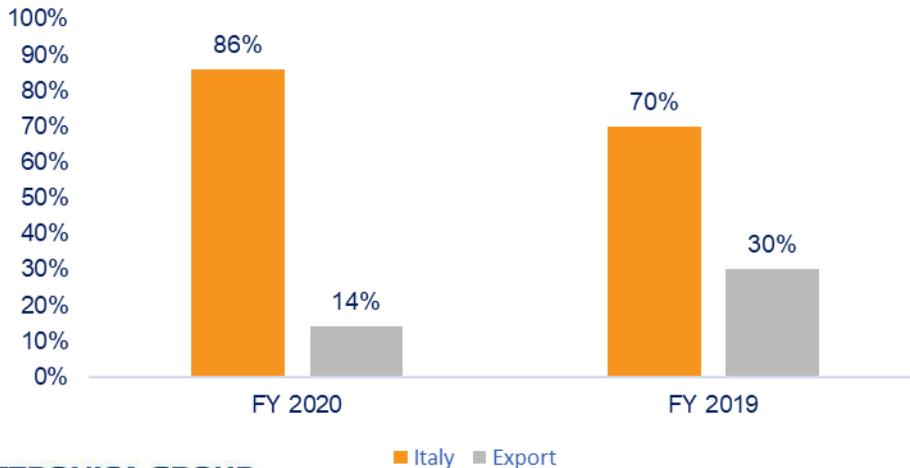
## By Clients



## By Type



## By Geographical Area



- **By Type:** focused on products commercialization
- **By Geographical area:** increased domestic sales due to covid 19 impact to export activities

# MAIN EVENTS 2020-2021

## June 24<sup>th</sup>, 2020

Trading of Cy4gate shares and warrants began on the AIM Italia market. The shares closed at € 4.02, up 27.62% on the offer price of € 3.15.



## November 3<sup>rd</sup>, 2020

CY4Gate won the contract for the evolutionary development of systems for cyber defence and cyber intelligence simulation and modelling for a **top NATO excellence centre**

## January 15<sup>th</sup>, 2021

The European Defence Agency named CY4Gate **Cyber Deputy Industry Rapporteur**

## February 23<sup>th</sup>, 2021

Partnership agreement was signed with **Engineering**, one of the leading players in the digital transformation of companies and public and private organizations in Italy and around the world

## October 12<sup>th</sup>, 2020

Major agreement was signed with **Gartner**, a US-based multinational advisory leader in the global IT industry, to develop its products and commercial strategy

## December 11<sup>th</sup>, 2020

A substantial change in ownership: AXA Investment Managers S.A. had reached the relevant threshold of 5.29% of share capital

## February 19<sup>th</sup>, 2021

CY4Gate would help sponsor the **GEODE – Galileo for EU Defence project** to promote the development of military capabilities in the European Union

## March 30<sup>th</sup>, 2021

Equita – Bocconi Award for the best capital market strategy in 2020 for the “Aim Market Fundraising” category



## STRATEGY & OUTLOOK

# HIGH POTENTIAL MOMENTUM FOR VALUE CREATION

INVESTOR PRESENTATION

- **360° cyberhouse: unique in the Italian competitive landscape**
- **Robust technology engine: 5 proprietary solutions and CEWIS**
- **Attractive and growing markets: Cyber Intelligence and Cyber Security**
- **Well positioned on key technology trends** identified by Gartner in the reference sectors
- **Opportunities from the Recovery Fund on Digital and Cyber Security**
- **Favorable national regulatory profiles for Cy4Gate: Golden Power and new DPCM on the cyber security perimeter** that represent barriers to entry

# BP 2021-2023

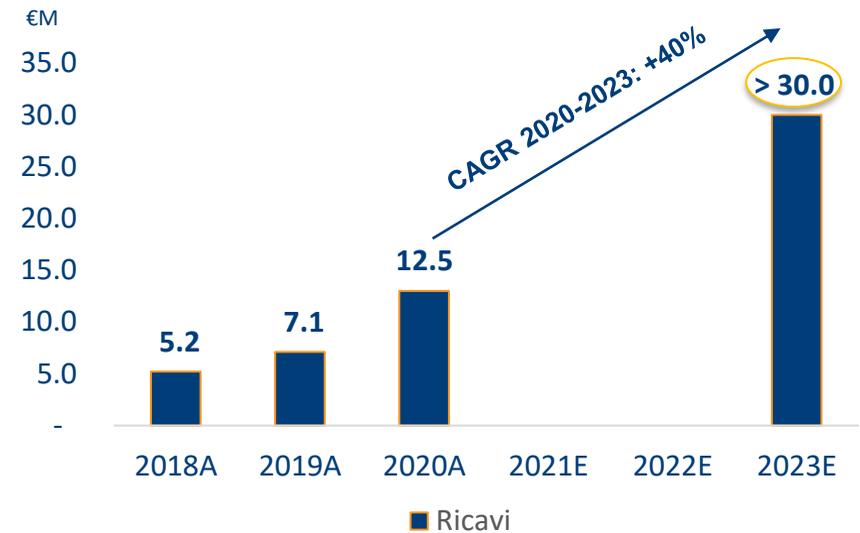
INVESTOR PRESENTATION

## ASSUMPTIONS

- Market penetration in Italian governmental segment
- Expansion in foreign markets
- Increase contracts with corporate customers
- Development of additional proprietary cyber SW solutions
- Upside coming from Italian Recovery fund (cybersecurity is one of the key driver)
- The plan does not include growth through M&A

## TARGETS 2023

### REVENUES



**EBITDA Margin**

**> 40 %**

**Net Financial Position**

**POSITIVE**

# CY4GATE EXTRAORDINARY TRANSACTION: STRATEGIC OBJECTIVES

INVESTOR PRESENTATION

## Key Pillars

- A Confirm the ambition of become a 360° cyber house acting as one-stop shop provider on every **cyber-related needs for both Public Administrations and Corporates**
- B Achieve **domestic market full coverage** for law enforcement agencies (L.E.A.) and intensify expansion abroad by **entering selected high-priority markets**, leveraging existing ones
- C Become a **leading product company** thanks to significant **R&D synergies**, combining better efficiency and leveraging economies of scale
- D Accelerate, thanks to **new proprietary technologies and know-how**, the development of CEMA and Cyber Resilience activities with the reference shareholder
- E Consolidate the establishment of the Italian cyber intelligence hub, with the creation of a **national champion in the industry** with about 70% higher revenues compared to the larger competitor (SIO)



# HISTORY

2014

Foundation of



set up as a JV  
between



2016



- Signing of the first export contracts in **Middle East & Asia**
- Acquisition of the first domestic customers (FCA & Corte dei Conti)
- Development of the first intelligence platform proprietary modules (AMICO & OSCAR)

2017



- Signing of c. **€4M Export Contract**
- Start up of the development **Cybersecurity product (RTA)**
- **New key domestic contracts** (Leonardo, MMI and CC)

2018



- Capital increase to **finalize technological roadmap**
- **€5M Revenues**
- Signed other **two key export contracts in Asia and Middle East**

2019



- Acquisition of other **key domestic customers** (PdCM, Intelligence, Ministry of Justice)
- **Inclusion in the ECSO Cybersecurity Market radar**

2020





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