ALANTRA
Italian Equity Research

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CYBEROO
Sector: Technology

More Security for the Digital Age

BUY
New Coverage

TP 2.7
New Coverage

Target price upside 86%

Cyberoo is an Italian leading pure-play MDR vendor, combining proprietary platforms with a European-based I-SOC serving over 700 clients. Positioned to benefit from accelerating SME digitalization and EU cyber priorities, the group leverages a recurring, partner-led model and is expanding across Europe. Strong fundamentals support the story with high margins (40% EBITDA) and solid growth (+15.8% sales and EBITDA CAGR 2024-27E). While working capital remains a drag, Sedoc's parent company exposure is decreasing thanks to the group's partners diversification. We initiate coverage with BUY and TP of Eu2.7/share, offering 86% upside.

- The leading MDR vendor in Italy. Established in 2008, Cyberoo has evolved its activity in the last ten years, becoming a major cybersecurity vendor in Managed Detection and Response (MDR). The group offers cutting-edge proprietary solutions to over 700 medium-large enterprises, leveraging an integrated and multi-layered Intelligence Security Operations Center (I-SOC) in Europe. Blending with over 130 cyber experts, Cyberoo excels in around-the-clock detection and proactive response, shielding underserved mid-sized corporates from cyber threats. The R&D-driven approach secured Cyberoo recognition among leading MDR vendors (the only Italian cited in Gartner's Market Guide), a market dominated by US, Russian and Israeli players.
- Recurring sales empowered by a network of strategic partners. CYB's business model offers business visibility (multi-year contracts) with a recurring stream (c. 50% of sales). This is driven by indirect distribution channels with over 100 European partners and several distributors in Italy, Poland, Spain & Portugal, maximising market reach and accelerating go-to-market. Parent company Sedoc, a major CYB's partner, has transitioned from a direct channel to distributor to enhance transparency between the groups. The historical relevant business exposure with CYB, reduced over the years due to network diversification, generated substantial receivables, which are gradually decreasing with a repayment plan foreseeing a cleared position by 27E.
- Digitalization triggers SME cybersecurity adoption. The cybersecurity market is growing rapidly, driven by increasing cyber threats, digital transformation, and stricter regulations. Italy, the 3rd largest market in Europe, is expected to grow at an 11.5% CAGR through 2027, from Eu2bn in 2024, with other European countries catching up at higher rates. The group's proposition perfectly fits within current EU priorities in defence and cybersecurity adoption. We believe Cyberoo should continue to reap the benefits of an underpenetrated market, leveraging its end-to-end ownership of MDR activity, a competitive edge in our view.
- Hacking growth in new regions with M&A and network enhancement. Cyberoo is well-positioned for growth across several strategic regions. This includes reinforcing its leadership in cybersecurity solutions within existing markets by enhancing its distribution network and driving continuous innovation, expanding into new European regions (also via M&A), and launching new technological solutions (with a new SaaS product expected to launch this year).
- A high profitable tech-company. Cyberoo has experienced remarkable net sales growth (+28% 2019-24 CAGR, all organic). We expect CYB to deliver a +15.8% sales and EBITDA CAGR (FY24A-27E), underpinned by MDR solutions and geographical expansion with an attractive EBITDA margin of c. 40%. The group should consistently exceed the "Rule of 40" (55% average), reaching Eu35.5mn in sales and Eu15.1mn in EBITDA by 2027. The R&D-driven model is evident, with capex/sales expected to average around 19% (in line historically). We expect NWC to remain structurally relevant (average 328 DSO), with substantial credit exposure requiring close monitoring due to a shift in licence payment terms, from upfront to instalments aligned with the licence lifespan, partly offset by the gradual reduction in Sedoc's receivables.
- We initiate coverage with BUY, TP of Eu2.7/s. Listed in October 2019, Cyberoo's stock has gained 34% since IPO, outperforming the FTSE Italian Mid Cap index, despite recent extreme pressure on the share price. We see no direct listed comparable in Italy. For valuation purposes, we reference US-based MDR peers, acknowledging the need for a discount due to structural valuation and market differences. To better capture Cyberoo's strong cash generation, we rely primarily on a 7-year DCF (70% weight), assuming a 10.5% WACC and 2.0% g. The weighted average of both methods yields a TP of Eu2.7/share, implying 86% upside.

Ticker (BBG, Reut)	CYB IM	CYB.MI
Share price Ord. (Eu)		1.5
N. of Ord. shares (mn)		41.2
Total N. of shares (mn)		41.2
Market cap (Eu mn)		60
Total Market Cap (EU mn)		60
Free Float Ord. (%)		39%
Free Float Ord. (Eu mn)		23
Daily AVG liquidity Ord. (Eu k)		77

	1M	3M	12M
Absolute Perf.	-13.2%	-27.0%	-56.5%
Rel.to FTSEMidCap	-6.6%	-25.2%	-59.7%
52 weeks range		1.5	3.5

	FY24A	FY25E	FY26E
Sales	23	27	31
EBITDA adj.	9.7	11.2	12.9
Net profit adj.	4.4	4.9	5.7
EPS adj.	0.106	0.119	0.138
DPS - Ord.	0.000	0.000	0.000
EV/EBITDA adj.	5.4x	4.5x	3.7x
P/E adj.	12.2x	10.5x	8.8x
Dividend yield	0.0%	0.0%	0.0%
FCF yield	1.3%	3.2%	3.9%
Net debt/(Net cash)	(0.0)	(0.8)	(2.7)
Net debt/EBITDA	nm	nm	nm

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Summary Financials (ITA GAAP)

P&L account (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Net Sales	20.0	22.8	26.6	30.7	35.5
Total Revenues	22.0	25.0	28.8	32.8	37.6
EBITDA reported	9.3	9.7	11.2	12.9	15.1
D&A	(3.2)	(3.3)	(3.7)	(4.3)	(4.9)
EBIT reported	6.1	6.5	7.5	8.6	10.2
Net financial charges	(0.4)	(0.2)	(0.4)	(0.4)	(0.4)
Associates	0.0	0.0	0.0	0.0	0.0
Extraordinary items	0.0	0.0	0.0	0.0	0.0
Pre-tax profit	5.7	6.2	7.1	8.2	9.8
Taxes	(1.7)	(1.9)	(2.1)	(2.5)	(3.0)
Minorities	0.0	0.0	0.0	0.0	0.0
Discontinued activities	0.0	0.0	0.0	0.0	0.0
Net profit reported	4.0	4.4	4.9	5.7	6.8
EBITDA adjusted	**9.3**	**9.7**	**11.2**	**12.9**	**15.1**
EBIT adjusted	**6.1**	**6.5**	**7.5**	**8.6**	**10.2**
Net profit adjusted	**4.0**	**4.4**	**4.9**	**5.7**	**6.8**

Margins (%)	FY23A	FY24A	FY25E	FY26E	FY27E
First margin	nm	nm	nm	nm	nm
EBITDA margin	42.2%	38.9%	39.0%	39.2%	40.1%
EBITDA margin (adj)	42.2%	38.9%	39.0%	39.2%	40.1%
EBIT margin	27.6%	25.9%	26.0%	26.2%	27.1%
EBIT margin (adj)	27.6%	25.9%	26.0%	26.2%	27.1%
Net profit margin	18.0%	17.5%	17.2%	17.4%	18.2%
Net profit margin (adj)	18.0%	17.5%	17.2%	17.4%	18.2%

Growth rates (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Sales	28.7%	14.1%	16.5%	15.2%	15.7%
EBITDA	37.8%	4.7%	15.4%	14.6%	17.3%
EBITDA adjusted	37.8%	4.7%	15.4%	14.6%	17.3%
EBIT	39.8%	6.4%	15.6%	14.9%	18.6%
EBIT adjusted	39.8%	6.4%	15.6%	14.9%	18.6%
Pre-tax	38.5%	9.8%	13.5%	15.8%	19.5%
Net profit	42.2%	10.4%	12.8%	15.8%	19.5%
Net profit adjusted	42.2%	10.4%	12.8%	15.8%	19.5%

Per share data	FY23A	FY24A	FY25E	FY26E	FY27E
Shares	41.42	41.42	41.42	41.42	41.42
N. of shares AVG	41.42	41.42	41.42	41.42	41.42
N. of shares diluted AVG	41.22	41.22	41.22	41.22	41.22
EPS	**0.10**	**0.11**	**0.12**	**0.14**	**0.16**
EPS adjusted	**0.10**	**0.11**	**0.12**	**0.14**	**0.16**
DPS - Ord.	**0.00**	**0.00**	**0.00**	**0.00**	**0.00**
DPS - Sav.	0.00	0.00	0.00	0.00	0.00
BVPS	0.49	0.60	0.72	0.86	1.02

Enterprise value (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Share price Ord. (Eu)	2.86	3.01	1.45	1.45	1.45
Market cap	118.3	124.8	60.1	60.1	60.1
Net debt/(Net cash)	(3.9)	(0.0)	(0.8)	(2.7)	(5.1)
Adjustments	0.6	0.8	0.9	1.0	1.1
Enterprise value	115.0	125.6	60.1	58.3	56.1

Source: Company data, Alantra estimates

Cash flow (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
EBITDA reported	9.3	9.7	11.2	12.9	15.1
Net financial charges	(0.4)	(0.3)	(0.4)	(0.4)	(0.4)
Cash taxes	(1.7)	(1.9)	(2.1)	(2.5)	(3.0)
Ch. in Working Capital	(2.3)	(6.0)	(2.6)	(2.5)	(3.2)
Other Op. items	0.0	0.1	0.1	0.1	0.1
Operating cash flow	**4.9**	**1.7**	**6.2**	**7.6**	**8.6**
Capex	(4.7)	(5.5)	(5.4)	(5.6)	(6.3)
FCF	**0.2**	**(3.8)**	**0.8**	**1.9**	**2.4**
Disposals/Acquisitions	0.3	0.2	0.0	0.0	0.0
Changes in Equity	1.5	0.0	0.0	0.0	0.0
Others	(0.1)	(0.3)	0.0	0.0	0.0
Dividends	0.0	0.0	0.0	0.0	0.0
Ch. in NFP	**2.0**	**(3.8)**	**0.8**	**1.9**	**2.4**

Ratios (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Capex/Sales	**23.3%**	**24.0%**	**20.3%**	**18.4%**	**17.7%**
Capex/D&A	1.5x	1.7x	1.4x	1.3x	1.3x
FCF/EBITDA	2.2%	-38.8%	6.9%	15.0%	15.6%
FCF/Net profit	5.1%	-86.2%	15.6%	33.8%	34.4%
Dividend pay-out	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

Balance sheet (Eu mn)	FY23A	FY24A	FY25E	FY26E	FY27E
Working capital	5.8	11.9	14.6	17.1	20.3
Fixed assets	11.4	13.7	15.3	16.7	18.1
Provisions & others	(0.6)	(0.7)	(0.8)	(1.0)	(1.1)
Net capital employed	**16.7**	**24.9**	**29.0**	**32.8**	**37.3**
Net debt/(Net cash)	**(3.9)**	**(0.0)**	**(0.8)**	**(2.7)**	**(5.1)**
Equity	20.5	24.9	29.8	35.5	42.3
Minority interests	0.0	0.0	0.0	0.0	0.0

Ratios (%)	FY23A	FY24A	FY25E	FY26E	FY27E
Working capital/Sales	**29.2%**	**52.3%**	**54.7%**	**55.8%**	**57.3%**
Net debt/Equity	**nm**	**nm**	**nm**	**nm**	**nm**
Net debt/EBITDA	**nm**	**nm**	**nm**	**nm**	**nm**

Valuation	FY23A	FY24A	FY25E	FY26E	FY27E
EV/CE	**6.7x**	**4.9x**	**2.0x**	**1.7x**	**1.5x**
P/BV	5.8x	5.0x	2.0x	1.7x	1.4x
EV/Sales	5.7x	5.5x	2.3x	1.9x	1.6x
EV/EBITDA	12.4x	12.9x	5.4x	4.5x	3.7x
EV/EBITDA adjusted	**12.4x**	**12.9x**	**5.4x**	**4.5x**	**3.7x**
EV/EBIT	18.9x	19.4x	8.0x	6.8x	5.5x
EV/EBIT adjusted	**18.9x**	**19.4x**	**8.0x**	**6.8x**	**5.5x**
P/E	29.8x	28.5x	12.2x	10.5x	8.8x
P/E adjusted	**29.8x**	**28.5x**	**12.2x**	**10.5x**	**8.8x**
ROCE pre-tax	39.6%	30.2%	26.9%	27.0%	28.2%
ROE	**19.3%**	**17.6%**	**16.6%**	**16.1%**	**16.1%**
EV/FCF	570.0x	-33.3x	78.0x	30.2x	23.9x
FCF Yield	**0.2%**	**-3.0%**	**1.3%**	**3.2%**	**3.9%**
Dividend Yield	**0.0%**	**0.0%**	**0.0%**	**0.0%**	**0.0%**

Strengths

The leading Italian cybersecurity vendor in MDR solutions

State-of-the-art infrastructure with a proprietary I-SOC for 24/7 cyber support

A capillary European netowrk of +100 partners in Italy, Poland, Spain and Portugal

Weaknesses

High level of receivables might entangle FCF generation

Relevant business exposure to parent company Sedoc

Limited geographical reach

Opportunities

Untapped growth potential in the medium-size enterprises arena

NIS2 regulation is set to trigger EU cybersecurity adoption

Internationalisation and M&A to accelerate growth

Threats

Shortage of skilled ethical hackers

Technology advancements may introduce competitive pressure

International M&A execution risk

Key shareholders

Cyberoo Global* - 54.4%

Sedoc Digital Group** - 4.35%

Fabio Leonardi - 2.78%

Market float - 36.89%

Management

Fabio Leonardi - CEO

Massimo Bonifati - Chairman

Samuele Puggioninu - CFO

Veronica Leonardi - CMO & IR

Next events

AGM: 28/04/225

1H25 results: 25/09/25

1H25 results' investors ccall: 26/09/25

*:Cyberoo Global is fully owned by Sedoc Digital Group; **:Mr. Fabio Leonardi holds 65% stake; Mr. Massimo Bonifati 15%, and Davide Cignatta 20%

Executive Summary

Cyberoo is a leading Italian player in the Managed Detection and Response space, with a proprietary platform supported by a multi-layered European-based I-SOC. The company serves over 700 mid-to-large enterprises, positioning itself as a key enabler of cybersecurity adoption among underpenetrated SME, particularly in light of accelerating digitalisation, increasing regulatory pressure, and rising cyber threats. The group operates a scalable, high-visibility business model, with approximately 50% of revenues recurring and distributed via a broad partner network across Italy, Spain, Poland, and Portugal. Continued diversification away from legacy exposure to Sedoc, the parent company and historical anchor client, further enhances transparency and business independence. Cyberoo combines strong growth prospects with a high-margin profile, consistently exceeding the Rule of 40 in the coming years. We initiate coverage with BUY and TP of Eu2.7/share (86% upside) derived from our DCF method (70% weight) and relative valuation (30%).

The leading Italian MDR vendor

Cyberoo (CYB) is an Italian cybersecurity vendor, specialised in Managed Detection and Response (MDR) activities. With Eu22.8mn in sales in 2024, Cyberoo supports over 700 clients, leveraging the underpenetrated segment of medium enterprises by providing a wide range of cybersecurity services and technology. CYB pivots on skilled cyber professionals and AI technology for proactive threat detection, real-time monitoring, and rapid incident response to protect organisations from cyber threats (80% of sales). The group completes its offering with managed services activities (20%), providing best-in-class IT infrastructure solutions and digital transformation (c. 1%). Established in 2008 as a reseller of IT devices, the group has scaled its cybersecurity activity, investing in proprietary technologies and becoming the only MDR vendor in Italy recognised by Gartner Market Guide. The group's activity spans across five locations in Europe and is supported by a state-of-the-art infrastructure (two data Centers, in Milan and Warsaw) and over 130 cybersecurity specialists that ensure efficient 24/7 monitoring within the Intelligence Security Operations Centers (I-SOCs) across Europe. Moreover, Cyberoo boasts a technological hub in Ukraine that allows it to develop cybersecurity solutions, leveraging Ukraine's recognised excellence in the field.

