CY4GATE S.P.A.

INTERIM MANAGEMENT REPORT

March 31, 2025

Approved by the Board of Directors on May 14, 2025

CY4GATE GROUP

Details of the parent company

CY4Gate S.p.A.

Registered office: Via Coponia, 8 - 00131 Rome (Italy)

Fully paid-up share capital of Euro 1.441.499,94

Company registration no.: 13129151000

REA no.: RM – 1426295

VAT no.: 13129151000

www.cy4gate.com

BOARD OF DIRECTORS:

Chairperson	Domitilla Benigni
Managing Director	Emanuele Galtieri
Director	Alberto Luigi Sangiovanni Vincentelli
Director*	Alessandra Bucci
Director*	Cinzia Parolini
Director	Alessandro Chimenton
Director*	Maria Giovanna Calloni
Director	Roberto Ferraresi
Director	Paolo Izzo

*Independent Director pursuant to Article 147-ter, paragraph 4, and Article 148, paragraph 3, of the TUF and Article 2 of the Corporate Governance Code.

BOARD OF STATUTORY AUDITORS:

Chairperson	Stefano Fiorini
Standing statutory auditor	Daniela Delfrate
Standing statutory auditor	Paolo Grecco
Alternate statutory auditor	Allegra Piccini
Alternate statutory auditor	Alberto Trabucchi

INDEPENDENT AUDITORS

KPMG S.p.A., term of engagement until the date of the shareholders' meeting which approves the Separate financial statements as of December 31, 2031

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GROUP FINANCIAL PERFORMANCE AND KEY PERFORMANCE INDICATORS

The results as of and for the three months ended March 31, 2025 show a growing performance trend for the Group, whose commercial offer, thanks to recent acquisitions made over the last three years (2022-2024), has been extended with a wider portfolio of products that have enriched both business lines, cybersecurity and cyber intelligence, with cutting-edge software platforms capable of acting as gap fillers in relation to the emerging and increasingly challenging requirements demanded by customers and related to the evolution of technologies and threat scenarios. The Group structures its value proposition through two main business lines: cyber Intelligence and cybersecurity. More specifically, the first is made up of proprietary "Decision intelligence" and "Forensic Intelligence" products, while the second can rely on products and technologies for cybersecurity as well as a part dedicated to consulting, training and cybersecurity services.

In particular, the Group operates in the design, development and production of technologies, products, systems and services in order to meet the needs of "cyber intelligence and cybersecurity" of companies, Public Institutions, Police Forces, Italian and foreign Armed Forces that, in the use of communication networks, IOT and OT networks and the related data flows, must guarantee high standards of security and resilience against cyber-attacks and express the need to correlate significant volumes of data (known as big data) to enable decision-makers in the timely adoption of relevant initiatives and actions (known as decision intelligence).

With the acquisition of the control of XTN Cognitive Security during 2024, the Group has entered a new and complementary business context that enriches and completes the offering on cybersecurity, allowing it to access the market of anti-banking fraud and mobile protection from malware and account takeover in other important industries such as the automotive, with important prospects also in Telco and Energy&Utilities. Furthermore during 2024, in response to the growing needs of the fast-growing SME cybersecurity services market, with projections of more than Euro 750 million in 2028, the Group extended its offering to the SMEs, thanks to the signing in July 2024 of binding agreements between CY4Gate S.p.A. and CDP Venture Capital SGR, Italy's leading venture capital manager owned by CDP Equity (70%) and Invitalia (30%) through the Boost Innovation Fund – a corporate venture building instrument – to enter into a strategic partnership through the establishment of Helmon S.r.l. (formerly Prontocyber Plus S.r.l.), a joint venture based in Rome, dedicated to cybersecurity for SMEs, which is operating from September 1, 2024. The company offers comprehensive cybersecurity solutions – from data collection and risk assessment to recovery plans in the event of cyber/attacks – dedicated to the Italian SME segment, through an end-to-end approach that guarantees the highest level of risk protection. In addition to the cybersecurity services recently launched on the market under the “Helm On” brand, a dedicated cyber insurance product, specifically designed for SMEs, is also planned to be launched, which will provide comprehensive coverage against cyber risks.

It continues the declared consolidation path CY4Gate as hub of skills and technologies at national and European level in the cyber domain is being consolidated, with the CY4Gate group now able to rely on a portfolio of proprietary products - capable of providing an integrated response to major digital transformation, decision intelligence and cybersecurity projects - that has improved the customer value proposition, increasingly directed towards a "one stop shop" approach in the relevant industry.

