

PRESS RELEASE

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(Price sensitive disclosure)

CYBEROO: THE BOARD OF DIRECTORS APPROVES THE CONSOLIDATED HALF-YEARLY FINANCIAL STATEMENTS AS OF JUNE 30, 2023

Cyber Security revenues +51.7%

**Organic growth in production value and sales revenues.
EBITDA and net income also up sharply.**

- **Value of Production: €8.79 million (up +30.7% compared to €6.72 million in H1 2022)**
- **Total revenues: €7.82 million (up +34.8% compared to €5.80 million in H1 2022)**
- **Cyber Security revenues: €5.41 million (up +51.7% compared to €3.57 million in H1 2022)**
- **EBITDA: €2.96 million (up 53.9% compared to €1.92 million in H1 2022)**
- **EBITDA margin: 33.7% compared to 28.6% in H1 2022**
- **Operating profit: €1.15 million (up +140% compared to €0.49 million in H1 2022)**

Reggio Emilia, September 28, 2023 – Cyberoo S.p.A. (“**Company**” or “**Cyberoo**”), an innovative SME listed on the EGM (Euronext Growth Milan) market, specialized in cyber security for companies, announces that today the Board of Directors of the company examined and approved the consolidated half-yearly report for the period ended June 30, 2023.

Fabio Leonardi, CEO of Cyberoo, commented: *“The half-year results are again very positive, with growth that we can happily describe as natural and with a further surge of more than 50% in cybersecurity revenues.*

Cyberoo's business is progressing very well, solid and organic growth rewarding the business model and collaboration with increasingly structured companies. Collaborations with our partners are proceeding effectively in Italy, including through numerous initiatives and events that foster business opportunities.

During the period we invested significantly in international expansion, placing Poland at the center of our cross-border development plans. The new business in Poland will benefit from the size of the market and the widespread presence of highly skilled people, thus making it possible to replicate the Italian model. On the other hand, the Security Operations Center (SOC) in Warsaw, fully operational since the beginning of 2023, has the dual objective of offering high-quality services to customers in Poland and beyond, guaranteeing constant support, and of enabling Cyberoo to benefit from an organizational model with a strong local presence that can facilitate the sale of products and services in the country and in northern Europe in general.

The half year saw further authoritative international recognition of Cyberoo's service quality. Being the only Italian company in Gartner's 'Market Guide for Managed Detection & Response Services 2023' and as a Trusted Introducer in the CERT network certify us as a major player in the field of cybersecurity in Italy and abroad.

With the total acquisition of Cyber Division, we launched Cyberoo Docetz, where a team of new resources is working to consolidate and develop consulting services to support our Managed Detection and Response and Incident Response operations.

The introduction of the Black Button on the new corporate website marks the arrival of a cutting-edge, 24/7 service that allows anyone to contact our specialists in case of a cyber incident, bringing added value to our business.

On the investment front, we are always active. We are doing research and development for mobile applications that can make it even easier for customers and SOCs to collaborate, both in terms of managing Cypeer alerts and calling Incident Response. We are also developing new CSI features to make our threat intelligence capability even more robust. We are also busy engineering a major new V-NOC (Virtual Network Operations Center) service that will complement our cyber security range and enable us to be increasingly effective in the H24 emergency response chain.

While the environment remains turbulent, we look forward to a positive second half of the year. We are aware of the potential obstacles and downturns that may emerge in the economic landscape, but we remain very optimistic about future prospects.

We will continue to create value and reinvest in order to consolidate our market position both in the short term and especially in the long term, with the intention of developing the company as an international enterprise that can be the ideal partner for improving the security posture of client companies."

Main events of H1 2023

The opening of the new office in Poland which partially impacted EBITDA represent an important step in Cyberoo's international expansion. This business area is distinguished by a high level of cybersecurity awareness and understanding and market size, providing a broad base of potential customers who are aware of the risks they face and the importance of taking effective protective measures. These are two aspects that contribute to the development of the new SOC, which is responsible for promptly responding to cyber threats and ensuring security.

During the period Cyberoo generated cash, but the costs and new investments mentioned above to bring the solutions up to an enterprise level and open new service lines had an effect on the NFP. Investments related to the mobile application for customer/SOC interactions and the management of Cypeer alarms and to the mobile application for calling Incident Response, to the development of new CSI features, and to the V-NOC project have not yet been announced to the market but are being capitalized and will support further future growth.