Cyberoo: Company overview

Cyberoo is an Italian vendor of cybersecurity services, specialized in the Managed, Detect and Response (MDR) activity

Source: Cyberoo, Alantra

A wide distribution network and recurring sales model

Cyberoo's business model ensures a high degree of top-line visibility, supported by predefined multi-year contract periods, recurring revenues (c. 50% of sales), and the "lock-in" nature of its services, which drive high client loyalty with a low churn rate of 1.5%. The company also benefits from robust cross-selling and up-selling capabilities, leveraging its comprehensive cybersecurity suite to expand customer lifetime value. In recent years, Cyberoo has been able to significantly expand its market reach and time-to-market, thanks to a well-established network of 92 partners in Italy and rising coverage in Poland and Spain, which allows for accelerated market penetration and quicker time-to-market. Cyberoo also operates through distributors to expand market reach and increase distribution efficiency. Cyberoo's end-client base consists of 700+ mid-to-large enterprises, with a strong focus on medium-sized companies, a segment that is severely underserved, with strong untapped growth potential, driven by rising cybersecurity adoption and increasing regulatory requirements (e.g., NIS2).

Innovation, capillary distribution and medium-size clients focus

Revenues are generated thanks to a structured commercial team, product innovation, and partners for faster go-to-market

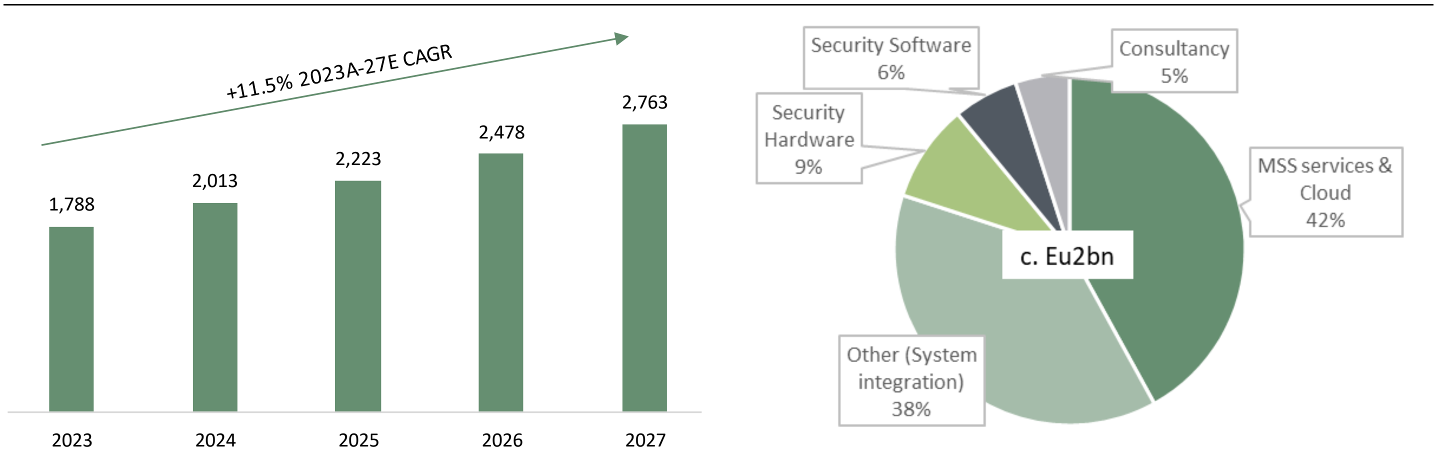
Source: Alantra

Untapped growth potential in the Cybersecurity arena

As digitization keep its fast peace growth, digital assets are becoming increasingly critical across industries and scale, rising concerns over the imperative for cybersecurity adoption. Following the embracing from early-bird industries in critical sectors (e.g. Banking and Healthcare) and large companies, today cybersecurity is a key centric theme for many industries, also within the small-mid space. The cybersecurity market continues its strong growth trajectory, fuelled by rising cyber threats, digital transformation, and stringent regulatory requirements. Italy ranks as the third-largest cybersecurity market in Europe after Germany and France, with an estimated market size of approximately Eu2bn in 2024 and projected annual growth 11.5% CAGR till 2027E. This expansion is primarily driven by increasing cyberattacks, a growing awareness of digital risks, and the implementation of stricter security regulations such as NIS2. We believe that Cyberoo has a strong market positioning in Italy, benefitting from its solid track-record, proprietary technology, internal SOC and cybersecurity experts. These features allow Cyberoo to offer flexibility and proximity to clients, a competitive edge compared to large vendors and Italian system integrators with lack of proprietary technology.

Investments in Cybersecurity in Italy (LHS, Eubn) and market segmentation (RHS, %)

The Italian cybersecurity market is expected to grow at 11.5% CAGR 2023-27E, reaching over 2.7bn in 2027



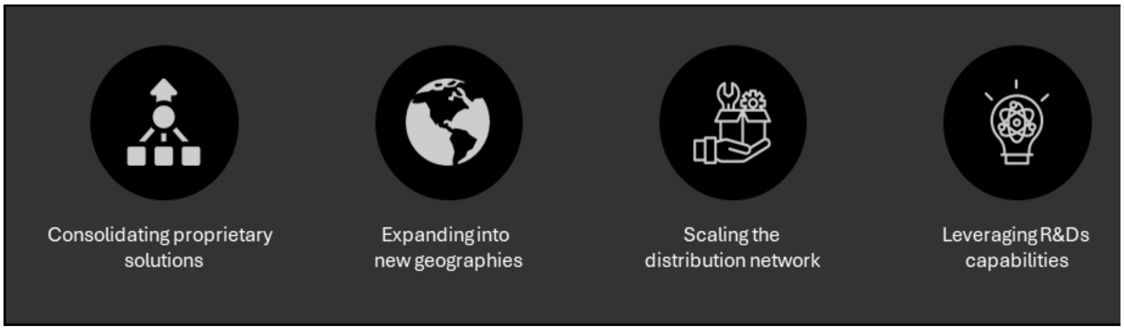
Source: Alantra on NetConsulting Cube and Anitec-Assinform

Internationalization, product innovation and M&A

Cyberoo is set to accelerate growth across key strategic pillars: (1) consolidating its leadership in cybersecurity solutions within existing markets; (2) expanding into new geographies, through M&A of small MDR or the integration of specialised consultancy firms; (3) strengthening and scaling its distribution network; and (4) launching new technology solutions, leveraging its robust R&D capabilities to drive innovation.

Growth strategy key pillars

A diverse mix of actions brings to a sophisticated growth plan



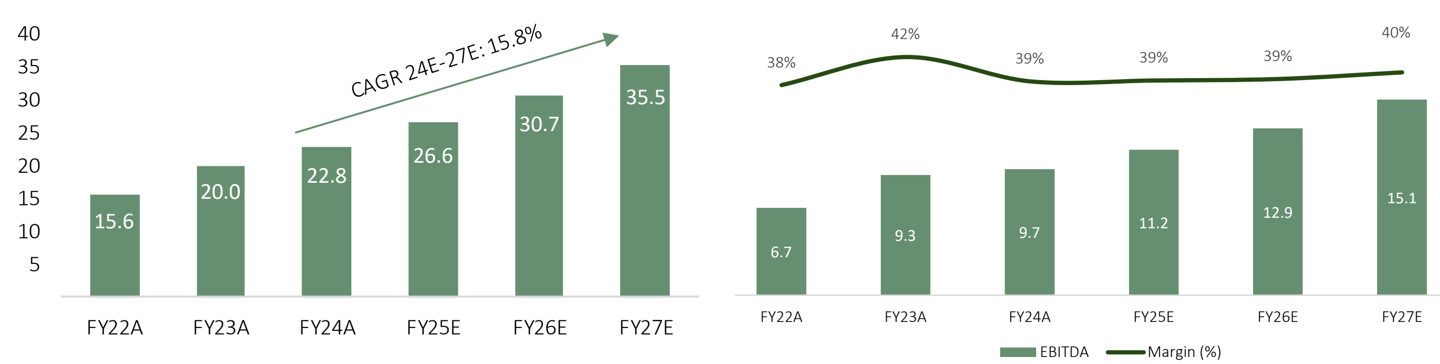
Source: Alantra

15.8% FY24A-27E CAGR in sales and EBITDA

Cyberoo has experienced a remarkable net sales growth (+28% 2019-24 CAGR; all organic), mainly driven by relevant expansion from the MDR business line. The group is expected to benefit from its R&D department with new upcoming solutions and by pivoting on new strategic partnerships, supporting a solid business growth trajectory in the mid-teens range. We expect the entrance in Spain and ongoing presence in Poland to weigh on 2025 sales at around 2% of total sales. All in all, we expect net sales to grow by 15.8% FY24A-27E CAGR (+18% CAGR in Cybersecurity division), reaching Eu35.5mn in 2027. EBITDA should also climb by +15.8% FY24A-27E CAGR to Eu15.1mn, maintaining a solid EBITDA margin of 39.4%, on average, benefitting from a sales-mix skewed to MDR solutions. This should allow Cyberoo to consistently surpassing the rule of 40, averaging 55% in FY24A-27E, highlighting an attractive profitability and sales growth profile of a technology company. Adj. EBIT and adj. net profit should land in the region of Eu10.2mn/27.1% margin and Eu6.8mn/18.2%.

Net Sales by division (LHS) and EBITDA (RHS) evolution (FY22A-27E, Eu mn)

We expect Cyberoo to post a +15.8% FY24-27E CAGR in net sales. EBITDA should also increase by +15.8% FY24-27E CAGR to Eu15.1mn



Source: Company data, Alantra estimates

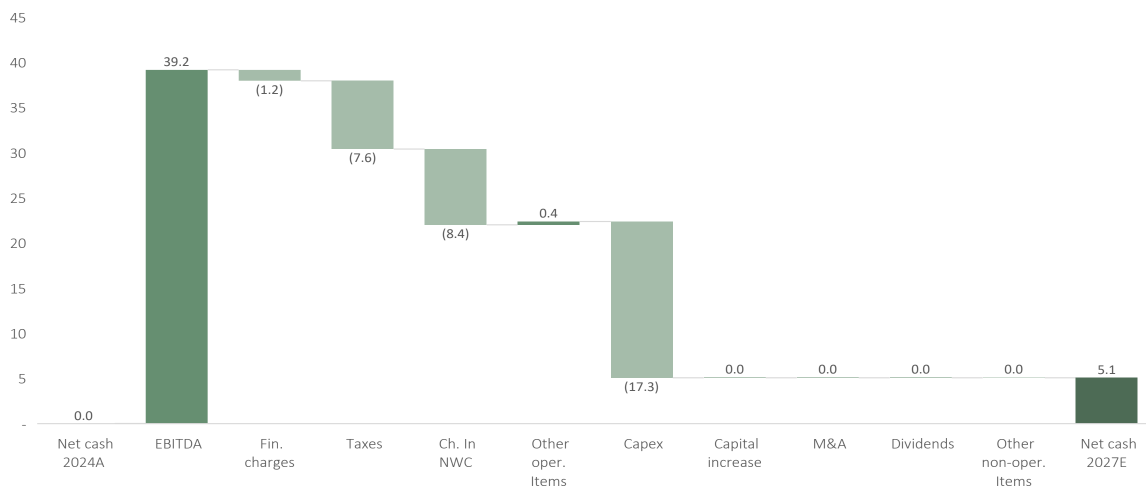
Capex & NWC discipline determinate BS strength

The group has historically allocated more than 20% of sales to capex, primarily related to the development of products and solutions in the cybersecurity space. We expect this ratio to remain sustained, given the R&D-

driven strategy of the group, projecting capex/sales at 18.8% on average for FY24A-27E. Net working capital is expected to remain structurally relevant (over 25% of sales historically), primarily due to substantial credit exposure to its parent company, Sedoc, which is gradually being reduced and expected to be eliminated within 3 years. However, a substantial increase in receivables is expected to persist, as the group is undergoing a shift in licence payment terms, with clients moving from upfront payments to instalments—reducing advances accordingly. As such, we expect DSO to increase further from 318 in 2024 to 328 by 2027. All in all, we expect FCF to generate a combined Eu5.1mn over the next 3 years, with an average conversion rate of over 12%. The combination of a sustainable level of fixed assets and a double-digit EBIT margin should support an uptick in ROCE, from 17.6% in FY24A to 18.5% in FY27E. While not included in our estimates, we believe that M&A should be instrumental in enhancing the group's international growth path.

2024A-27E Net cash bridge

We expect Cyberoo to increase its net cash position to Eu5.1mn in 2027E from breakeven level in 2024, despite Eu17.3mn combined capex and Eu8.4mn NWC absorption in FY25E-27E.



Source: Company data, Alantra estimates

Valuation: TP of Eu2.7/share

Listed in October 2019, Cyberoo's stock price has risen by 34% since the IPO, outperforming the FTSE Italian Mid Cap index, which grew steadily over the same period, despite recent sharp pressure on CYB's shares. In our view, there are no direct listed comparable operating in the Italian market, which is primarily populated by system integrators. However, to establish a valuation benchmark, we analysed the multiples of companies developing complementary services and products within the MDR industry. These players are mainly based in the USA, such as Crowdstrike, Qualys and SentinelOne, among others. However, relying on US tech valuations highlights a structural discrepancy with European markets due to differences in size, liquidity, maturity, and capital structure. To account for this, we apply a 35% discount to relative valuation multiples, reflecting the 10Y historical discount of listed EU tech players vs US peers. We use the FY25-26E EV/EBITDA ratio as a relative valuation metric. Cyberoo trades at 5.4x-4.5x 2025-26E EV/EBITDA, representing an average 71% discount to cybersecurity peers. We believe this valuation gap is unjustified given Cyberoo's best-in-class profitability and expected growth rates in line with selected peers median Investors should also consider our DCF analysis to better capture the group's robust free cash flow profile. In our 7-year DCF valuation, we assume a 10.5% WACC and a 2.0% terminal growth rate. Given the current volatility in US tech valuations, we view the DCF method as the primary value anchor for CYB and assign it a 70% weighting. This yields a target price of Eu2.7/share, implying 86% upside.

SOTP

Our DCF (70% weight) and peers multiple (30%) valuation methods yield a TP of Eu2.7/share

Method	Equity Value		
	(Eu mn)	(Eu per share)	Weight (%)
DCF	104.3	2.5	70%
Peers FY25-26E EV/EBITDA	133.2	3.2	30%
Weighted AVG	112.9	2.7	
N. of shares (mn)			41.2

Source: Alantra

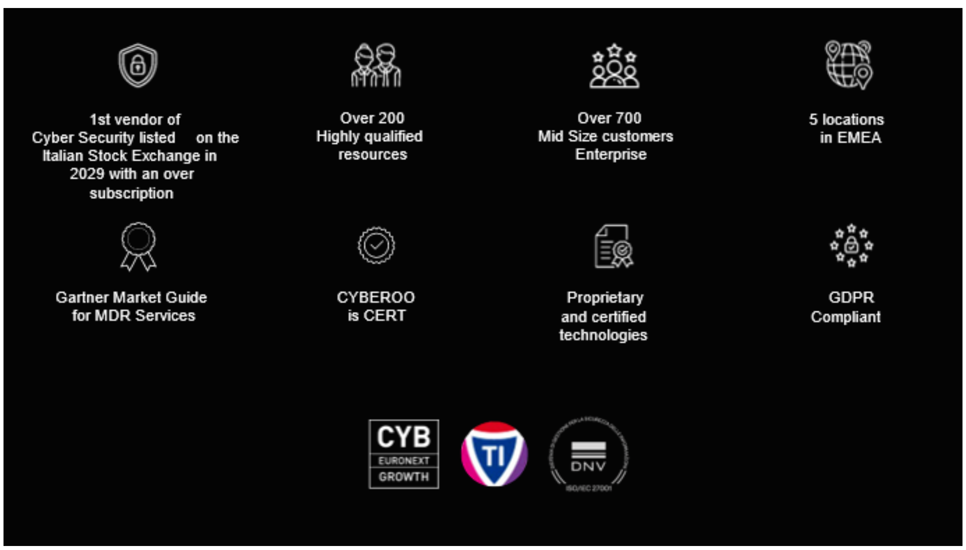
Main risks. We believe that the main risks related to Cyberoo's business can be summarised in the following factors: 1) High level of receivables pressures FCF generation capability; 2) Business exposure to parent company Sedoc; 3) Limited geographical diversification; 4) Shortage of skilled professionals in cybersecurity; 5) Execution risk on scalable platforms; 6) Operational exposure to Ukraine; 7) Scalability and international market penetration risk; 8) Dependency on few key people.