The growing performance of the Group, with the intense business development activity both on the domestic and international markets, is reflected in the results of the first three months of 2025, which results confirm the consolidation of the CY4Gate Group in the defense and government sectors. Activities in the corporate sector are gradually expanding, thanks to the creation of a dedicated and structured sales force and the investments made that will allow the Group to continue its progressive and solid business development path in this sector, accruing sustainable growth over time. However, the seasonality of turnover remains, historically concentrated in the last quarter of the year, especially in the defense segment and foreign business.

For both Cyber Security and Cyber Intelligence business lines, there are ongoing projects that have led to the signing of new contracts that are enabling the acquisition of additional orders, skills and know-how. The initiatives implemented during the year, in line with the Group's strategy and which will continue for the following two-year period, have enabled the Group to strengthen its ability to build backlogs, in particular thanks to the defense market characterized by multi-year orders, and thus gradually reduce the seasonal effect of a business that also accounted for approximately 37% of total revenues in the last quarter of 2024.

MAIN INDICATORS OF THE GROUP'S PERFORMANCE

The management of CY4Gate evaluates the performance of the Group based on some indicators discussed below. In particular, EBITDA is used as the main profitability indicator, as it makes it possible to analyze the Group's margin by eliminating the effects arising from volatility originating from non-recurring, exceptional or extraneous economic elements to ordinary management. Below, in addition to the financial indicators provided by the International Financial Reporting Standards (IFRS), some indicators derived from these latter, although they are not provided for by the IFRS (Alternative Performance Indicators), and the components of each of these indicators are presented:

- **Adjusted EBITDA**: is calculated by adjusting the profit/(loss) for the year to exclude the effect of taxes, net financial income/(expense), depreciation and amortization, impairment losses and value adjustments of financial assets as well as (income) expenses considered by the Group to be non-recurring and exceptional, mainly related to the M&A activities and the amortization resulting from the Purchase Price Allocation (PPA) following the allocation of part of the acquisition price of RCS, Diateam and XTN in intangible assets;
- **EBIT:** is calculated by adjusting the profit/(loss) for the year to exclude the effect of taxes and financial income/(expense);
- **Adjusted EBIT**: is calculated by adjusting the profit/(loss) for the year to exclude the effect of taxes, financial income/(expense), as well as the income/(expenses) considered by the Group as non-recurring and exceptional as described above, as well as the amortization resulting from the PPA as described above;
- **Adjusted EBITDA Margin:** is calculated as the ratio of Adjusted EBITDA, as previously described, to total revenues;
- **Net financial position (NFP)**: is calculated by subtracting cash and cash equivalents and financial assets from current and non-current financial liabilities.

These indicators reflect the main economic and financial figures, minus the non-recurring income and expense not strictly correlated to the core business and therefore allow a performance analysis more consistent with previous periods.

The tables below present the main changes that characterized the Group's trend compared to the previous period. In this regard, it should be noted that March 31, 2024 data have been restated compared to the original data published for such period with reference to the amortization of the intangibles emerged following the completion, at the end of the 2024 financial year, of the Purchase Price Allocation of XTN, and the related deferred taxes.

CONSOLIDATED RECLASSIFIED STATEMENT OF PROFIT AND LOSS

Reclassified Statement of profit and loss	For the three months ended on	
(in Euro)	March 31, 2025	March 31, 2024*
Revenues	15,776,176	14,431,225
Other revenues and income	501,234	237,110
Revenues	**16,277,410**	**14,668,335**
Purchases, services and other operating costs	6,627,087	6,574,497
Personnel expenses	8,432,136	8,049,446
Costs	**15,059,223**	**14,623,943**
Adjusted EBITDA	**1,218,187**	**44,392**
Adjusted EBITDA Margin	**7.5%**	**0.3%**
Depreciation, amortization, impairment losses and value adjustments of financial assets	(4,525,768)	(3,348,502)
Adjusted EBIT	**(3,307,580)**	**(3,304,110)**
Depreciation and amortization (related to PPA)	(1,175,888)	(1,175,888)
EBIT	**(4,483,468)**	**(4,479,998)**
Net financial expense	(815,678)	(627,706)
Non-recurring costs (one off)	(42,957)	(148,162)
Income taxes	36,676	(199,490)
Profit (loss) for the period	**(5,305,428)**	**(5,455,356)**
of which, attributable to non-controlling interests	***326,545***	***524,578***
Earnings (loss) per share	**(0.23)**	**(0.23)**

*Comparative figures for the first three months of 2024 have been restated to include the effect of the Purchase Price Allocation of XTN (fully consolidated from 1st January 2024); allocation concluded at the end of fiscal year 2024.

Group investments in Research and Development activities amount to Euro 1.8 million for the first three months of 2025 financial year (Euro 1.9 million for the first three months of 2024).