Cyberoo has continued to expand its network of connections through new customers and partnerships, demonstrating an unwavering commitment to growth and innovation. One of the most significant partnerships is certainly the one established with BNP Paribas Leasing Solutions, for the operational leasing and financing of CSI (Cyber Security Intelligence) and Cypeer cyber

solutions. This option is intended for small and medium-sized enterprises and addresses their need to pay for cybersecurity services in installments in order to ensure multiple years of coverage.

The company continued to invest significantly to support growth in Southern Italy, Poland, and to further improve the quality of its MDR. In southern Italy, it expanded and strengthened its team with the goal of boosting local awareness of cybersecurity. The investment in the Polish market aims to meet growing market demand and strengthen Cyberoo's presence in northern Europe. In parallel, the company remains committed to the continuous improvement of service quality, supporting the implementation of cutting-edge technologies and adapting to the changing needs of the market.

In May Cyberoo launched its new website, which soon after earned Honorable Mention at the Awwwards, the prestigious international award for web design and user experience, for its creativity and innovation. In addition to being a high-quality showcase for the services offered, the website was updated to include the Black Button, a tool designed to further simplify and speed up contact between Cyberoo and potential clients, who can now request assistance quickly 24/7 in the event of a cyberattack.

The consolidated financial statements were prepared based on the June 30, 2023 separate financial statements of the companies Cyberoo S.p.A., Cyberoo51 S.r.l., MFD International S.r.l. and Cyberoo Docetz S.r.l., all of which fall within the scope of consolidation of the Cyberoo Group. Total revenues for the first half of the year amounted to €7.82 million, up 34.8% compared to €5.80 million in the same period of 2022. Particularly noteworthy is the growth of the Cyber Security & Device Security business area, resulting in an increase in recurring fees thanks to the acquisition of new customers.

To date, the Cyber Security & Device Security and Managed Services business areas account for 98% of overall revenues, in line with the strategy of focusing on high-margin activities and pricing based on recurring revenues.

Below is a breakdown of revenues by business line highlighting the growth of Cyber Security and Managed Services:

Revenues from sales and services	06/30/2023	06/30/2022
Cyber Security & Device Security	5,414,430	3,567,426
Managed Services	2,292,284	2,121,497
Digital Transformation	115,603	112,634
Total	7,822,317	5,801,556

The Value of Production amounted to €8.79 million, up +30.7% compared to €6.72 million in H1 2022. The growth is mainly connected to the item “Revenues from sales and services” amounting to €7.82 million in H1 2023.

EBITDA was €2.96 million, with an EBITDA margin of 33.7% of the Value of Production, up compared to 28.6% in the same period of 2022.

Value in € millions	06/30/2022	06/30/2023
Value of Production	8,792	6,727
EBITDA	2,963	1,925
<u>Margin %</u>	<u>34%</u>	<u>29%</u>

Pre-tax income was €1.73 million, up from €0.8 million in H1 2022.

Net profit for the period amounted to €1.16 million compared to €0.49 million in H1 2022.

As of June 30, 2023 net fixed assets amounted to €11.33 million, up 13% compared to December 31, 2022, mainly due to the increase in intangible assets as a result of significant investments in software technologies and research and development during the period. Industrial patents and rights to use intellectual property amounted to €2.06 million and are represented by software (registered with the SIAE) aimed at improving supply and services. This includes projects such as "OSINT Open-Source Intelligence", "CYPEER" and "DATA MINING" – "TITAAN" PROJECT. Fixed assets under construction and advances amounted to €5.85 million (€3.91 million in 2022) and are attributable to capitalized costs for the study and development of the "OSINT," "TITAAN," and "CYPEER" software.

Net working capital increased from €3.45 million as of December 31, 2022 to €3.94 million as of June 30, 2023 following an increase in trade receivables related to the growth in sales from major new customers.

The consolidated Net Financial Position as of June 30, 2023 was negative (cash) for €1.37 million compared to negative €1.89 million as of December 31, 2022.

Main significant events during H1 2023

On January 17, 2023, Cyberoo S.p.A. acquired the remaining 49% stake in Cyber Division S.r.l., a company specialized in vulnerability assessment, penetration testing, ethical hacking, and incident response, following the acquisition of a 51% interest on July 27, 2021. At the same time as the acquisition, the company was renamed Cyberoo Docetz S.r.l. and restructured into business units, the main unit specializing and consulting on the definition of incident response plans. A second unit dedicated to Cyber Security & Risk Assessment supports the group's network of resellers and businesses that already have Cyberoo MDR, so as to optimize use of the solution and further reduce any residual risk of cyberattack, thereby continuing to improve cyber security. A third "Compliance" business unit specializes in consulting on protection systems certified according to the ISO 27001 standard, a need that is increasingly in demand in the market and therefore a source of new opportunities for growth.