The leading Italian MDR vendor

Cyberoo (CYB) is an Italian cybersecurity vendor, specialised in Managed Detection and Response (MDR) activities. With Eu22.8mn in sales in 2024, Cyberoo supports over 700 clients, leveraging the underpenetrated segment of medium enterprises by providing a wide range of cybersecurity services and technology. CYB pivots on skilled cyber professionals and AI technology for proactive threat detection, real-time monitoring, and rapid incident response to protect organisations from cyber threats (80% of sales). The group completes its offering with managed services activities (20%), providing best-in-class IT infrastructure solutions and digital transformation (c. 1%). Established in 2008 as a reseller of IT devices, the group has scaled its cybersecurity activity, investing in proprietary technologies and becoming the only MDR vendor in Italy recognised by Gartner Market Guide. The group's activity spans across five locations in Europe and is supported by a state-of-the-art infrastructure (two data Centers, in Milan and Warsaw) and over 130 cybersecurity specialists that ensure efficient 24/7 monitoring within the Intelligence Security Operations Centers (I-SOCs) across Europe. Moreover, Cyberoo boasts a technological hub in Ukraine that allows it to develop cybersecurity solutions, leveraging Ukraine's recognised excellence in the field.

Cyberoo: Company overview

Cyberoo is an Italian vendor of cybersecurity services, specialized in the Managed, Detect and Response (MDR) activity



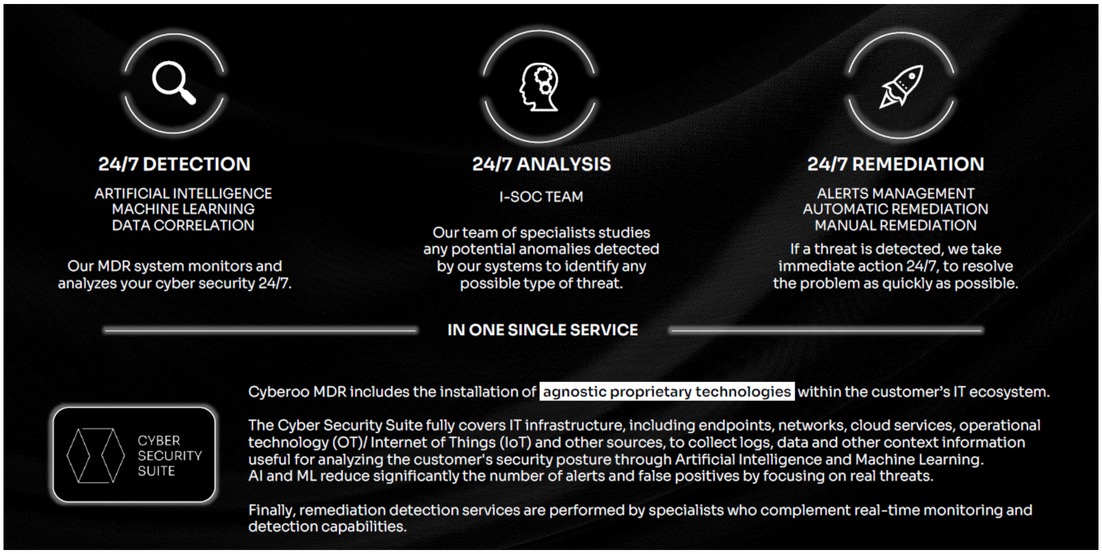
Source: Cyberoo, Alantra

The Italian MDR specialist (80% of FY24 sales)

Cyberoo provides a comprehensive MDR service offering, structured around three core activities: (1) Detection, (2) Analysis, and (3) Remediation. These services operate 24/7, combining proprietary technology with skilled human expertise. The group leverages AI, machine learning, and data correlation to ensure continuous protection, while cyber specialists analyse potential threats. Once a threat is detected, Cyberoo's service can remediate it through either automatic or manual intervention, ensuring rapid issue resolution. This is possible thanks to the Cyberoo's agnostic, proprietary technologies within the customer's IT ecosystem, enabling a dedicated Cyberoo rescue chain.

Cybebroo's MDR service

24/7 Detection, analysis, and remediation to SMEs for 360-degree cyber protection



Source: Cyberoo presentation

I-SOC is at the core of CYB's offering

Cyberoo's Intelligence Security Operations Center (I-SOC) is the backbone of its Managed Detection & Response (MDR) services. It is designed to offer 24/7/365 security monitoring through a multi-layered architecture that ensures end-to-end cybersecurity protection. Staffed by highly specialised professionals with vertical expertise across the cybersecurity spectrum, the SOC reflects a clear strategic vision: assemble a globally distributed team capable of delivering continuous, high-performance security services.

The SOC is structured across three progressive tiers (i-SOC, h-SOC, and α-SOC), each tailored to handle different levels of incident complexity and response time (SLA). This layered approach enables effective case triaging, ensures optimal resource allocation, and maximises response efficiency. The group also integrates a "Tier 0" detection and recognition activity that is fully automated and AI-driven. Its role is to distinguish between genuine alarms and false positives, thereby exponentially enhancing the effectiveness of the other tiers. The three layers are as follows:

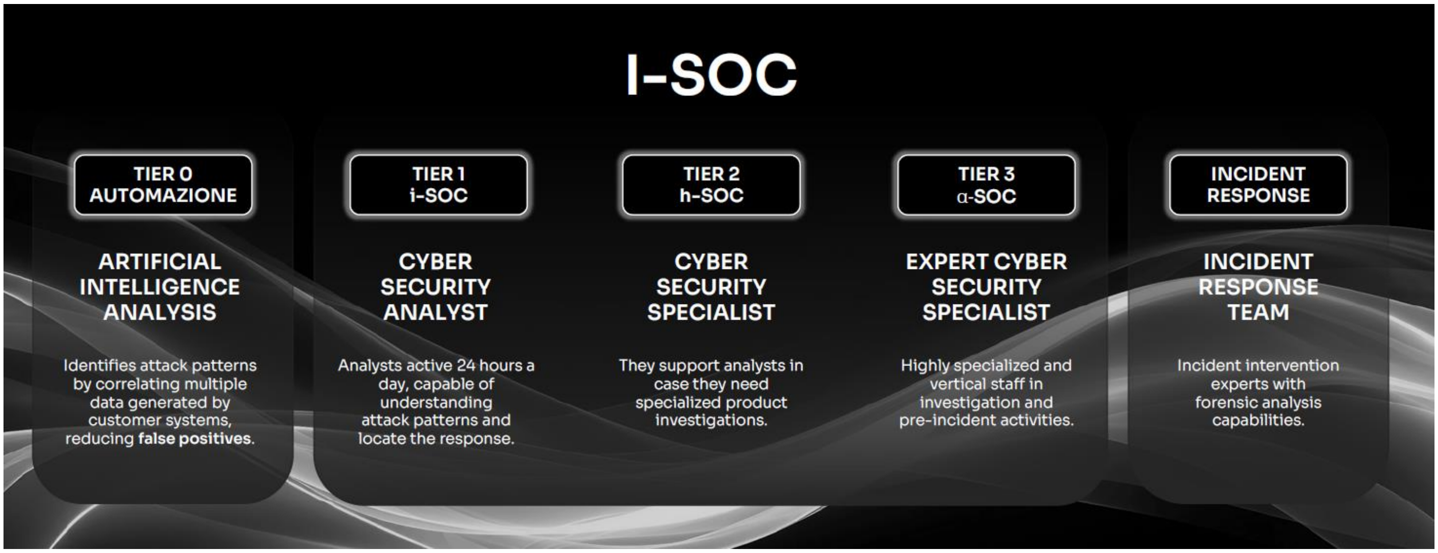
- **1st level: Intelligence SOC (i-SOC; Ternopil, Ukraine):** This is the first-level human intervention, handling cases escalated from Tier 0 AI detection. It resolves most incidents before escalation, focusing on real-time alert management and initial threat containment. Based in Ternopil, it handles approximately 80% of incoming events. This level relies on real-time monitoring, automation, and predefined playbooks, ensuring fast and accurate mitigation of standard security events such as unauthorised access attempts, behavioural anomalies, and suspicious activity. The focus is on reducing time to resolution and minimising risk.

- **2nd level: Hyper SOC (h-SOC; Warsaw, Poland):** Located in Poland, this unit takes over when cases require deeper investigation or exceed first-level handling thresholds. This center is specialised by threat verticals, providing expertise in advanced cyberattack strategies and breach containment, and develops customised defence strategies based on emerging cyberattack patterns. It employs advanced analytics and threat hunting methodologies to detect complex attacks and Advanced Persistent Threats (APTs). Unlike the reactive nature of Tier 1, the h-SOC applies a proactive investigative model to surface hidden attack patterns and potential breaches that may bypass traditional defences.

- **3rd level: α-SOC (Advanced SOC; Reggio Emilia, Italy):** Engages in critical incidents and high-risk threat mitigation when an attack risks transforming into a major breach. Performs reverse engineering of threats, in-depth forensic investigations, and emergency response actions. Based in Reggio Emilia (Italy), this is the strategic command layer focused on the most critical and sophisticated incidents. The α-SOC supports clients through the entire incident lifecycle, including remediation. Its activities include root cause analysis, tailored reporting, and strategic oversight of containment and recovery processes, positioning it as the final authority for client security assurance.

Cyberoo's I-SOC multi-tier security framework

A combination of AI-driven analysis and expert professionals for a 24/7/365 security monitoring



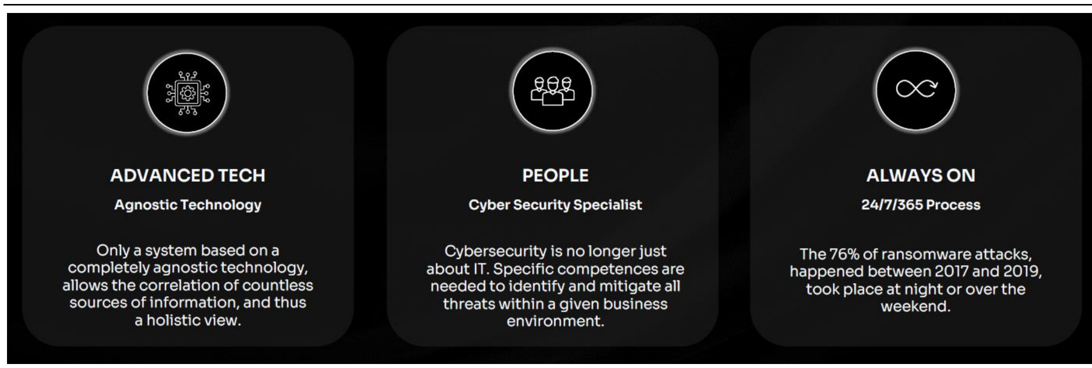
Source: Cyberoo presentation

An international and cost-effective force of cyber experts

Cyberoo's MDR activity relies on cutting-edge technology, highly skilled ethical hackers, and continuous ('always on') service. This strategic approach ensures operational efficiency while delivering mission-critical remediation that requires expert human intervention, creating strong synergies between machine intelligence and human expertise.

Advance Tech, People and Service

Technology and human expertise work in synergy to deliver best-in-class MDR services.

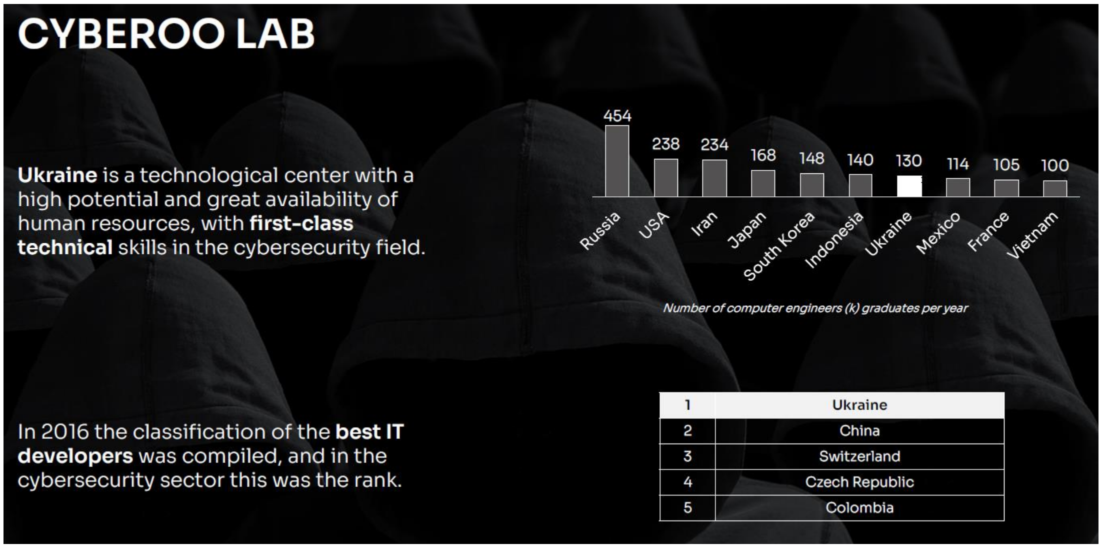


Source: Cyberoo presentation

A workforce of cyber experts across Europe. The company operates a flexible and efficient cost structure, leveraging a balanced mix of expertise across its I-SOCs in Italy, Ukraine, and Poland, totalling over 130 professionals. While advanced research and threat mitigation are driven from Italy, the company enhances operational efficiency by maintaining key hubs in Ternopil and Warsaw, where experienced Tier 1 and Tier 2 SOC analysts provide continuous security monitoring. The group entered Ukraine in 2016, building a strong base of highly skilled cybersecurity professionals, initially through its Kiev lab and later expanding to Ternopil. This decision was driven by the country's deep talent pool, with over 130,000 engineering graduates annually, including 16,000 specialised in IT, the highest in Europe and seventh globally. Additionally, Ukraine ranks among the world's top cybersecurity hubs, with its developers securing first place in cybersecurity expertise.

Cyberoo lab: leveraging Ukraine's top-tier cybersecurity talent

Harnessing elite IT expertise for advanced threat intelligence

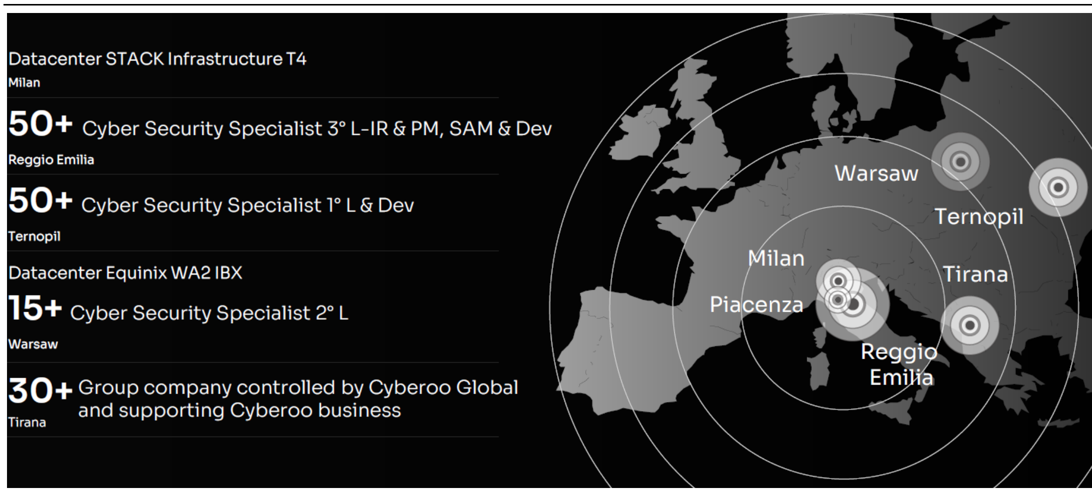


Source: Cyberoo presentation

We believe Cyberoo's current workforce provides room for further operating leverage, driven primarily by: 1) the increasing sophistication of AI tools, which are progressively reducing workloads; and 2) a stable base of recurring clients with long-standing relationships, which helps streamline operations and reduce effort over time. Over the years, the group has expanded its footprint alongside its infrastructure of best-in-class server farms located in Milan (Tier 4) and Warsaw (Equinix WA2 IBX).