With reference to the subsidiary XTN, as required by IFRS 3, the Group has retrospectively implemented in this interim management report as at March 31, 2025 the values at the acquisition date (January 1, 2024) with consequent restatement of the comparative figures, with particular reference to the amortization of the intangibles emerged following the completion of the Purchase Price Allocation at the end of the 2024 financial year and the related deferred taxes.
The restatement of the comparative values is detailed in the following table:

Restatement of comparative figures (in Euro)	Reported figures March 31, 2024	PPA effect	Restated figures March 31, 2024
Consolidated Statement of Profit and loss			
Depreciation, amortization, impairment losses and value adjustments of financial assets*	(4,478,356)	(46,034)	(4,524,390)
Income taxes	(212,099)	12,609	(199,490)
Total	**(4,690,455)**	**(33,425)**	**(4,723,880)**

*Including the amortization resulting from PPAs

CONSOLIDATED RECLASSIFIED STATEMENT OF FINANCIAL POSITION

Reclassified Statement of Financial Position	As at	
(in Euro)	March 31, 2025	December 31, 2024
Non-current assets	**95,968,036**	**97,966,248**
Inventories	1,773,548	973,831
Contract assets/(liabilities)	6,264,450	5,957,176
Trade receivables	40,774,939	49,940,566
Trade payables	(9,762,480)	(11,918,398)
OPERATING WORKING CAPITAL	**39,050,456**	**44,953,174**
Other assets (liabilities)	(8,145,077)	(9,707,168)
NET WORKING CAPITAL	**30,905,379**	**35,246,006**
NET INVESTED CAPITAL	**126,873,416**	**133,212,255**
Cash and cash equivalents	15,663,585	14,537,530
Financial assets	3,722,618	1,472,983
Financial liabilities	(43,037,591)	(41,070,787)
Lease liabilities	(5,989,789)	(5,859,148)
Net financial position	**(29,641,177)**	**(30,919,422)**
Equity	**(97,232,239)**	**(102,292,833)**
Total sources	**(126,873,416)**	**(133,212,255)**

Group revenues as of March 31, 2025 amount to Euro 16.3 million, with an increase of 11% compared to March 31, 2024 (Euro 14.7 million). Costs increase by 3%, from Euro 14.6 million to Euro 15.1 million. Extraordinary costs decrease to Euro 0.04 million compared to Euro 0.2 million of the first three months of 2024.
Group Adjusted EBITDA is positive and amounts to Euro 1.2 million, a definite increase compared to the comparative period (Euro 0.04 million); while EBIT is negative for Euro 4.5 million, amount equal to March 31, 2024. In light of the above, the loss for the period is equal to Euro 5.3 million (Euro 5.5 million as at March 31, 2024).

Group Equity amounts to Euro 97.2 million (Euro 102.3 million as of December 31, 2024).

The Net financial position shows a balance of financial liabilities greater than financial assets, of Euro 29.6 million (Euro 30.9 million as of December 31, 2024), including the lease liabilities under to IFRS 16. Financial liabilities and lease liabilities amount to Euro 49.0 million, an increase of approximately Euro 2.1 million compared to December 31, 2024 (Euro 46.9 million), mainly due to the effect of drawdowns of available lines made during the quarter, net of repayments.

HUMAN RESOURCES

With reference to the personnel employed during the year, the Group carries out its activities in full compliance with the provisions on the environment and hygiene in the workplace, as well as in line with applicable foreign local regulations. Below is the composition of the workforce of the CY4Gate Group as of March 31, 2025 with evidence of the movement of the three-months period and the average number of employees as at March 31, 2025, compared to the previous period.

WORKFORCE COMPOSITION AND MOVEMENT

	Executive Managers	Middle Managers	Employees	Apprentices	Total
12/31/2024	25	83	403	41	**552**
Inflows (+)	1	4	17	0	**22**
Transformations	0	0	3	(3)	**0**
Outflows (-)	(1)	(2)	(11)	(3)	**(17)**
03/31/2025	**25**	**85**	**412**	**35**	**557**

	Average number of employees		Precise number of employees	
	03/31/2025	**03/31/2024**	**03/31/2025**	**03/31/2024**
Executive Managers	24	25	25	25
Middle Managers	88	79	85	77
Employees and Apprentices	443	438	447	436
Total	**554**	**542**	**557**	**538**

BUSINESS OUTLOOK

The Group will continue its growth path focusing on strong consolidation, efficiency and creation of synergies with the acquired companies, while consistently maintaining technological excellence and enhancing the broad product portfolio, which now includes leading cyber solutions capable of supporting the most challenging customer needs. The current organizational structure and resources will support future growth with a strong increase in operating leverage.

The strategy for the following two years will aim to:

- intercept the growing needs of the Defense market, characterized by significant investments globally, and multi-year contracts with important size, accelerating the creation of backlog and therefore, contributing – together with the Corporate market – in reducing the risks of seasonality;
- further consolidate the leadership position in Italy on the Security & Law Enforcement market, where the Company grew by 25% in the first quarter 2025. The numbers confirm the validity of the strategy undertaken;
- ensure a 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.