In February 2023 Gartner Inc., a multinational leader in IT research and advisory services, included Cyberoo in their Market Guide for Managed Detection & Response Services 2023, the most authoritative international guide on advanced cyber security services, naming Cyberoo as a global representative vendor. In addition to the US companies named, the 2023 Market Guide includes just 12 companies in Europe, including Cyberoo, the only business based in Italy.

On April 6, 2023, the board of directors of Cyberoo S.p.A. approved submission to the extraordinary shareholders' meeting of the proposal for a 2-to-1 stock split. The operation was approved on April 27 by the extraordinary shareholders' meeting, and became effective on May 29, 2023. The stock split resulted in a reduction in the nominal value of each share, but had no

effect on the company's share capital or the characteristics of the shares. The proposed split in the 2:1 ratio was made with the market value of the stock in mind with a view to facilitating its trading, fostering greater liquidity and thus making the stock more appealing to a wider range of investors. The approval of the split also resulted in a change in the regulations of the 2019-2023 Cyberoo warrants.

On May 12, 2023 Cyberoo inaugurated its new office in Poland (Cyberoo PL), established at the end of 2022 and, after a short period of time spent hiring and training new resources, integrated into the consolidation scope of Cyberoo S.p.A., of which it is a wholly-owned subsidiary. This is another major i-SOC (Security Operation Center), this one based in Warsaw, where Cyberoo conducts second-level operations with a large group of cyber specialists engaged in supporting the Group's H24 operational structure. With these Polish operations Cyberoo's i-SOC has been reinforced and now consists of three tiers. In addition to the so-called level 0 based on artificial intelligence, there is in fact a 1st level with cyber security analysts in Ternopil in Ukraine, a 2nd tier (the one in Warsaw) with cyber security specialists, and a 3rd with expert cyber security specialists in Italy. The new scalable model ensures further service improvement and supports the continued growth of customers who rely on Cyberoo's MDR services.

On May 22, 2023, Cyberoo approved its first Sustainability Report. It covers fiscal year 2022 and was prepared on a voluntary basis based on a selection of the international "GRI Sustainability Reporting Standards - 2021," according to the "Referenced" reporting option.

On May 31, 2023, Cyberoo entered into a partnership with BNP Paribas Leasing Solutions for the operating lease and financing of CSI and Cypeer, Cyberoo's own top advanced cyber security solutions. The option of using operating leases and financing is especially helpful to small and medium-sized enterprises so they can gain access to medium-term advanced cyber security solutions at a price locked in for three years with monthly or quarterly fee payments.

On June 29, 2023, Cyberoo announced that it joined the CERT circuit (Computer Emergency Response Team) of the Trusted Introducer, the industry's leading international reference. This was made possible by the completion of a rigorous process during which Cyberoo achieved the goals of the "SIM3 (Security Incident Management Maturity Model)" framework dedicated to Listed Organizations. As a CERT, important new opportunities also open up for Cyberoo both with respect to broadening its visibility to companies in need of advice and support, and above all collaboration with other international players to exchange information useful for defining best practices aimed at countering new cyber threats to national and international security. The accreditation earned is contingent on meeting specific requirements such as having a 24-hour operation of the SOC and having demonstrable experience in incident management and infrastructure security posture.

Significant events after June 30, 2023

On August 3, 2023, Cyberoo saw its position among the leaders in global markets confirmed thanks to its innovative MDR (Managed Detection and Response) solutions. This recognition came from two new reports on emerging cybersecurity technologies published by Gartner Inc., a company that provides objective, actionable information to business executives and their teams so they can make faster, smarter decisions and perform better on an organization's mission-critical priorities. In the report "Emerging Tech: Security – Leverage Emerging MDR Trends to Grow Your Security Service Revenue,"¹ Cyberoo is featured as an Example MDR Provider. The study

¹ Gartner, Emerging Tech: Security — Leverage Emerging MDR Trends to Grow Your Security Service Revenue, Travis Lee, June 23, 2023.



"Emerging Tech: Security – Adoption Growth Insights for Managed Detection and Response"² presents insights and data relating to the growth in the adoption of MDR services.

Business Outlook

Notwithstanding the turbulent environment, the second half of the year looks to be positive. The company remains very optimistic about future prospects.

The opening of the new headquarters in Poland represents an important opportunity for Cyberoo's international expansion and a rapid activation of the first partners is expected, so as to start replicating the business model and Go-to-Market strategy in this territory as well.