Cyberoo's Global Cybersecurity & Data Center Network

Strategic MDR hubs supporting operations across Europe



Source: Cyberoo presentation

A comprehensive cybersecurity suite

Cyberoo's Cybersecurity & Service business relies on two flagship MDR solutions:

- *Cypeer (CY):* An advanced intelligent detection platform that **collects, correlates, and analyses security data from the client's IT infrastructures**, preventing potential threats and system breaches. This service aggregates and correlates events from existing security devices within the IT ecosystem, offering a tailored, machine-specific analysis for each component of the infrastructure. Any identified threats are promptly assessed by the 24/7 I-SOC, which not only flags the issues but also provides recommended remediation steps to resolve them efficiently. Leveraging AI-driven automation and behavioural analytics, Cypeer enables proactive response from cyber-attacks and seamlessly integrates with Cyberoo's I-SOC, ensuring multi-tiered cybersecurity intervention. This advanced solution has a higher initial implementation effort from the CYB team compared to the CSI solution due to a more complex integration with enterprise IT systems (2.5 months on average).
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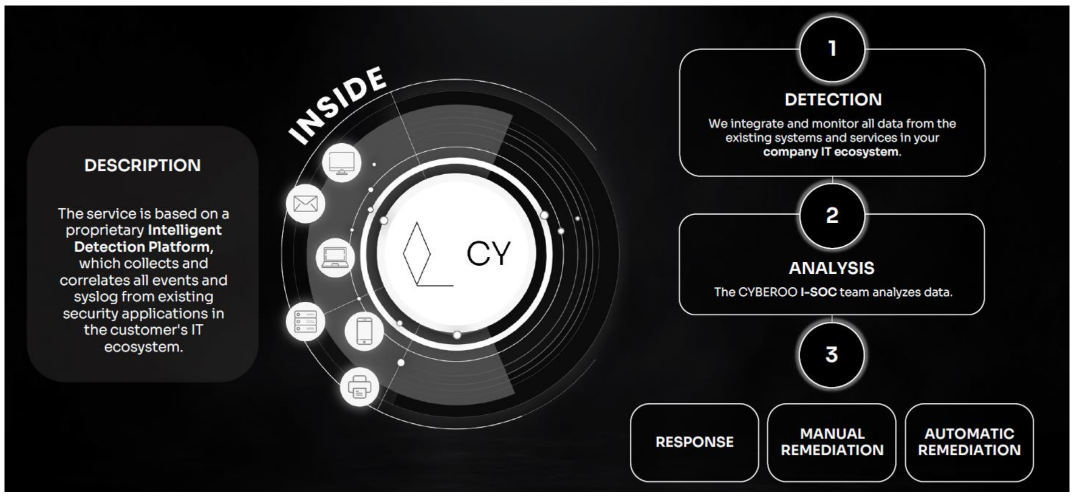
Cypeer: Next Gen Intelligent Detection Platform

Cypeer manages internal security



Source: Cyberoo presentation

Cypeer: scalable MDR solutions with tiered protection

The Cypeer service consists of four MDR solutions: 1) Dek, 2) Sonic, 3) Keera, and 4) Keera+, each offering shares the same detection capabilities but varies in response automation and remediation methods to cater to different cybersecurity needs. These solutions integrate directly with Cyberoo's I-SOC, ensuring a tiered approach to cybersecurity intervention. Licensed to clients, it includes a one-time setup and service fee, with contract durations ranging from 1 to 5 years. The layered offering allows for strong cross-selling and upselling opportunities, with CY Keera+ being the most advanced and premium service available. The four solutions are as follows:

1. **CY Dek** is the **entry-level Cypeer platform**, ensuring full I-SOC integration across all three tiers with manual remediation managed by the client or the partner, excluding certified Cyberoo rescue chain. It provides multi-channel contact support but lacks automated incident resolution, making it **suitable for companies seeking SOC-driven threat detection without automatic intervention.**

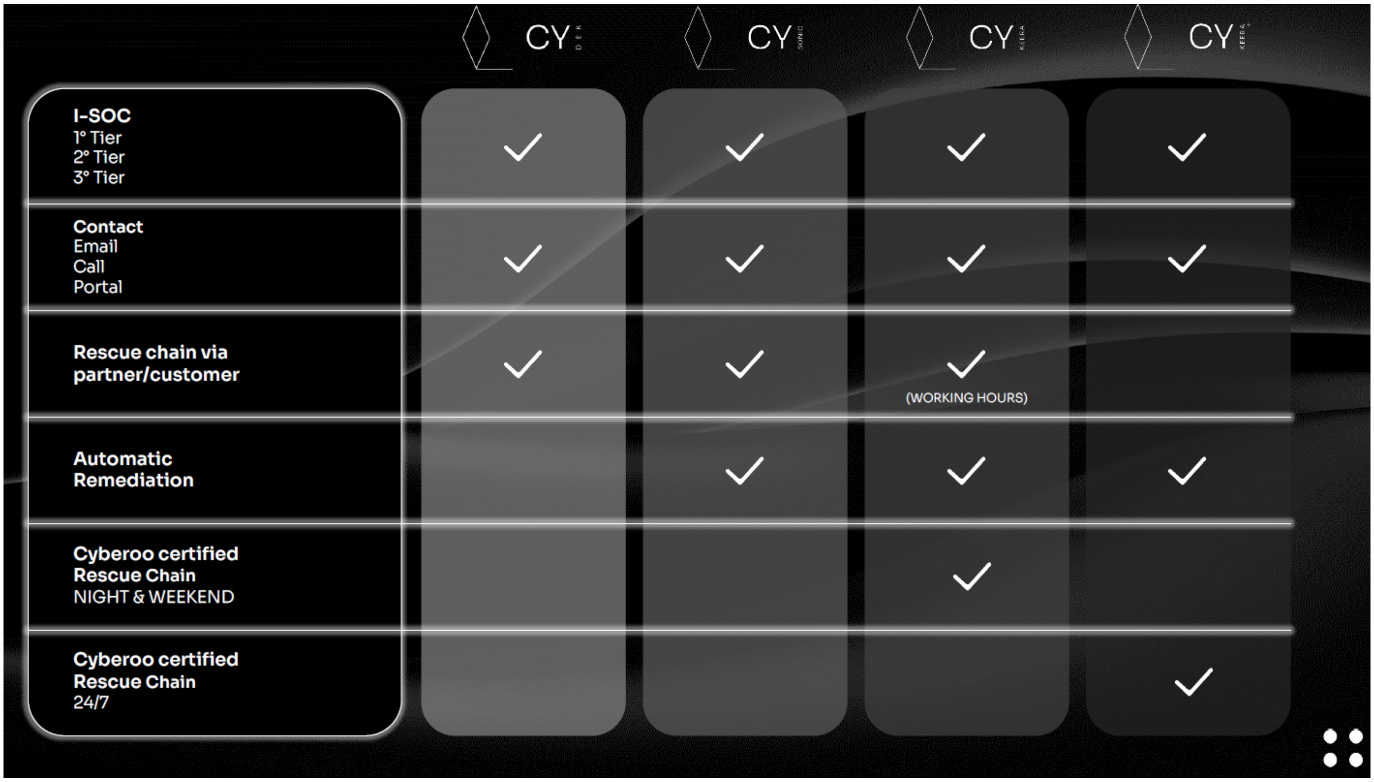
2. **CY Sonic** builds on CY Dek by **introducing automatic remediation** while maintaining the support of the rescue chain developed with the client or partner that manages the infrastructure, allowing for faster threat containment outside working hours. It is ideal for businesses requiring a balance between automation and human oversight.

3. **CY Keera** offers all the features of Cypeer Sonic but enhances response efficiency with **Cyberoo-certified intervention available night and weekend**. It offers structured escalation processes for companies needing greater security automation while maintaining control over major cyber-attacks.

4. **CY Keera+** is the **most advanced solution, delivering 24/7/365 Cyberoo-certified rescue chain support** alongside automated remediation and full I-SOC integration. Designed for enterprises requiring continuous protection and instant incident response, it ensures round-the-clock security coverage with minimal client intervention.

Four Cypeer solutions

Four MDR solutions: 1) Dek, 2) Sonic, 3) Keera, and 4) Keera+, each offering varying levels of remediation capabilities



	CY	CY	CY	CY
I-SOC 1° Tier 2° Tier 3° Tier	✓	✓	✓	✓
Contact Email Call Portal	✓	✓	✓	✓
Rescue chain via partner/customer	✓	✓	✓ (WORKING HOURS)	
Automatic Remediation		✓	✓	✓
Cyberoo certified Rescue Chain NIGHT & WEEKEND			✓	
Cyberoo certified Rescue Chain 24/7				✓

Source: Cyberoo presentation

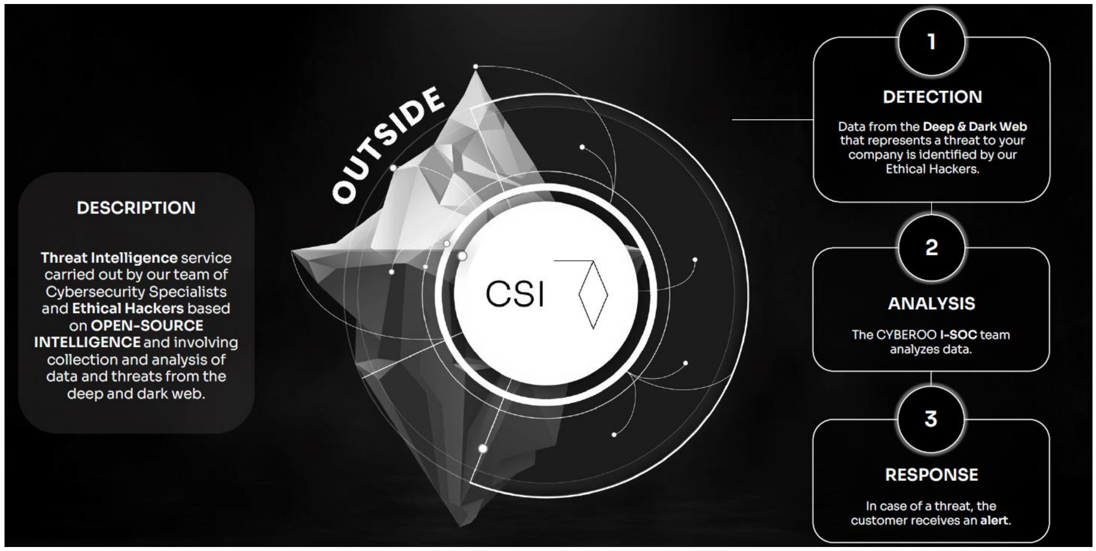
- *<u>Cyber Security Intelligence (CSI):</u>* Cyberoo's **proprietary threat intelligence service**, designed to **map and monitor an organisation's external risk exposure by collecting and analysing data from deep and dark web sources.** The service enables real-time detection of threats tied to a company's online footprint.

  CSI not only enhances awareness of direct and indirect risks but also ensures that validated alerts, exposed of false positives via automated processes, are coupled with actionable remediation paths. Key distinguishing features include its ability to identify not only technological vulnerabilities but also fraud-related threats. The result is a proactive, intelligence-driven approach to cybersecurity that allows businesses to anticipate incidents and reinforce digital resilience.

  Differently from CY, **CSI is operational within c. 1 month**, as it primarily relies on external intelligence gathering rather than deep integration with customer IT systems.

CSI: CYBER Threat Intelligence Solution

CSI protects from external threats.



Source: Cyberoo presentation

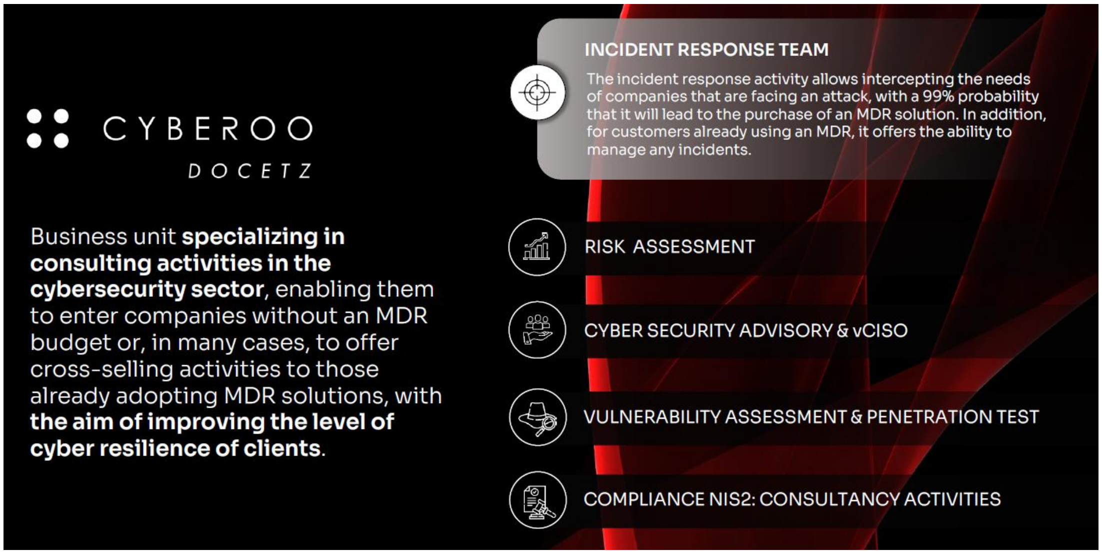
Specialized Advisory & Risk Mitigation Services

The group provides consultancy services through Cyberoo Docetz, a fully owned entity. This company operates through three specialised business units, enhancing Cyberoo's cybersecurity ecosystem with Incident Response, Risk Assessment, and Compliance solutions.

- The Incident Response division provides rapid-response consulting and tailored incident response plans, ensuring businesses can effectively manage multiple simultaneous cyber threats.
- The Cyber Security & Risk Assessment unit supports both Cyberoo's reseller network and MDR clients, helping optimise MDR deployment and minimise residual attack risks, strengthening corporate security posture.
- The Compliance division specializes in ISO 27001 certification consulting, addressing growing regulatory demands and creating new revenue opportunities as businesses seek certified security frameworks.

Cyberoo Docetz: specialized cybersecurity consulting services

Docetz, fully owned by Cyberoo, provides consultancy services in risk assessment, advisory, and compliance solutions



Source: Cyberoo presentation

Titaan Suite: A proprietary SaaS by CYB

Titaan is Cyberoo's SaaS-based compliance and IT monitoring platform, designed to enhance log management, security governance, and IT observability through AI-driven analytics. It is defined as a "system behaviour analyser," going beyond traditional static threshold-based monitoring. Instead of relying on user-defined limits, Titaan leverages advanced AI algorithms to continuously learn and identify abnormal system behaviours, focusing on real issues and eliminating false positives.

In addition to issue detection, Titaan conducts causal analysis to determine the sources and causes of operational disruptions. Through predictive AI analysis, it can forecast system performance and potential anomalies up to eight weeks in advance, ensuring proactive management of machine sizing and future risks.

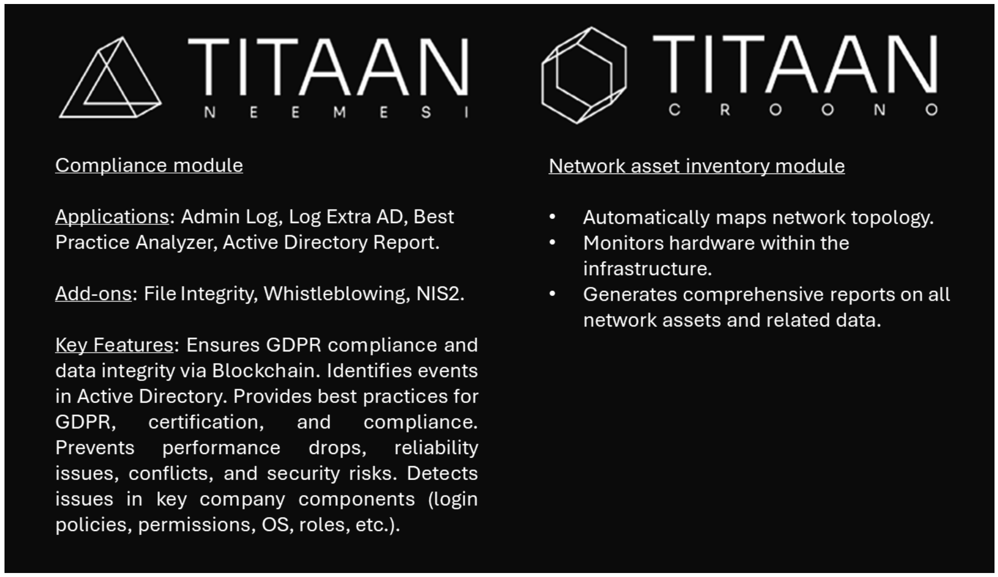
The suite consists of two core modules: 1) Neemesi and 2) Croono; each addressing critical aspects of compliance, asset inventory, and infrastructure monitoring.