In particular, the following three markets are identified as priorities for the implementation of the strategy, in each of which the Group is currently present and will pursue the following actions over the next two years:

DEFENCE

- strengthening of industrial partnerships with the major players in the Italian and European Aerospace & Defence segment;
- opening of new markets abroad, with integrated cybersecurity and decision intelligence solutions that enhance the Group's entire product bundle;
- increase in market share on the domestic and international market both through direct sales to the end customer and with the support of ELT Group, reference shareholder of CY4Gate, which can count on a well-established presence spanning over seventy years in the Defence market;
- direct participation and/or in partnership in EU (EDA, ESA) or NATO tenders that finance research and development in cyber.

SECURITY & LAW ENFORCEMENT

- consolidation in the Italian market, aiming at streamlining services and higher-value activities for the benefit of Italian public prosecutors' offices;
- implementation of targeted technological partnerships with "boutique" companies with the aim of sharing investments to reduce the need for resources (human and financial) necessary to cope with the rapid obsolescence of the typical technologies of the industry;
- increase in market share both in Italy and abroad on the new concept tactical devices produced by the Group;
- progressive improvement of presence in the European area, which offers guarantees of greater predictability and business stability, starting from the Spanish market on which the Group can already count on a multi-year presence.

CORPORATE ITALY and EU MARKET

- expansion of the domestic market with a focus on large/ and medium-sized companies, thanks to a renewed sales team, expert in the industry and geographically located in the areas of greatest interest for the business;
- integration of sales force efforts with new and effective channel partnerships;

- the implementation of a distinctive "customer value proposition" focused more on "capabilities" than on "products" has allowed to create awareness in the corporate world by generating a pipeline that can be transformed into orders this year;
- progressive expansion of sales over the three-year period on new geographical areas in the EU, establishing collaborations with channels operating abroad. A first international sales team has been set up.

Management will also be aimed at implementing the roll-out of synergies between the affiliated companies after three years of intensive M&A activities, with a view to optimizing the entire cost structure, fully streamlining the organizational model and processes, and capitalizing on the investments made and in progress.

CONSOLIDATED INTERIM MANAGEMENT REPORT

AS OF AND FOR THE THREE MONTHS ENDED MARCH 31, 2025

CONSOLIDATED FINANCIAL STATEMENTS AS OF AND FOR THE THREE MONTHS ENDED MARCH 31, 2025

CONSOLIDATED STATEMENT OF PROFIT AND LOSS

	For the three months ended March 31			
(in Euro)	**2025**	*of which to related parties:*	**2024 restated ***	*of which to related parties:*
Revenues	15,776,176	*1,632,506*	14,431,225	*838,666*
Other revenues	501,234	*39,936*	237,110	-
Revenues	**16,277,410**	***1,672,443***	**14,668,335**	***838,666***
Purchases, services and personnel expenses	(14,898,622)	*(51,700)*	(14,608,286)	*(38,713)*
Amortization and depreciation	(5,701,656)	*(86,894)*	(4,612,166)	*(78,512)*
Net impairment losses on financial assets	-	-	87,776	-
Other operating costs	(203,558)	-	(163,819)	-
Costs	**(20,803,835)**	***(138,594)***	**(19,296,495)**	***(117,225)***
Operating profit/(loss)	**(4,526,425)**	***1,533,849***	**(4,628,160)**	***721,441***
Net Financial income / (expense)	(815,678)	-	(627,706)	-
Financial income	28,883	-	19,813	-
Financial expense	(735,654)	-	(647,519)	-
Share of profit/(loss) of equity-accounted investments, net of tax effects	(108,907)	-	-	-
Profit/(loss) before tax	**(5,342,104)**	***1,533,849***	**(5,255,865)**	***721,441***
Income taxes	36,676	-	(199,490)	-
Profit/(loss) for the year	**(5,305,428)**	***1,533,849***	**(5,455,355)**	***721,441***
of which:				
Profit attributable to non-controlling interests	*326,545*		*524,578*	
Profit/(loss) attributable to the owners of the parent	*(5,631,973)*		*(5,979,933)*	

* Comparative figures for the first three months of 2024 have been restated to include the effect of the Purchase Price Allocation of XTN (fully consolidated from 1st January 2024); allocation concluded at the end of fiscal year 2024.