Major development is also under way for mobile applications that can make collaboration between customers and SOCs even easier. New CSI features are also being developed to make the threat intelligence capability even more robust. Engineering is also ongoing for a major new V-NOC service that will allow a team of experts to proactively anticipate and counter potential threats and be increasingly effective in the emergency response chain.

Other information

Together with the limited audit report of the independent auditors BDO Italia S.p.A., the Consolidated Financial Statements as of June 30, 2023 are available to the public at the company's registered office and on its website.

² Gartner, Emerging Tech: Security — Adoption Growth Insights for Managed Detection and Response, Matt Milone, Travis Lee, Mark Wah, June 30, 2023.

INCOME STATEMENT

Income Statement	06/30/2023	06/30/2022
Revenues from sales and services	7,822,317	5,801,556
Increases in non-current assets for internal work	866,700	750,878
Other revenues and income	103,377	174,573
Value of Production	8,792,393	6,727,007
Raw materials, subsidiary materials, consumables and goods	2,190,101	1,428,458
Services	584,212	874,733
Rental, lease and hire costs	157,006	135,576
Personnel costs	2,786,010	2,279,280
Changes in inventories of raw materials, subsidiary materials and goods	- 47,168	- 12,709
Other operating costs	158,505	96,644
Cost of Production	5,828,665	4,801,982
EBITDA	2,963,728	1,925,025
Amortization, depreciation and write-downs	1,124,060	1,024,993
EBIT	1,839,668	900,032
Financial income and expenses	- 110,957	- 99,798
Adjustments to financial assets	-	-
Earnings before Taxes	1,728,711	800,235
Income taxes	570,227	317,989
Consolidated profit (loss) for the period	1,158,484	482,246
Profit (loss) pertaining to minority interests	-	- 16,958
Attributable to the group	1,158,484	499,204

STATEMENT OF FINANCIAL POSITION

Balance Sheet	06/30/2023	12/31/2022
Intangible Assets	9,598,274	8,431,865
Property, plant & equipment	1,703,931	1,559,745
Non-current Financial Assets	27,268	24,665
Net Non-current Assets	11,329,473	10,016,275
Trade Receivables	9,866,797	10,378,465
Trade Payables	- 2,869,179	- 4,095,284
Other current assets	1,792,255	1,808,550
Other current liabilities	- 4,851,214	- 4,637,339
Net working capital	3,938,658	3,454,392
Provisions for risks and charges	- 36,855	- 24,623
Employee severance indemnities	- 506,543	- 438,098
Other non-current receivables and payables	91,343	143,448

Non-current assets and liabilities	-	452,056	-	319,272
Net invested capital		14,816,076		13,151,395
Share capital		998,401		998,401
Reserves		13,998,472		11,180,972
Cash-flow hedge reserve		33,445		57,260
Profit (Loss) carried forward		-		-
Profit (Loss) for the period		1,158,484		2,787,941
Total consolidated equity		16,188,802		15,024,574
Shareholders' equity attributable to minority interests		-		19,690
Total Shareholders' Equity		16,188,802		15,044,263
Cash and cash equivalents	-	3,723,556	-	4,448,757
Financial payables		2,219,345		2,364,779
Securities		-		-
Non-current trade and other payables		131,485		191,110
Net Financial Position	-	1,372,725	-	1,892,867
Borrowings		14,816,076		13,131,706

NET FINANCIAL POSITION

	06/30/2023	12/31/2022
A Cash and cash equivalents	3,722,043	4,447,224
B Equivalents to liquid assets	1,512	1,532
C Other current financial assets	-	-
D Liquidity (A + B + C)	3,723,556	4,448,757
E Current financial debt	492,628	1,157,952
F Current portion of non-current financial debt	-	-
G Current financial debt (E + F)	492,628	1,157,952
H Net current financial debt (G - D)	- 3,230,928	- 3,290,805
I Non-current financial debt (excluding current portion and debt instruments)	1,726,717	1,206,827
J Debt instruments	-	-
K Non-current trade and other payables	131,485	191,110
L Non-current financial debt (I + J + K)	1,858,202	1,397,937
M Total financial debt (H + L)	- 1,372,725	- 1,892,867

Cyberoo S.p.A.

Cyberoo S.p.A., a company listed on the Euronext Growth Milan stock exchange of Borsa Italiana, is an innovative Reggio Emilia-based SME specialized in cyber security for businesses, intended not only to protect IT systems from external attacks but also to implement a real strategy capable of protecting, monitoring and managing IT ecosystem information. Cyberoo addresses the medium-sized enterprise market with a broad and deep portfolio of enterprise solutions developed using the most advanced technologies and with a value chain that allows it to set prices that are in line with our customers' spending power.



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