1. **Titaan Neemesi** ensures GDPR and NIS2 compliance by centralizing security logs, monitoring Active Directory events, and enforcing best practices. It leverages Blockchain technology for data integrity and provides advanced threat detection and vulnerability assessments.
2. **Titaan Croono** acts as a network asset inventory tool, automatically mapping an organization's IT infrastructure and hardware components, offering comprehensive reporting on network assets. This enables IT teams to maintain full control over infrastructure components, ensuring accuracy, traceability, and operational continuity.

Unlike Cyberoo's core MDR offerings, Titaan Suite operates as a standalone compliance tool, serving as an entry-level cybersecurity solution with cross-selling potential into the broader MDR ecosystem. The platform integrates AI-driven monitoring, anomaly detection, and a user-friendly reporting dashboard to streamline security audits and prevent unauthorised access. Titaan suite had a negligible weight on Cyberoo's FY24 revenues; however, it benefits from high margins and recurring SaaS contracts.

Titaan suite: advanced cybersecurity and compliance solutions

A proprietary software for network monitoring, compliance, and threat detection for enterprise security



Source: Alantra on Cyberoo presentation

Managed Services (20% of FY24 sales)

Since 2015, Cyberoo has grown remarkably within its segment of outsourced IT infrastructure solutions. Today, Cyberoo's service portfolio is structured around three core areas: 1) Data Center Management, 2) Cloud Management, and 3) Device Management, offering businesses a scalable, security-focused alternative to in-house IT operations.

Data Center Management (DCM): Cyberoo's DCM services provide continuous monitoring and management of critical IT infrastructure, including physical and virtual servers, network equipment, and storage solutions. This ensures business continuity through proactive issue detection and resolution across both hardware and software components. A key feature is Backup Management, which involves data protection strategies across on-premises and cloud environments. Cyberoo also offers Cloud Backup solutions, leveraging Sedoc Group's secure hosting infrastructure to provide clients with remote, encrypted data storage, enhancing resilience against cyber threats and system failures.

Cloud Management (IaaS): Cyberoo's Cloud Management services deliver end-to-end monitoring, maintenance, and security of cloud-based infrastructures, allowing clients to scale their IT operations without direct system management. The company offers IaaS solutions tailored to different business needs:

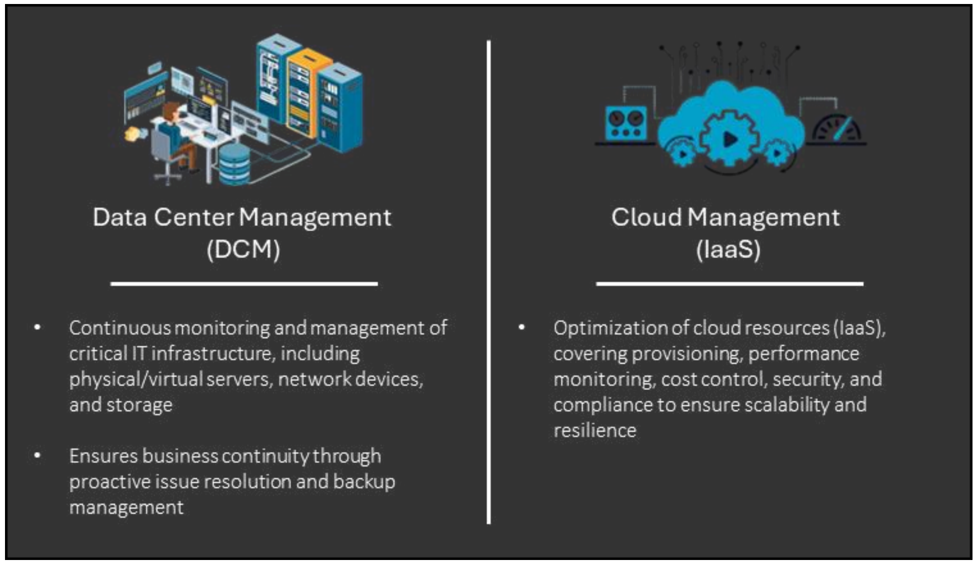
- **Multi-branch enterprises** can opt for a Cloud-based infrastructure, where data and applications are hosted in a third-party data center.

- **Single-location businesses** can deploy an On-Premises infrastructure, maintaining data and services locally within their own facilities.

These solutions enable businesses to access computing power, data storage, and applications on demand, eliminating the need for extensive internal IT resources while ensuring operational efficiency and data security.

Cyberoo Managed Services: Data Center and Cloud management

CYB supports SME's with three core areas: 1) Data Center Management, 2) Cloud Management, and 3) Device Management



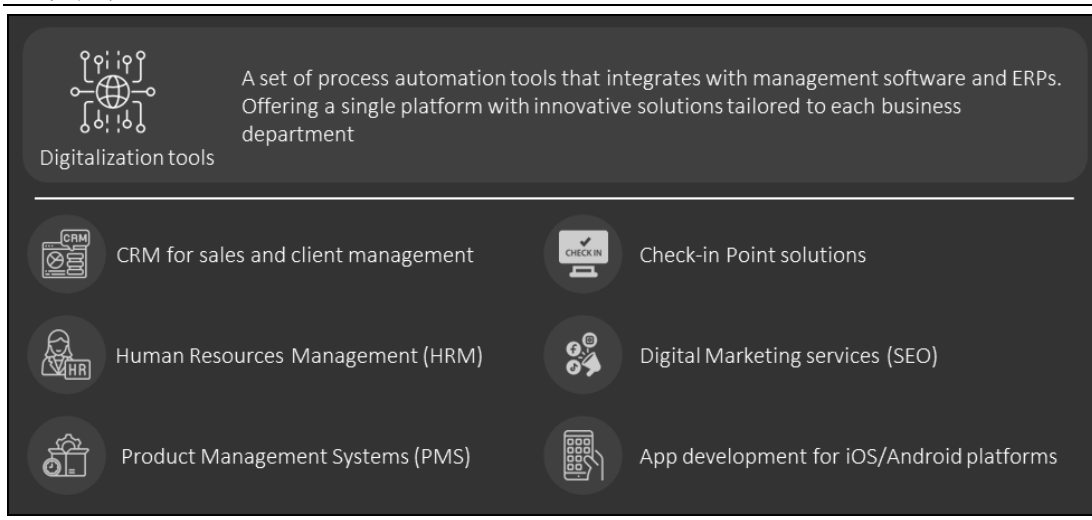
Source: Alantra

Digital Transformation (1% of FY24 sales)

Cyberoo Digital Transformation division, accounting for 1% of FY24 net sales, focuses on providing enterprise digitalization tools rather than core security solutions.
The division provides a range of business process automation tools, including CRM software for sales and client management, Human Resources Management (HRM) solutions for workforce tracking and administrative processes, and Product Management Systems (PMS) that centralize product data across multiple departments. Other offerings include Check-in Point solutions, streamlining visitor credential management, Digital Marketing services (SEO, social media, web design, and e-commerce), and App development for iOS/Android platforms.

Cyberoo Digital Transformation: business process automation tools

A single platform with innovative tailored solutions



Source: Alantra

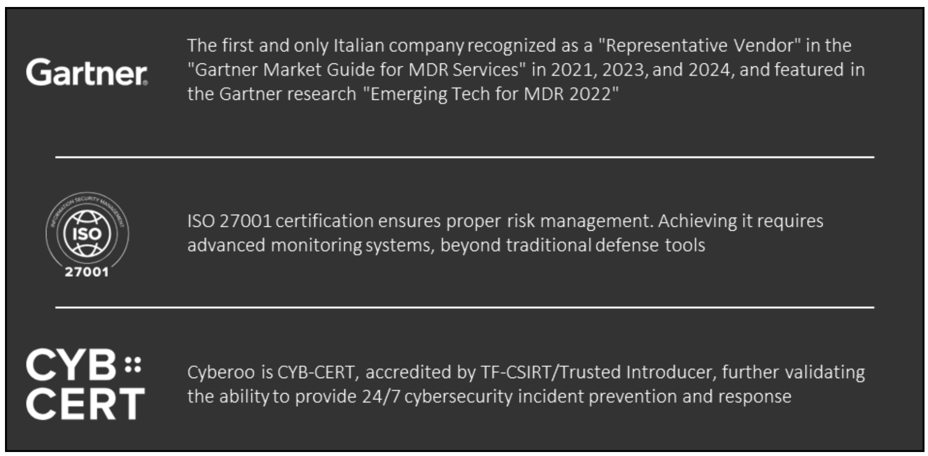
Recognized R&D excellence

Cyberoo places innovation and technological advancement at the core of its strategy, with significant investments in R&D to enhance its AI-driven cybersecurity solutions and MDR capabilities. The company operates Cyberoo Lab, a dedicated innovation hub focused on developing proprietary cybersecurity technology, advancing threat detection algorithms, and refining automated response mechanisms. With R&D investments totalling c. Eu2mn over the past three years, Cyberoo continues to expand its machine learning capabilities, threat intelligence tools, and automated cybersecurity solutions. In 2024, Cyberoo further strengthened its technical team by appointing Matteo Ghiotto as CTO and R&D Director, reinforcing its growing focus on artificial intelligence.

This commitment ensures that its technology offer remains at the forefront of MDR innovation. In fact, the group has been selected as **the unique Italian MDR player by the Gartner market guide** (leading global research firm in the matter) and was **CERT-certified** in 2024, meaning it is recognized as an official cybersecurity response entity capable of handling, analysing, and mitigating cyber threats on a national level.

Cyberoo's certifications

CYB's ongoing efforts in developing cutting-edge solutions are well recognized in the market.



Source: Cyberoo presentation

Founder-led management team with structured governance

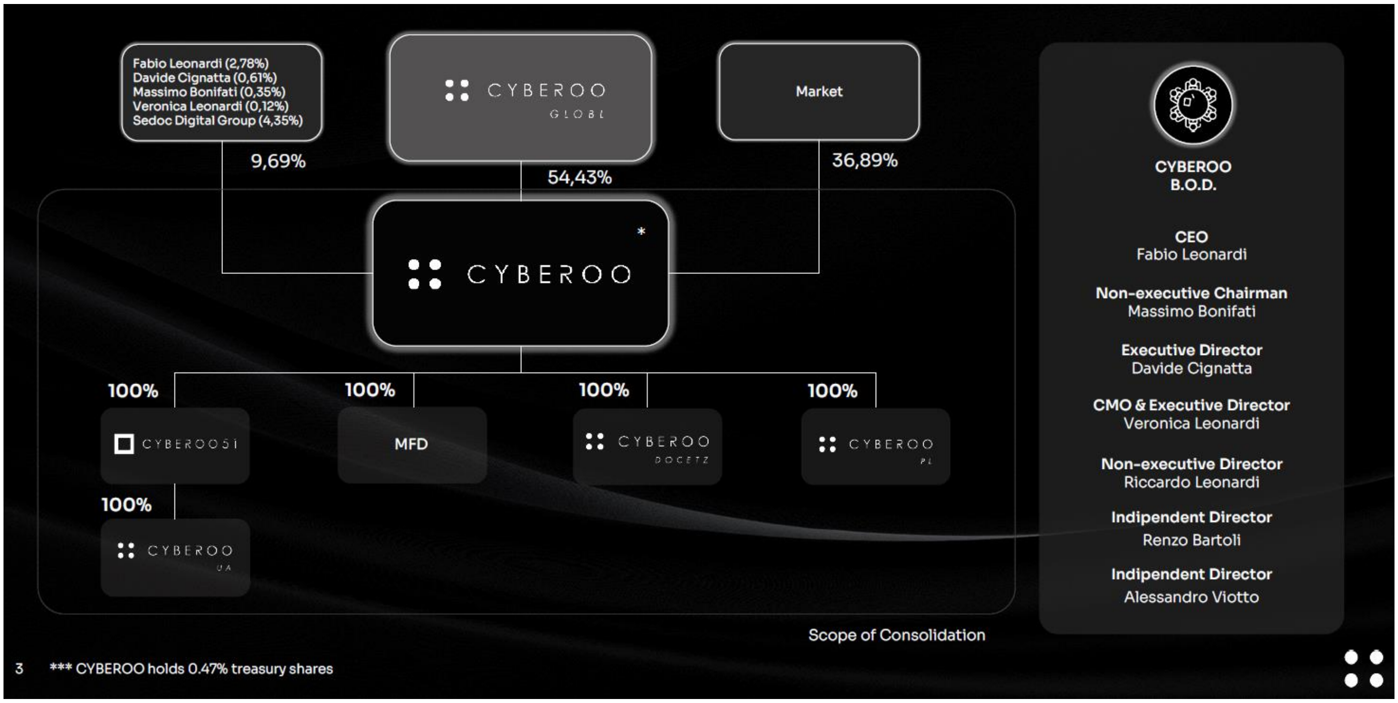
CYB top management team is led by Fabio Leonardi, the CEO, which has an extensive experience in technology entrepreneurship and cybersecurity, playing a pivotal role in the expansion of the group's MDR business. The company benefits from a balanced governance structure, with Massimo Bonifati as Non-Executive Chairman, and Davide Cignatta (Chief Sales Officer) and Veronica Leonardi (Chief Marketing Officer & IR) as Executive Directors. The BoD includes experienced professionals, such as Riccardo Leonardi (Non-Executive Director), and Independent Directors Renzo Bartoli and Alessandro Viotto. The management team is supported by Samuele Puggioninu as CFO.

Cyberoo's shareholding structure is led by Cyberoo Global, which holds a 54.43% stake in the company, while the public market accounts for 36.89% of the float. Among key individual shareholders, Fabio Leonardi owns 2.78%, followed by Davide Cignatta (0.61%), Massimo Bonifati (0.35%), and Veronica Leonardi (0.12%). Additionally, Sedoc Digital Group holds a 4.35% stake.

The company maintains full ownership of several strategic subsidiaries, including Cyberoo 51, MFD, Cyberoo Docetz, Cyberoo PL and Cyberoo UA, reinforcing its operational reach. This structured ownership model ensures full control over its technology development, MDR services, and international expansion.

Corporate structure and governance

Cyberoo's shareholding structure is anchored by Cyberoo Global (CEO ultimate owner), which holds a 54.43% stake in the company



Source: Cyberoo presentation

History and milestones

Since 2008, Cyberoo's grew remarkably, shifting from IT services to leading MDR vendor, reinforced by international expansion, proprietary MDR technology, and key industry recognitions.