CONSOLIDATED STATEMENT OF FINANCIAL POSITION

	As of March 31		As of December 31	
(in Euro)	**2025**	*of which with related parties:*	**2024**	*of which with related parties:*
Intangible assets and goodwill	79,149,735	-	81,191,711	-
Property, plant and equipment	9,873,166	-	9,850,247	-
Right-of-use assets	5,824,127	*708,143*	5,694,377	*712,970*
Non-current financial assets	1,743,059	*994,000*	502,251	*419,000*
Equity-accounted investments	1,121,008	-	1,229,914	-
Non current tax assets	62,181	-	-	-
Deferred tax assets	10,426,655	-	10,460,187	-
Other non-current assets	1,351,938	-	1,031,789	-
Non-current assets	**109,551,869**	***1,702,143***	**109,960,476**	***1,131,970***
Inventories	1,773,548	-	973,830	-
Contract assets	9,589,086	*3,295,945*	8,429,181	*2,430,044*
Trade receivables	40,774,939	*2,771,085*	49,940,566	*5,627,842*
Current tax assets	214,588	-	79,225	-
Other current assets	5,608,388	-	5,680,942	-
Current financial assets	1,979,559	-	970,732	-
Cash and cash equivalents	15,663,585	-	14,537,530	-
Current assets	**75,603,692**	***6,067,030***	**80,612,005**	***8,057,886***
Total assets	**185,155,561**	***7,769,173***	**190,572,481**	***9,189,856***
Share capital	1,441,500	-	1,441,500	-
Share premium reserve	108,539,944	-	108,539,944	-
Reserves	(10,636,361)		(3,479,508)	-
Profit/(loss) for the period	(5,631,973)	-	(7,401,686)	-
Total equity of Group	**93,713,110**	**-**	**99,100,250**	**-**
Equity attributable to non-controlling interests	3,519,129	-	3,192,583	-
Equity	**97,232,239**	**-**	**102,292,833**	**-**
Employee benefits - non-current	4,959,334	-	4,739,373	-
Other non-current liabilities	3,596,196	-	3,559,998	-
Non-current financial liabilities	24,136,776	-	24,216,798	-
Non-current financial and lease liabilities	4,242,319	*499,000*	4,227,281	*474,237*
Deferred tax liabilities	1,046,673	-	1,375,380	-
Total non-current liabilities	**37,981,298**	***499,000***	**38,118,830**	***474,237***
Trade payables	9,762,480	*147,037*	11,918,398	3,172
Current financial liabilities	18,900,815	-	16,853,988	-
Current lease liabilities	1,747,469	*294,983*	1,631,866	256,718
Current contract liabilities	3,324,636	*518,377*	2,472,005	535,808
Current tax liabilities	365,857	-	278,023	-
Other current liabilities	15,840,766	-	17,006,538	-
Total current liabilities	**49,942,024**	***960,397***	**50,160,818**	***795,698***
Total liabilities	**87,923,322**	***1,459,397***	**88,279,648**	***1,269,935***
Total equity and liabilities	**185,155,561**	***1,459,397***	**190,572,481**	***1,269,935***

CONSOLIDATED INTERIM MANAGEMENT REPORT AS OF AND FOR THE THREE MONTHS ENDED MARCH 31, 2025

GENERAL INFORMATION

Entity that prepares the financial statements

CY4Gate S.p.A. (hereinafter “CY4Gate” or the “Company” and, together with its subsidiaries, the “Group”) is a company established and domiciled in Italy, with its registered office in Rome (RM), at 8, Coponia Street and organised according to the legal system of the Italian Republic. This interim management report as of March 31, 2025, includes the accounting situations at that date of the Parent Company and its subsidiaries (together, the “CY4Gate Group” or the “Group” or “CY4”). The Group is primarily engaged in the design, development and production of technologies, products, systems and services for the Armed Forces, Law Enforcement Agencies and Italian and foreign companies. Since June 26, 2023, the shares of CY4Gate S.p.A. have been traded in the Euronext STAR Milan market segment of the Italian Stock Exchange (from 2020 and until the above date shares were traded in the Euronext Growth Milan market segment).

The Company is a subsidiary of Elettronica S.p.A., with a registered office in Rome, in Via Tiburtina Km 13,700.

As of the date of preparation of the financial statements, the Company is not subject to the direction and coordination of any of its shareholders, as the Board of Directors of the Company assumes in full and complete autonomy and independence the most appropriate decisions regarding the management of the Company's activities.

Authorization for publication

This consolidated interim management report was approved and authorized for publication by the Board of Directors of CY4Gate S.p.A. on May 14, 2025. The same, as permitted by current legislation, has not been subject to auditing.

BASIS OF PREPARATION AND IFRS COMPLIANCE

This interim management report as of and for the three months ended March 31, 2025 has been prepared by the Company as STAR issuer as provided for in Borsa Italiana S.p.A. Notice no. 7587 of April 21, 2016; the contents of the document is compliant with the provisions of art. 154-ter, paragraph 5 of Legislative Decree no. 58/98 - T.U.F. and article 82-ter of Consob Issuers Regulation.