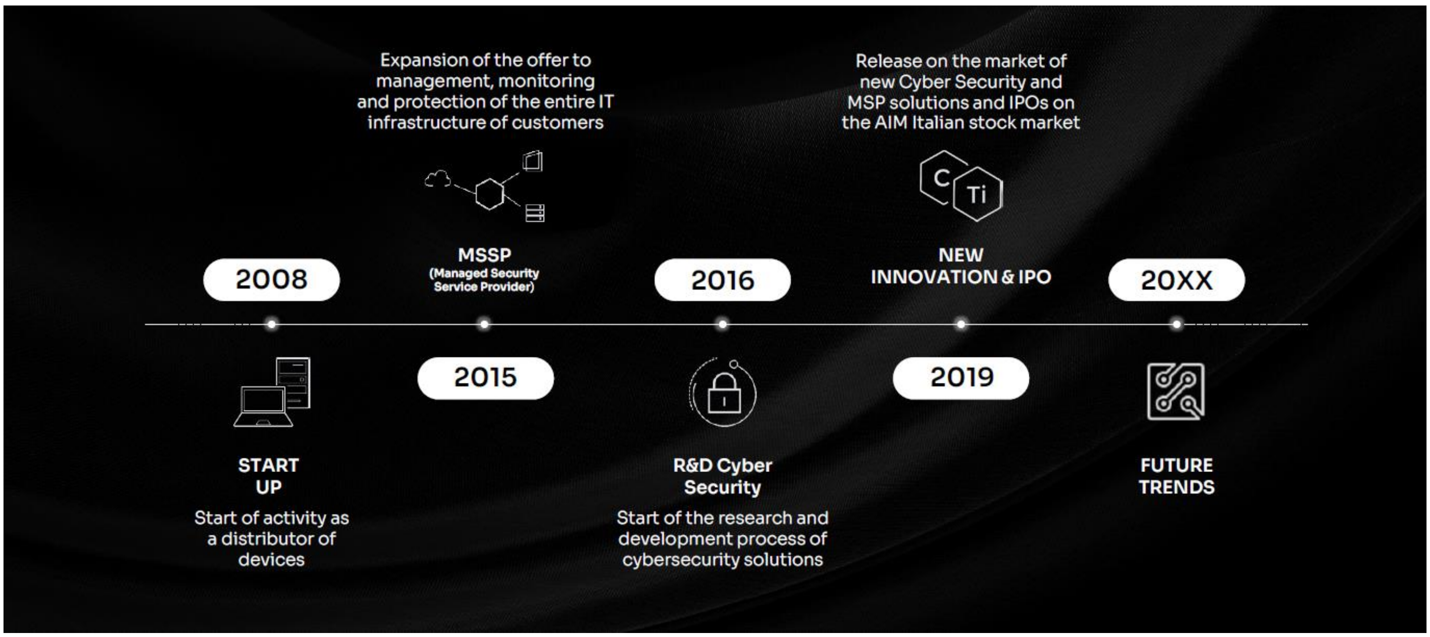
- **2008–2010; Foundation and acquisition by Sedoc:** Cyberoo was founded in 2008 as AT Store, focusing on device sales. Later that year, Sedoc Digital Group, an established IT company since 1973, acquired a 51% stake in AT Store, completing the full acquisition by 2010.
- **2011–2016; Transition to managed services and security:** In 2011, the company expanded into Device Management. By 2015, it evolved into a Managed Service Provider (MSP). In 2016, Cyberoo opened its first international hub in Ukraine, pivoting to offer Managed Security Services.
- **2017–2019; Strategic repositioning and listing:** In 2017, CYB fully transformed into a Managed Security Service Provider (MSSP), specializing in cybersecurity services. Two years later, the company rebranded to Cyberoo, introducing key solutions like Cypeer, Cyber Security Intelligence (CSI), and Titaan Suite. In October 2019, Cyberoo was listed on Euronext Growth Milan, becoming the first cybersecurity firm to go public on the Italian market.
- **2019–2021; Talent development and industry recognition:** In 2019, Cyberoo forged an R&D partnership with Ivan Puluj National Technical University in Ukraine, among others, to advance cybersecurity research and talent selection. In October 2021, Cyberoo was named a Representative Vendor in Gartner's 2021 Market Guide for MDR Services, the first and only Italian company to receive such recognition.
- **2022; Tech investment and further recognition:** The group made a significant investment (Eu1.5mn) in 2022, launching a new MDR platform with advanced Automatic Remediation capabilities powered by AI and machine learning. This enhanced the company's ability to respond to cybersecurity incidents efficiently. In September 2022, Cyberoo was again recognized by Gartner as one of the top 50 global players in the MDR sector.
- **2023; Consolidation and European rollout:** In January 2023, CYB launched Cyberoo Docetz to bolster its consulting and cybersecurity services. In February 2023, the company was reaffirmed as a Representative Vendor in Gartner's 2023 Market Guide for MDR Services, maintaining its

position as one of Europe's leading cybersecurity firms. In May 2023, Cyberoo opened a new office and I-SOC in Poland to expand its 24/7 MDR capabilities. By June 2023, Cyberoo received accreditation from Trusted Introducer CERT for its operational SOC and incident management expertise. The company signed its first Polish client and three local partners, laying the foundation for a successful rollout of its business model in Poland.

- **2024; Expansion into Iberia:** In June 2024, Cyberoo continued its international expansion, launching operations in Spain and Portugal. This marks another key step in its growth strategy, supported by the 3rd recognition in Gartner's 2024 Market Guide for MDR Services.

History & Milestones

Since 2008, Cyberoo's grew remarkably, shifting from IT services to cutting-edge cybersecurity solutions.



Source: Cyberoo presentation

A wide distribution network and recurring sales model

Cyberoo's business model ensures a high degree of top-line visibility, supported by predefined multi-year contract periods, recurring revenues (c. 50% of sales), and the "lock-in" nature of its services, which drive high client loyalty with a low churn rate of 1.5%. The company also benefits from robust cross-selling and up-selling capabilities, leveraging its comprehensive cybersecurity suite to expand customer lifetime value. In recent years, Cyberoo has been able to significantly expand its market reach and time-to-market, thanks to a well-established network of 92 partners in Italy and rising coverage in Poland and Spain, which allows for accelerated market penetration and quicker time-to-market. Cyberoo also operates through distributors to expand market reach and increase distribution efficiency. Cyberoo's end-client base consists of 700+ mid-to-large enterprises, with a strong focus on medium-sized companies, a segment that is severely underserved, with strong untapped growth potential, driven by rising cybersecurity adoption and increasing regulatory requirements (e.g., NIS2).

Innovation, capillary distribution and medium-size clients focus

Revenues are generated thanks to a structured commercial team, product innovation, and partners for faster go-to-market

Source: Alantra

Modular pricing options combined with recurring sales

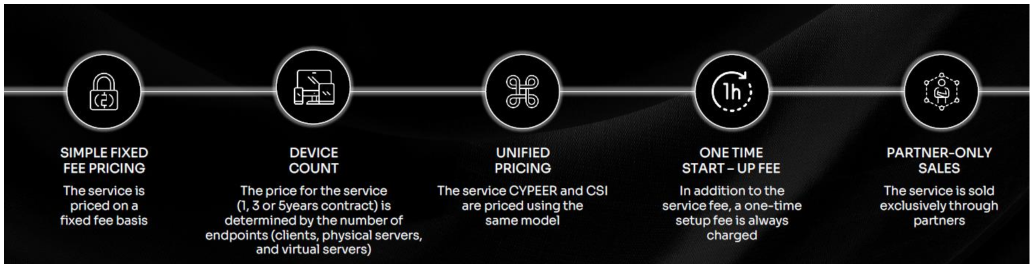
Cyberoo's pricing model is structured around fixed-fee contracts based on the number of endpoints (clients, servers, virtual machines) and contract duration (1, 3, or 5 years). The company applies a tiered pricing strategy across the MDR solutions, reflecting different levels of remediation capabilities and service depth within their Cypeer offering.

The CSI solution, focused on external cyber intelligence, follows the same pricing framework but typically involves faster deployment and shorter billing cycles. Additionally, all contracts include a one-time setup fee equivalent to 10% of the first-year contract value, further supporting Cyberoo's recurring revenue model. **This revenue model provides strong upselling and cross-selling potential with a certain level of business visibility (c. 50% of recurring revenues), reinforced by a low churn rate (2% average over the last 3 years).** This strong retention is driven by the **"lock-in" nature of MDR services**, which often require deep integration into clients' IT environments, making switching costs high.

Strong seasonality in revenue cycle. Historically, the company generates 30% of its annual revenue in 1H and 70% in 2H, with significant concentration in Q4. This pattern is largely driven by contract renewals and client budget allocations, which typically occur at year-end.

Cyberoo pricing model and service structure

Fixed-fee pricing based on device count and partner-only sales



Service	Pricing	Server + Client	Fee
Cypeer Sonic	3 Years	Up to 5,000	€ 21.750 – € 501.500
Cypeer Keera	3 Years	Up to 5,000	€ 26.750 – € 618.730
Cypeer Keera +	3 Years	Up to 5,000	€ 29.975 – € 696.070
CSI	3 Years	Up to 5,000	€ 12.250 - € 126.300

Start-up cost 10% of the total rent of the first year of the contract

Source: Cyberoo presentation

Targeting underserved mid-size enterprises

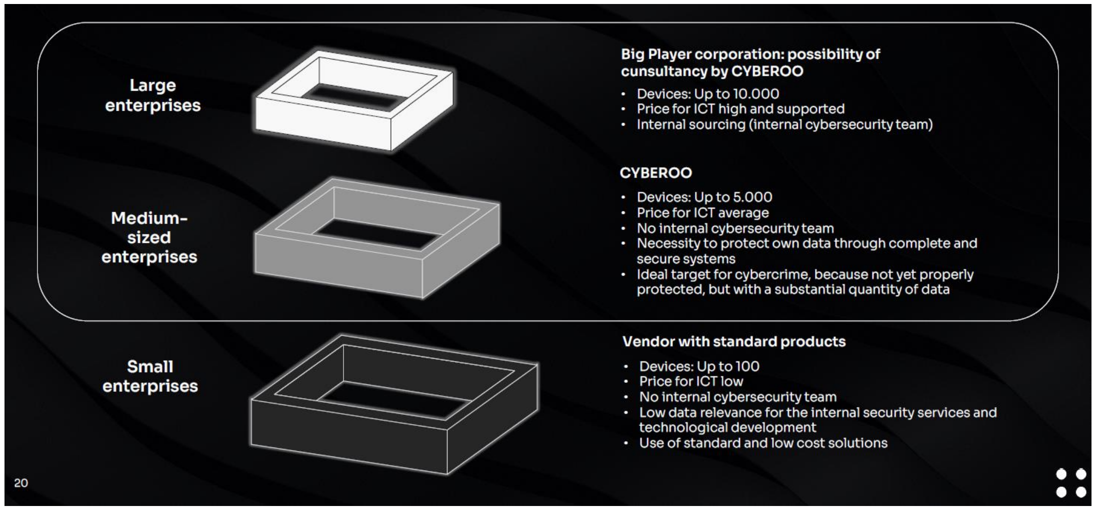
Cyberoo primarily serves 700+ mid-sized enterprises, with typical client sizes ranging from 100 to 5,000–6,000 employees, and in some cases, up to 12,000 employees. The company has limited exposure to large enterprises, except where CSI is used to complement in-house cybersecurity teams. In fact, Cyberoo’s commercial strategy deliberately excludes large enterprises, which typically possess the internal capabilities, infrastructure, and budgets required to develop and operate their own Security Operations Centers (SOCs). These organisations can afford in-house cybersecurity teams and tailored solutions, making them less inclined to outsource core detection and response functions.

These companies represent a high-growth opportunity in the mid-to-long term, as cybersecurity adoption is increasing, mainly due to higher cyber threats to smaller companies and more stringent regulatory requirements, such as the Network and Information Security 2 (NIS2) directive , an EU law designed to enhance the security and resilience of critical infrastructure, increasing compliance and adoption obligations. Moreover, smaller companies often lack financial scale, internal expertise, and technical infrastructure to implement and manage sophisticated cybersecurity architectures independently. As a result, they are naturally driven toward outsourcing their security operations.

Additionally, Cyberoo’s flexible pricing structure and multi-tiered MDR offerings make its solutions accessible to both SMEs and larger enterprises, ensuring a competitive advantage in a market where U.S.-based players dominate but lack tailored solutions for mid-sized businesses.

Target clients segmentation

CYB tailors cybersecurity solutions for medium and large enterprises



Source: Cyberoo presentation

Deep understanding of client's needs blended with commercial workforce

Cyberoo operates through a specialised commercial structure, managing both sales operations and marketing activities. The company's business model is built around a highly skilled commercial team of over 25 employees who oversee customer portfolio expansion, supported by specialised business solutions tailored to each area of expertise. Cyberoo's competitive edge lies in its deep understanding of client needs and strong technical specialisation. The company relies on a network of strategic partnerships and highly qualified cybersecurity professionals, capable of integrating complex solutions into enterprise environments.

The Italian sales network

A nationwide coverage through a structured commercial team

Source: Cyberoo presentation

Scalable go-to-market strategy through a value-added partner network

Cyberoo operates with an indirect go-to-market strategy. The company leverages a two-layered commercial structure formed by a distributor per country and a network of over 100 value-added partners across Europe (o/w over 90 in Italy). This model enables widespread market coverage, where trust-based relationships and local proximity are critical for client acquisition. By empowering partners to resell its MDR and other cybersecurity services, Cyberoo benefits from significantly lower customer acquisition costs and faster time-to-market. Partners, in turn, gain access to a differentiated, high-value offering they can integrate into their portfolio, enhancing customer stickiness and upselling potential.

Cyberoo's use of distributors, in addition to direct partner relationships, is a deliberate strategic choice aligned with the TIER II model adopted by most mature software and cybersecurity vendors. This approach maximises market reach and increases distribution efficiency.

CYB's national partnership network

Several partnership agreements in Italy for effective market penetration

Source: Cyberoo presentation

Different types of partners and incentives

Cyberoo operates a tiered partner program, known as the Cyberoo Black Club, which incentivizes over 90 resellers and distributors through a structured rewards system. Partners are classified into three tiers based on revenue performance and certifications obtained:

- **GURU (Top Tier):** Highest-performing partners with the largest sales volumes and most certifications. They receive higher rebates, exclusive sales support, and enhanced marketing funds.
- **GAMER (Mid-Tier)**: Partners with moderate sales volumes and certifications, benefiting from competitive commissions and structured incentives.
- **KIDDIE (Entry Level)**: Newer or smaller-scale partners with limited sales volumes, receiving basic support and standard commission structures.

Partner Remuneration & Incentives

Cyberoo's distribution model provides a total margin allocation of approximately 20% across the different levels of its sales network. Specifically: while **Distributors** receive 5-7% of the total contract value for managing the logistics and indirect sales infrastructure; **Partners** receive 12-15%, reflecting their role in client acquisition, implementation, and ongoing account management. Cyberoo offers a highly attractive incentive structure to its partners network, ensuring long-term partner engagement and revenue stability:

- **Recurring Revenue Model**: Partners benefit from Cyberoo's subscription-based pricing, earning recurring commissions on multi-year contracts (1, 3, or 5 years).
- **Rebates & Performance Bonuses**: Higher-tier partners (GURU and GAMER) receive rebates and bonus incentives based on sales performance.

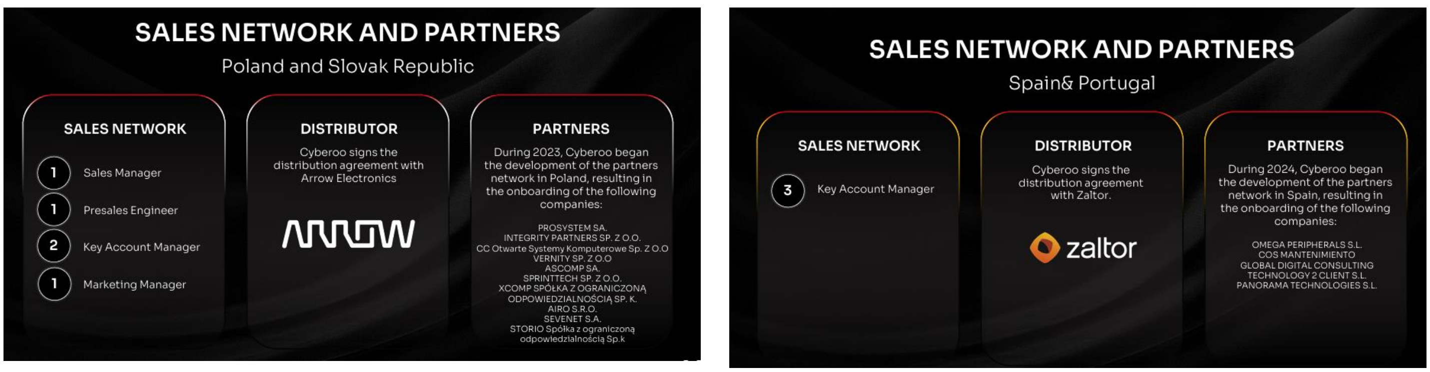
- **Marketing & Training Support**: Cyberoo provides co-marketing funds, training programs, and technical certifications to partners, ensuring they effectively sell and support Cyberoo's solutions.

International distribution network

Cyberoo has strategically expanded its international distribution network into Poland, the Slovak Republic, and recently in Spain and Portugal, reinforcing its commitment to growing internationally. In 2023, Cyberoo established a robust presence in Poland by opening a new office and I-SOC, and developing a network of local partners. This expansion was supported by a dedicated sales and marketing team, facilitating Cyberoo's entry into the Polish market and enabling the company to offer its advanced cybersecurity solutions to a broader clientele, also boosted by its distribution agreement with Arrow Electronics.
In June 2024, Cyberoo initiated commercial operations in Spain and Portugal, marking a significant step in its internationalisation efforts. The company is focusing on building a network of local partners. A pivotal development in this expansion was the signing of a distribution agreement with Zaltor, a leading IT solutions provider which act as Cyberoo's distributor of the Iberian Peninsula.

International partners and distributors

In June 2024, Cyberoo initiated operations in Spain and Portugal, marking a significant step in its internationalization efforts.



Source: Cyberoo presentation

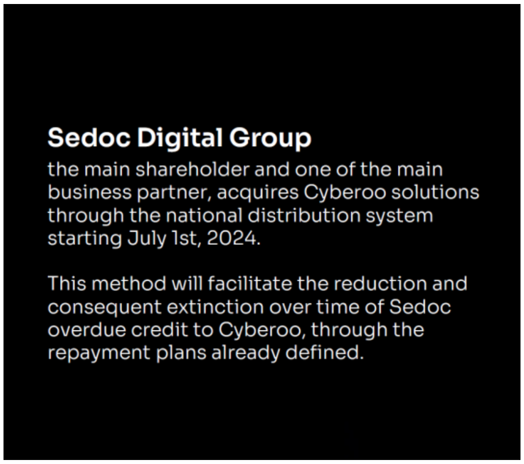
Sedoc's role and major recent changes

Cyberoo's parent company Sedoc Digital Group (Sedoc), a system integrator based in Reggio Emilia, played a key role in the company's early MDR business expansion, acting as a major player within the current network of 92 partners.

Historically, Sedoc accounted for an average of 44% of Cyberoo's revenues between 2021 and 2024, declining sequentially from 58% in 2021 to 36% in 2024. This reliance has gradually reduced as Cyberoo successfully diversified its sales across a broader distribution network. Furthermore, Cyberoo announced that, starting in July 2024, Sedoc is no longer purchasing services and technology directly from Cyberoo, but is instead being intermediated by the distributor, like the other 92 partners, enhancing transparency. Moreover, we believe that, while exposure is relevant to the group's revenues, Cyberoo maintains a strong connection with end clients, who oversee Cyberoo-branded solutions, ensuring a direct line with final users.

Sedoc: Shift to national distribution system (LHS) and gradual reduction from Cyberoo's sales (RHS, Eumn)

Sedoc has shifted to national distribution from direct distribution, enhancing transparency. Cyberoo's exposure to Sedoc has gradually reduced in recent years

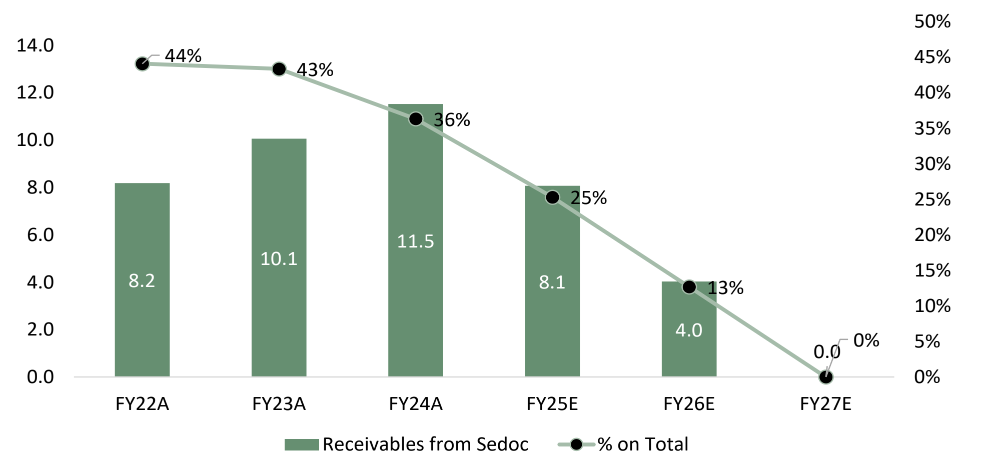


Source: Cyberoo presentation

<u>Sedoc's receivables are expected to be fully settled within 3 years</u>. Sedoc's historical sales contribution also led to an increase in receivables over time due to a prolonged collection period, rising from Eu3.8mn in 2021 to Eu10.1mn in 2023. However, Cyberoo has implemented a repayment plan (including interest ranging between 3 to 3.5%) with Sedoc, which is progressively reducing credit exposure, with Sedoc's receivables declining from Eu14.2mn in 1H24 to Eu11.5mn in FY24. In fact, payments as of December 2024 have been honoured, suggesting a progressive de-risking of Cyberoo's credit exposure. CYB also expects the outstanding balance to be fully cleared within the next three years.

Receivables from Sedoc (LHS, Eumn; RHS, % on Total receivables)

Cyberoo aims to substantially reduce its credit exposure to Sedoc over the coming years, targeting full repayment by 2027



Source: Clusit 2024, October update

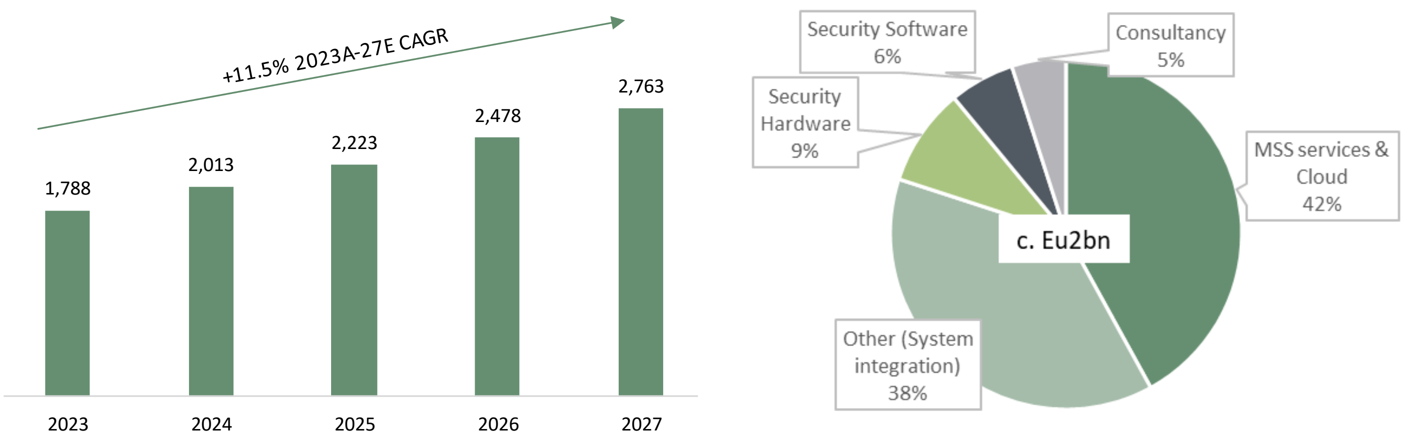
ALANTRA
Italian Equity Research

Untapped growth potential in the Cybersecurity arena

As digitization keep its fast peace growth, digital assets are becoming increasingly critical across industries and scale, rising concerns over the imperative for cybersecurity adoption. Following the embracing from early-bird industries in critical sectors (e.g. Banking and Healthcare) and large companies, today cybersecurity is a key centric theme for many industries, also within the small-mid space. The cybersecurity market continues its strong growth trajectory, fuelled by rising cyber threats, digital transformation, and stringent regulatory requirements. Italy ranks as the third-largest cybersecurity market in Europe after Germany and France, with an estimated market size of approximately Eu2bn in 2024 and projected annual growth 11.5% CAGR till 2027E. This expansion is primarily driven by increasing cyberattacks, a growing awareness of digital risks, and the implementation of stricter security regulations such as NIS2. We believe that Cyberoo has a strong market positioning in Italy, benefitting from its solid track-record, proprietary technology, internal SOC and cybersecurity experts. These features allow Cyberoo to offer flexibility and proximity to clients, a competitive edge compared to large vendors and Italian system integrators with lack of proprietary technology.

Investments in Cybersecurity in Italy (LHS, Eubn) and market segmentation (RHS, %)

The Italian cybersecurity market is expected to grow at 11.5% CAGR 2023-27E, reaching over 2.7bn in 2027



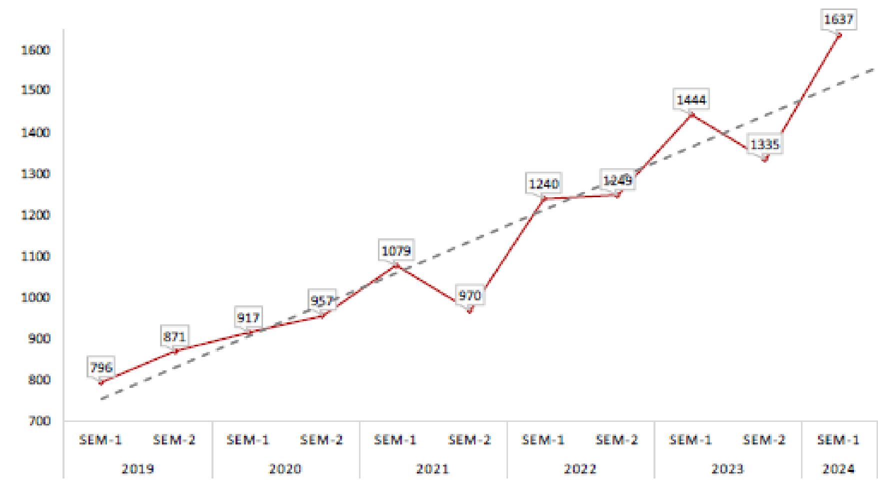
Source: Alantra on NetConsulting Cube and Anitec-Assinform

Cyberattacks on the rise in Italy calls for higher cybersecurity investments

Italy has become one of the most targeted countries in Europe for cyber threats, with a 23% increase in reported cyberattacks in 1H24. In 2023 the country accounted for 11% of relevant detected cyberattacks worldwide, up from 7.6% in 2022 and 3.4% in 2021, highlighting the growing need for enhanced cybersecurity measures.

Cyber-attacks in Italy HoH (2019-1H24; units)

In 1H24, Italy registered a record of 1,637 cyber-attacks (+23% YoY)

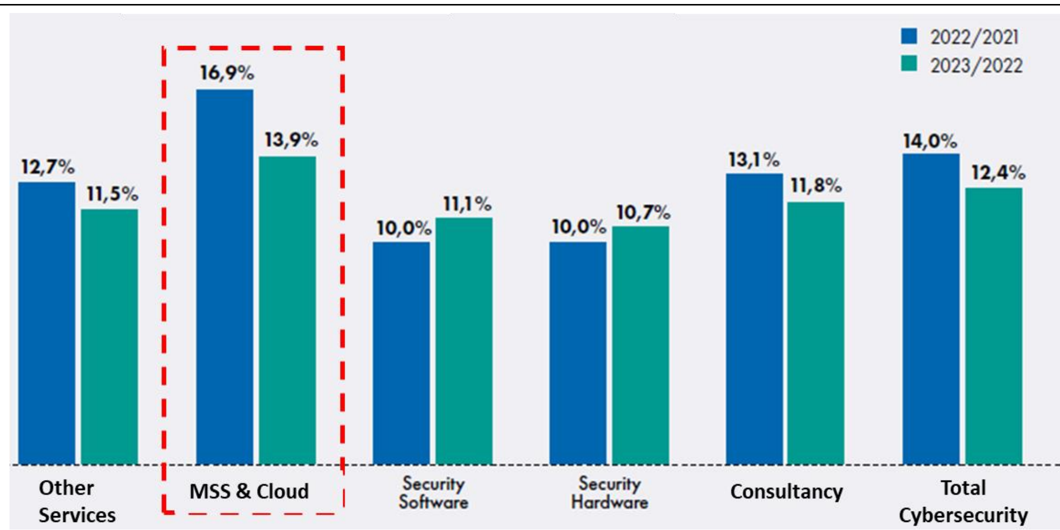


Source: Clusit 2024, October update

Despite this, a significant portion of Italian enterprises, particularly SMEs, remain underserved in terms of cybersecurity protection. Many mid-sized businesses lack the internal expertise, resources, or regulatory awareness to implement robust cybersecurity frameworks, making them easy targets for cybercriminals. This gap is fuelling demand for outsourced cybersecurity solutions, particularly Managed Detection and Response (MDR) services, which offer real-time threat monitoring, detection, and incident response capabilities. More than half of SMEs fail cybersecurity risk assessments, making them ineligible for cyber insurance, while only 10% have structured cybersecurity teams. The lack of resources is evident in incident response capabilities, as nearly 70% of SMEs do not employ Security Operations Centers, leaving them vulnerable to advanced threats. Despite this, MDR-related activity (included in MSS & Cloud) has grown faster than other cybersecurity services in recent years (+16.9% in 2022 and +13.9%).

MSS & Cloud (including MDR) is the high-growing cybersecurity service

MDR-related activity (included in MSS & Cloud) has grown faster than other cybersecurity services in recent years



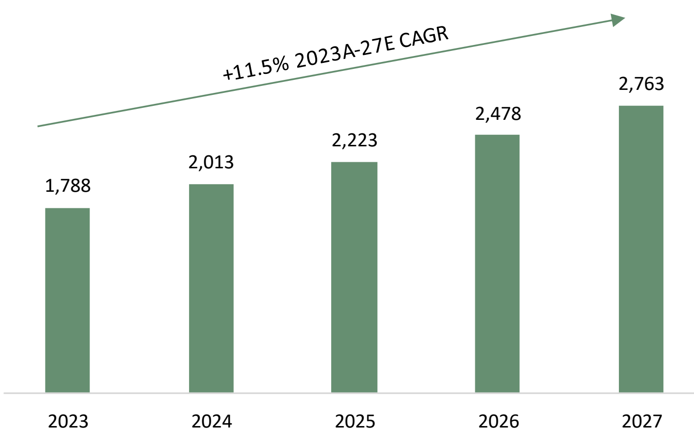
Source: Alantra on Clusit 2024, October update

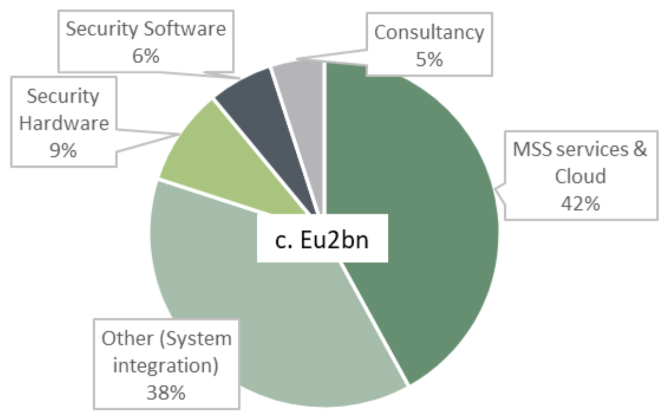
Cybersecurity market in Italy: a Eu2bn industry with MDR as a key growth segment

According to a study from Gartner, global end-user spending in information security is projected to reach USD212bn in 2025, up over 15% YoY. The Italian cybersecurity market is catching up with an expected 11.5% CAGR 2023-27E, based on NetConsulting Cube projections, reaching c. Eu2bn in 2024 (+12.6% YoY). MDR is emerging as one of the most critical and fast-growing segments within the cybersecurity industry. In Italy, the MDR market represents 42% of the country's total cybersecurity spending, translating to c. Eu840mn market size out of the Eu2bn total cybersecurity market in 2022. MDR adoption is accelerating for several reasons like: 1) Increased sophistication of cyberattacks, requiring AI-driven and real-time threat detection; 2) A shortage of in-house cybersecurity professionals, making outsourcing to MDR vendors a cost-effective alternative; 3) Growing regulatory pressures that mandate continuous monitoring and rapid response capabilities. The Italian MDR market is expected to continue to grow at a double-digit CAGR (+13.9% YoY in 2022), aligning with global trends where MDR is among the fastest-growing cybersecurity segments. According to Gartner, MDR is projected to become a standard service for mid-sized enterprises within the next five years, further solidifying its role as a core cybersecurity defense strategy.

Investments in Cybersecurity in Italy (LHS, Eu bn) and market segmentation (RHS, %)

The Italian cybersecurity market is expected to grow at 11.5% CAGR 2023-27E, reaching over 2.7bn in 2027





Source: Alantra on NetConsulting Cube and Anitec-Assinform

Regulatory tailwinds: NIS2 and increased compliance needs

Regulatory frameworks are becoming an increasingly important driver of cybersecurity investments. The NIS2 Directive (Directive (EU) 2022/2555) is a comprehensive legislative measure adopted by the European Union to enhance cybersecurity across member states. It replaces the original NIS Directive (2016) and aims to establish a high common level of cybersecurity for network and information systems. NIS2 significantly broadens the range of sectors and entities subject to cybersecurity obligations. It categorizes affected organizations into two main groups:

- **Essential Entities:** Typically, larger organizations (generally with more than 250 employees or an annual turnover, exceeding Eu50mn) operating in critical sectors such as energy, transport, health, digital infrastructure, public administration, space, water supply, and financial services.