This interim management report has been prepared in accordance with the "EU IFRS", meaning by this all the "*International Financial Reporting Standards*" (IFRS), all the "*International Accounting Standards*" (IAS), all interpretations of the "*International Financial Reporting Interpretations Committee*" (IFRIC), formerly the "*Standing Interpretations Committee*" (SIC) that, as of the reporting date of the Management report, have been endorsed by the European Union in accordance with the procedure provided for by Regulation (EC) no. 1606/2002 of the European Parliament and of the European Council of July 19, 2002. The IFRS have been applied consistently to all periods presented in this document.

Specifically, this interim management report has been prepared in accordance with IAS 34 - *Interim Financial Reporting*; does not include all the information required by the annual financial statement and should be read together with the annual consolidated financial statements as of and for the year ended 31 December 2024 (the latest annual financial statements), deposited at the Company's headquarters and available on the website www.cy4gate.com. Although not including all the information required for complete financial reporting, specific explanatory notes are included to explain events and transactions that are relevant to understanding the changes in the financial position and performance of the Group since the last financial statements. The financial statements are consistent with those that make up the annual consolidated financial statements.

The interim management report has been prepared and presented in Euro, which represents the currency of the predominant economic environment in which the Group operates. All amounts included in this document, unless otherwise indicated, are expressed in Euro. The totals of some statements and tables in the explanatory notes may slightly differ from the sum of the individual components due to roundings.

The interim management report as of March 31, 2025, includes the Consolidated Statement of profit and loss, the Consolidated Statement of Financial Position and the Explanatory Notes. The following are the financial statements formats and the relative classification criteria adopted by the Group, within the options provided by IAS 1 *Presentation of financial statements*:

- the Consolidated Statement of Financial Position has been prepared by classifying assets and liabilities according to the "current/non-current" criterion;
- the Consolidated Statement of profit and loss has been prepared by classifying operating costs by nature.

Pursuant to Consob Resolution no. 15519 of 28 July 2006, the income and expenses deriving from non-recurring transactions, if present, are identified separately within the Consolidated Statement of profit and loss; similarly, the balances of transactions with related parties are highlighted separately in the accounting statements.

VALUATION CRITERIA

Historical cost is the general criteria adopted in preparing this interim management report as of March 31, 2025, except for items that, according to IFRS, are mandatorily recorded at fair value.

For each financial statement's line item, the corresponding value from the previous financial year or period is presented for comparative purposes.

This management report has been prepared on a going concern basis, as management has confirmed the absence of financial, operational or other indicators that may suggest an inability on the part of the Group to meet its obligations in the foreseeable future and, in particular, during the 12 months following the reporting date.

SCOPE AND CRITERIA OF CONSOLIDATION

The list of companies included in the scope of consolidation as of March 31, 2025 is indicated in the following table:

Company name	Registered Office	Share/quota capital	% direct ownership	% Group ownership	Consolidation method	As of March 31	
						2025	2024
CY4Gate S.p.A. (Parent company)	Rome (Italy) - via Coponia 8	1,441,500 €	-	-	-	x	x
Subsidiaries							
RCS ETM Sicurezza S.p.A. (in short, RCS)	Milan (Italy) - Via Caldera 21	7,000,000 €	100%	100%	Line-by-line consolidation	x	x
Dars Telecom SL	Madrid (Spain) - Paseo Pintor Rosales 44	4,808 €	65%	65%	Line-by-line consolidation	x	x
Diateam S.a.S. *	Brest (France) - 31 rue Yves Collet	300,000 €	70.66%	100%	Line-by-line consolidation	x	x
Servizi Tattici Informativi Legali S.r.l. (in short, STIL) **	Cuneo (Italy) - Via XX settembre 2	33,333 €	n/a	n/a	Line-by-line consolidation	-	x
Tykelab S.r.l.	Rome (Italy) - Via Benedetto Croce 10	10,000 €	90%	90%	Line-by-line consolidation	x	x
XTN Cognitive Security S.r.l. (in short, XTN) ***	Arco (Italy) - via S. Caterina 95	10,000 €	77.80%	80%	Line-by-line consolidation	x	x
Associates							
SAS Foretec	Andrézieux-Bouthéon (France) - Bvd P. Desgrange 5	500,000 €	25%	25%	Equity	x	x
Joint Venture							
Helmon S.r.l. (formerly Prontocyber Plus S.r.l.)	Rome (Italy) - Via Cassiodoro 1/a	120,000 €	50%	50%	Equity	x	-

*It is specified that the % contribution to the Group is 100% and takes into account Diateam's contribution to equity attributable to the owners of the parent following the registration of additional interests as a result of the accounting of the Put options granted to non-controlling investors on their quotas.

** The company STIL was merged by incorporation into the direct parent company RCS on January 1st, 2024. Please note that the percentage of direct investment in STIL was 70% as of December 31, 2023, increased to 100% during 2024.

*** It is specified that the % contribution to the Group is 80% and takes into account XTN's contribution to equity attributable to the owners of the parent following the registration of additional interests as a result of the accounting of the Put options granted to some non-controlling investors on the quotas in their possession, equal to 2.20% of the quota capital of the investee.

It is specified that the Company excluded the following subsidiaries from the consolidation scope, as they are immaterial to the Consolidated Financial Statements due to their limited operations.

Company name	Registered office	Share capital	% Direct ownership
Aurora France S.A.S.	Paris (France) - 9 Rue Parrot	€10,000	100%
RCS LAB GMBH	Lebach (Germany) - Scheuernstraße 24	€25,000	70%
XTN Inc.	New York - Madison Ave 509	USD 30,500	100%

Basis of Consolidation

The consolidated interim management report as of March 31, 2025 was prepared by consolidating on a line-by-line basis the accounts as of and for the three months ended March 31, 2025 of the Parent company and of the Italian and foreign companies of which CY4Gate holds control, both directly and indirectly, from the date on which control was effectively acquired, and the companies cease to be consolidated on the date on which control is transferred to third parties.

The accounting situations of the consolidated companies, prepared for the purposes of consolidation by the respective competent bodies, have been appropriately homogenized and reclassified in order to make them uniform with the accounting principles and valuation criteria of the Group, as described below. The reference date of the interim accounting situations of the consolidated companies coincides with that of the Parent Company.

Subsidiaries are those companies over which the Group exercises control. The Group controls a company when it is exposed, or has rights, to the variability of the subsidiary's results based on its involvement with the subsidiary itself and can influence those results through the exercise of its power. Control can be exercised either by direct or indirect ownership of the majority of voting shares or by contractual or legal agreements, regardless of shareholding relationships. The existence of potential voting rights exercisable at the reporting date is considered for the purpose of determining control. In general, control is presumed to exist when the Group holds, directly or indirectly, more than half of the voting rights.

The criteria adopted for full consolidation are as follows:

- the assets and liabilities, expenses and income of the fully consolidated entities are assumed line by line, in their total amount, regardless of the ownership share held, attributing to non-controlling interests, where applicable, their share of equity and profit or loss for the period due to them; these shares are shown separately in the Consolidated Statement of equity and Statement of profit and loss;
- business combinations are recorded, in accordance with the provisions contained in IFRS 3, using the acquisition method. According to this method, the consideration transferred in a business combination is measured at fair value, calculated as the sum of the fair values of the assets transferred and the liabilities assumed by the Group at the acquisition date and of the equity instruments issued in exchange for control of the acquired entity. Transaction costs are generally recognized in the Statement of profit and loss when they are incurred. Identifiable assets acquired and liabilities assumed are recorded at fair value at the acquisition date; exceptions are the following items, which are instead measured according to their reference principle: (i) deferred tax assets and liabilities, (ii) employee benefit assets and liabilities and (iii) assets held for sale. In the event that the fair values of assets, liabilities and potential liabilities can only be determined provisionally, the business combination is recorded using these provisional values. Any adjustments resulting from the completion of the measurement process are recognized within twelve months from the acquisition date;
- if a component of the price is linked to the realization of future events, such component is considered in the estimate of fair value at the time of the business combination;
- significant profits and losses, along with their tax effects, resulting from transactions carried out between fully consolidated companies and not yet realized with third parties, are eliminated, except for losses that are not

eliminated if the transaction provides evidence of impairment of the transferred asset. If significant, reciprocal liabilities and assets, costs and revenue, as well as financial expense and income are eliminated;

- the purchase of additional equity shares in controlled companies and the sale of equity shares that do not imply the loss of control are considered owner transactions; as such, the accounting effects of the said operations are recorded directly in the Group's equity.

SEASONALITY OF THE BUSINESS

The business in which the Group operates is characterized by a marked concentration of deliveries and cash flow from customers in the last three months of the year. This aspect of collections affects both inter-annual cash flows and the variability of the Group's debt situation in different periods of the year, characterized by substantial improvements in the last few months of the calendar year.

EXPLANATORY NOTES

Note 1. Revenues

Revenues recorded in the three months ended March 31, 2025, amount to Euro 15,776,176, increasing by 9% compared to the comparative three months period ended March 31, 2024 (Euro 14,431,225), especially in reference to the Parent company.

Note 2. Other revenues and income

The other revenue and income recorded in the three months ended March 31, 2025, amount to Euro 501,234 (Euro 237,110 as of March 31, 2024) and mainly refers to contributions related to certain ongoing projects partially financed by the European Commission.

Note 3. Purchases, services and personnel expenses

Purchases, services and personnel expenses are in line with the comparative period, evidencing a 2% increase equal to Euro 290 thousands, due to lower costs for services for Euro 142 thousand, offset by an increase of Euro 50 thousand in costs for purchases and Euro 383 thousand in personnel costs; the latter increased due to the rise in the Group's workforce, which totaled 557 employees at March 31, 2025 (538 at March 31, 2024). It is specified that the item also includes costs for the use of third-party assets relating to leasing contracts not included in the scope of application of IFRS 16 because they are of modest value, short duration or characterized by variable payments.

Note 4. Depreciation, amortization, impairment losses and value adjustments of financial assets

Amortization of intangible assets mainly refers to the amortization capitalized development costs, software licenses and software arising from the completion of the purchase price allocation of the business combinations in RCS, Diateam and XTN.

Depreciation of property, plant and equipment mainly refers to electronic office machines and equipment used in the ordinary activities of the Group.

The item also includes the amortization of rights of use deriving from the application of the IFRS 16 accounting principle.

Note 5. Goodwill

Part of “Intangible assets and goodwill” line item, it amounts to Euro 49,190,205 as of March 31, 2025, unchanged compared to December 31, 2024. As of March 31, 2025, no impairment indicators have been identified.

SIGNIFICANT EVENTS

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Inclusion of XTN Cognitive Security S.r.l. into National Tax Consolidation System

On March 6, 2025, the Company's Board of Directors resolved to include XTN Cognitive Security S.r.l. in CY4Gate S.p.A.'s National Tax Consolidation System for the 2025-2027 three-year period.

Disbursement of loan instalment to Prontocyber Plus S.r.l.

In January 2025, the Company disbursed Euro 575 thousand of the non-interest-bearing loan to the subsidiary Prontocyber Plus S.r.l., reaching the total amount agreed between the parties of Euro 975 thousand, of which Euro 400 thousand was disbursed in 2024.

SUBSEQUENT EVENTS

Change of company name of the Joint venture Helmon S.r.l. (formerly Prontocyber Plus S.r.l.)

On April 15, 2025, the quotaholders' meeting of the Joint venture resolved to change its company name from Prontocyber Plus S.r.l. to Helmon S.r.l.

OTHER INFORMATION

It is specified that transactions with related parties, including intra-group transactions, are neither atypical nor unusual; these are part of normal business management of the Group. These operations are regulated at market conditions, and considering the characteristics of the goods and services provided, these occurred in compliance with the internal procedure which contains the rules aimed at ensuring transparency and correctness, pursuant to Consob Regulation no. 17221/2010.

EXCEPTION FROM THE OBLIGATION TO PUBLISH INFORMATIVE DOCUMENTS

In exception from the obligation to publish informative documents in accordance with the provisions of Article 70, paragraph 8, and Article 71, paragraph 1bis, of Consob Regulation No 11971/1999 ("Issuers’ Regulation"), the Company has waived its obligation under Article 70, paragraph 6, and Article 71, paragraph 1, concerning the publication of an informative document drawn up in accordance with Annex 3B of the Issuers’ Regulation, in the event of significant mergers, carve out, capital increase through the contribution of assets in kind, significant acquisitions and disposals..

Rome, May 14, 2025

On behalf of the Board of Directors

Emanuele Galtieri
Chief Executive Officer

Statement pursuant to article 154-bis of Legislative decree no. 58 of February 24, 1998, “Italian Consolidated Law on Financial Intermediation”, as amended

The undersigned Emanuele Galtieri and Arianna Ciccolella, respectively Chief Executive Officer and Manager in charge of the preparation of the corporate accounting documents of CY4Gate S.p.A. certify, also taking into account the provisions of art. 154-bis, paragraph 2, of the legislative decree of February 24, 1998, no. 58:

- the adequacy in relation to the characteristics of the company (also considering any changes occurred during the first three months of 2025 financial year) and
- the effective application of administrative and accounting procedures for the preparation of the Consolidated Interim Management Report as of and for the three months ended March 31, 2025.

No significant issues arose from the application of the administrative and accounting procedures for the preparation of the Consolidated Interim Management Report as of and for the three months ended March 31, 2025.

It is also certified that the Consolidated Interim Management Report as of and for the three months ended March 31, 2025:

- is prepared in compliance with the applicable International Financial Reporting Standards recognized in the European Community under Regulation (EC) No. 1606/2002 of the European Parliament and of the Council of July 19, 2002;
- is consistent with the underlying accounting books and records;
- provides a true and correct view of the financial performance, financial position and cash flows of the issuer and of all the companies included in the consolidation.

Rome, May 14, 2025

Chief Executive Officer Manager in charge of the preparation of the corporate accounting documents

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