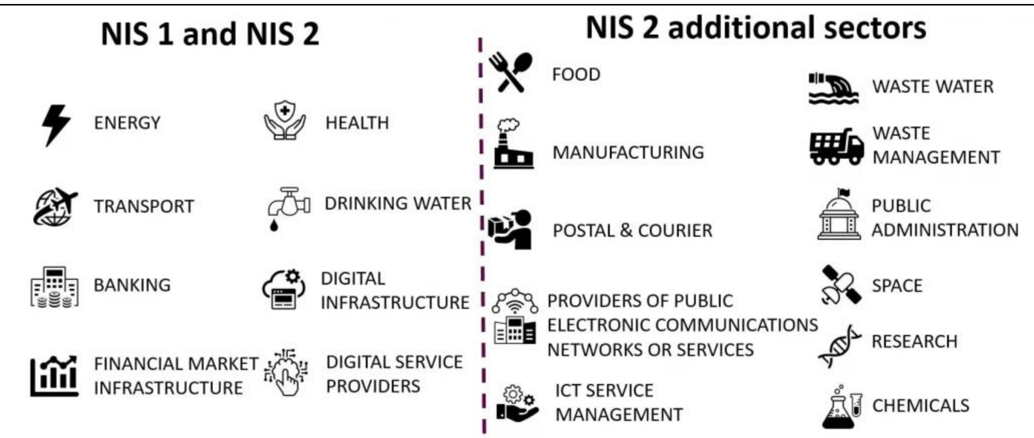
- **Important Entities:** Generally mid-sized organizations (typically with more than 50 employees or an annual turnover, exceeding Eu10mn) in sectors like postal services, waste management, chemicals, food production, manufacturing (e.g., medical devices), digital providers (e.g., social networks, search engines, online marketplaces), and research.

Organizations falling within the scope of NIS2 are now mandated to implement robust cybersecurity measures, conduct regular risk assessments, and report significant incidents to relevant authorities. Non-compliance can result in substantial penalties, emphasizing the importance for affected entities to ensure adherence to the directive's requirements. Additionally, businesses exceeding a certain revenue threshold or involved in critical economic flows will be automatically required to register, even if they are not directly classified under essential or important entities.

Key implications of NIS2 for the cybersecurity market include: 1) Expansion of compliance obligations to more industries and company sizes. 2) Mandatory incident detection and response capabilities, boosting demand for MDR services; and 3) Higher penalties for non-compliance, pushing companies to strengthen their security frameworks. As a result, businesses will increasingly turn to MDR vendors to ensure compliance and enhance their security postures. Failure to comply with these obligations can result in significant penalties. Entities may face fines of up to 4% of their total annual turnover. We think that this regulation is expected to accelerate MDR adoption in 2025 in both Italy and across Europe, providing significant growth opportunities for companies like Cyberoo.

Expanded scope of NIS 2 Directive

The NIS2 directive targets new several sectors, triggering further cybersecurity adoption



Source: Perception Point

Cyberoo's strong market positioning

The MDR market is largely dominated by global cybersecurity giants, primarily U.S.-based companies such as CrowdStrike, SentinelOne, Rapid7, and Arctic Wolf, which leverage economies of scale, advanced AI-driven analytics, and strong brand recognition. These players cater mainly to large enterprises, often offering standardized but cutting-edge MDR solutions. However, cybersecurity is an inherently localized sector, where data sovereignty, regulatory compliance, and language-specific expertise are key competitive factors. In this context, more local for local and vertical MDR vendors like Cyberoo have a strong advantage in adapting to national regulations, industry-specific compliance needs, and direct customer engagement, areas where global players often struggle. We believe the group leads the Italian MDR scene in Italy thanks to skilled professionals, multi-tiered SOCs and a top-notch level of service, fully capturing the rising demand of MDR services. Unlike many competitors that act as system integrators or offer limited product-based solutions, Cyberoo differentiates itself through full-stack cybersecurity services that integrate its proprietary technology, an internal SOC environment, and flexible consulting services.

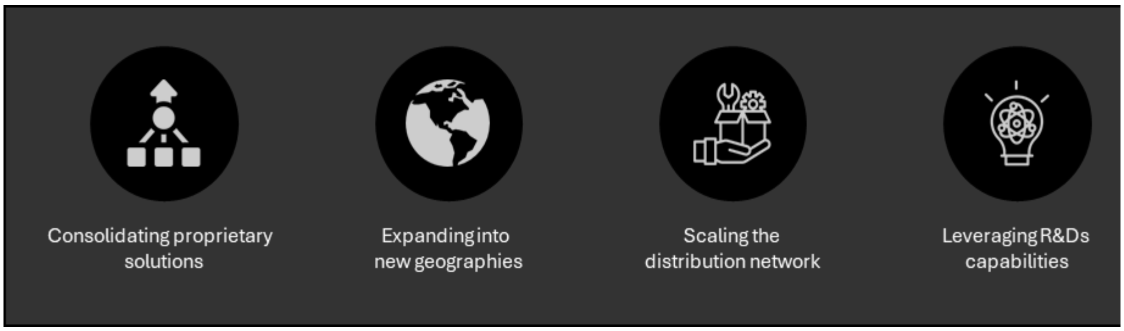
Among the Italian MDR landscape, we struggled to find companies like Cyberoo in terms of size, proprietary technology and fully integrated services. In fact, many players act purely as system integrators, lacking their own developed technologies. Others, which are more product-oriented, lack consultancy features and scalability, both key aspects in the competitive cybersecurity arena. While many Italian companies either act as pure system integrators or lack scalability and consulting depth, Cyberoo, as a vendor, combines MDR expertise and a modular, flexible pricing structure that makes its solutions particularly attractive. Its recognition as a Gartner Representative Vendor (the only Italian in the list) further cements its credibility, positioning Cyberoo as a top contender in the evolving European cybersecurity landscape.

Internationalization, product innovation and M&A

Cyberoo is set to accelerate growth across key strategic pillars: (1) consolidating its leadership in cybersecurity solutions within existing markets; (2) expanding into new geographies, through M&A of small MDR or the integration of specialised consultancy firms; (3) strengthening and scaling its distribution network; and (4) launching new technology solutions, leveraging its robust R&D capabilities to drive innovation.

Growth strategy key pillars

A diverse mix of actions brings to a sophisticated growth plan



Source: Alantra

Strengthen position in existing markets

Cyberoo is focused on reinforcing its distribution network and expanding strategic agreements in legacy markets, ensuring broader market reach and stronger local presence. The company is also scaling up its operations in Spain and Portugal, leveraging established partnerships to accelerate client acquisition and deepen market penetration. Meanwhile, Cyberoo continues to enhance its cybersecurity portfolio, driven by sustained R&D investments aimed at advancing its MDR solutions and introducing innovative security technologies that address evolving cyber threats. This three-pronged strategy ensures continued growth, competitiveness, and scalability across key European markets.

Furthermore, the implementation of NIS2 regulations presents a significant market opportunity, as businesses face stricter cybersecurity compliance requirements. Cyberoo is well-positioned to capitalize on this regulatory shift, strengthening its competitive advantage and gaining market share by offering compliant, high-performance MDR solutions to organizations adapting to the new security framework.

Cyberoo's strategy in existing regions

NIS2 is expected to fuel cybersecurity adoption for companies in the EU zone

Source: Alantra

Targeting new geographies, also via M&A

The group's ambition is to replicate its successful track record in Italy and Poland across other European countries, particularly Germany and France, supported by the rising adoption of cybersecurity solutions. The company aims to consolidate similar but smaller players, particularly highly specialized cybersecurity firms or SOC operators. This strategy ensures the acquisition of local expertise and market credibility, which are essential for providing language-specific security services and maintaining a localized cybersecurity framework. Beyond SOC acquisitions, Cyberoo is also exploring the purchase of consultancy firms with a local footprint to accelerate penetration in specific geographies and verticals, facilitating direct access to regional networks. Over the next five years, Cyberoo targets expansion into five to six new countries through a combination of organic growth and M&A. Cyberoo will also continue expanding organically, securing new partnerships and distribution agreements, similar to the Zaltor deal for Spain and Portugal, announced in June 2024.

Cyberoo’s internationalization plan

The group targets to expand its activity in 5-6 new geographies within the next 5 years, both organically and via M&A.

Source: Cyberoo presentation

Expanding the technology offer: The “Keating project”. The company is actively investing in cutting-edge software solutions, leveraging AI-driven cybersecurity advancements. Cyberoo has already announced the upcoming launch of its proprietary generative AI-driven SaaS solution, "Keating Project," expected this year. This initiative has been made possible thanks to Eu2-3mn in R&D investments over the last two years, further reinforcing Cyberoo’s commitment to technological leadership in cybersecurity. The group expects to see material top-line contribution from 2026.

Upcoming new AI-generative product launch

Cyberoo will launch the 'Keating Project,' a new proprietary technology product powered by AI, expected to be released this year.

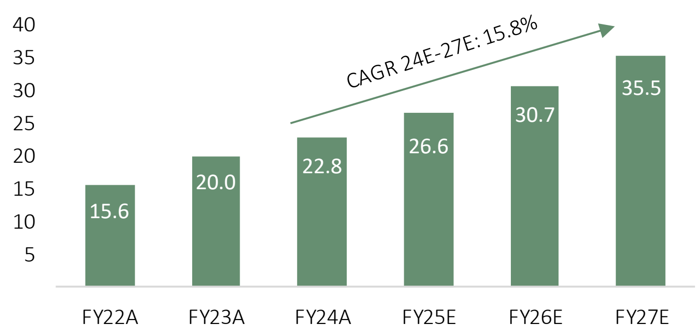
Source: Cyberoo presentation

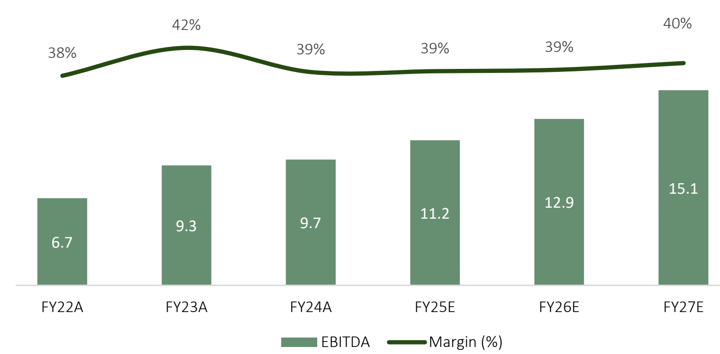
15.8% FY24A-27E CAGR in sales and EBITDA

Cyberoo has experienced a remarkable net sales growth (+28% 2019-24 CAGR; all organic), mainly driven by relevant expansion from the MDR business line. The group is expected to benefit from its R&D department with new upcoming solutions and by pivoting on new strategic partnerships, supporting a solid business growth trajectory in the mid-teens range. We expect the entrance in Spain and ongoing presence in Poland to weigh on 2025 sales at around 2% of total sales. All in all, we expect net sales to grow by 15.8% FY24A-27E CAGR (+18% CAGR in Cybersecurity division), reaching Eu35.5mn in 2027. EBITDA should also climb by +15.8% FY24A-27E CAGR to Eu15.1mn, maintaining a solid EBITDA margin of 39.4%, on average, benefitting from a sales-mix skewed to MDR solutions. This should allow Cyberoo to consistently surpassing the rule of 40, averaging 55% in FY24A-27E, highlighting an attractive profitability and sales growth profile of a technology company. Adj. EBIT and adj. net profit should land in the region of Eu10.2mn/27.1% margin and Eu6.8mn/18.2%.

Net Sales by division (LHS) and EBITDA (RHS) evolution (FY22A-27E, Eu mn)

We expect Cyberoo to post a +15.8% FY24-27E CAGR in net sales. EBITDA should also increase by +15.8% FY24-27E CAGR to Eu15.1mn





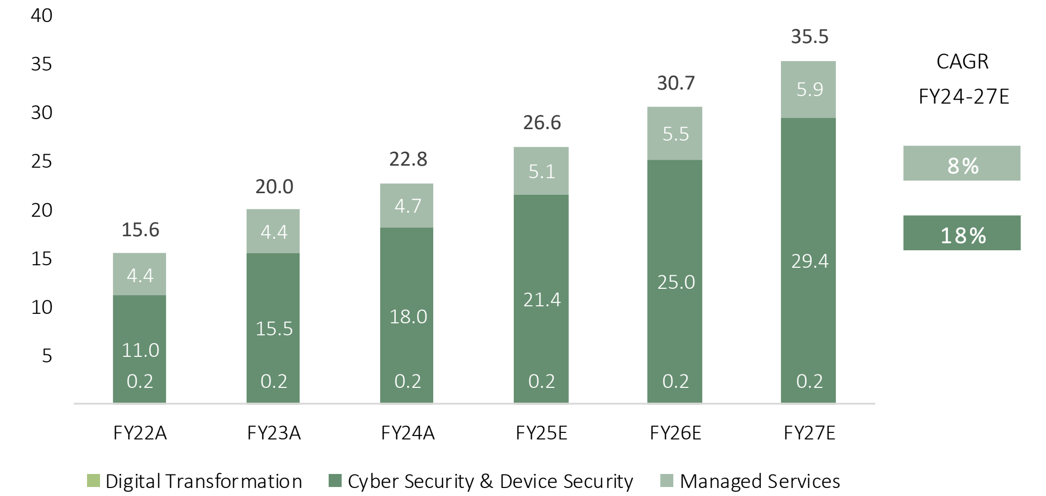
Source: Company data, Alantra estimates

15.8% FY24-27E CAGR in sales mainly driven by MDR solutions

The group has posted a strong double-digit growth in the past with 2016-24 CAGR of organic sales of 27%. The company's net sales are projected to grow from Eu22.8mn in FY24A to Eu35.5mn by FY27E, representing a CAGR of 15.8%. This growth is primarily driven by the Cyber Security & Device Security, continuing to expand at robust rates (+18% CAGR 24-27E) to Eu29.4mn, gaining further market shares. This steady performance is driven by the company's continuous development of advanced solutions in a rapidly expanding market, with expected gains in market share. We expect international sales, mainly Spain, to be visible this year, reaching around 2% of sales. We highlight that we have not considered any impact of the new upcoming SaaS product, which should further provide organic push. The Managed Services segment is expected to grow by 8% CAGR, with revenues projected to increase from Eu4.7mn in FY24A to Eu5.9mn in FY27E. The Digital Transformation segment, although smaller, is expected grow by 2% CAGR, reaching Eu0.2mn in 2027. We believe that a mix of 1) new distribution partnerships; 2) The new upcoming product launch and 3) Market share gains in both existing and new markets are strong top-line growth levers.

Sales evolution (Eu mn) by division (FY22A-27E)

All in all, we expect Cyberoo to post a +15.8% FY24-27E CAGR in net sales, mainly driven by MDR solutions (+18%).



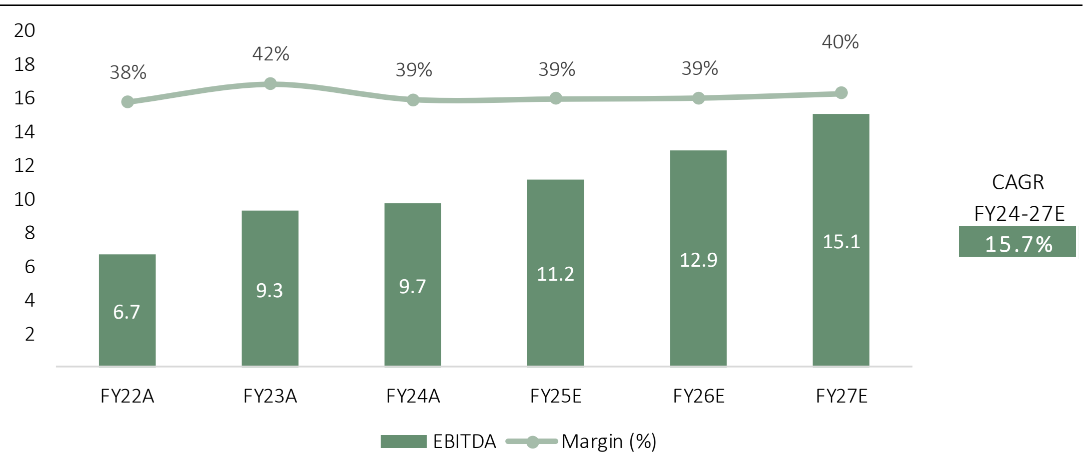
Source: Company data, Alantra estimates

EBITDA margin should remain stable at around 40% in 2027E

Historically, Cyberoo has been able to deliver attractive profitability with EBITDA margin standing >40. We believe that the healthy expansion in margins is stemming from the groups' unique positioning in the competitive landscape with a sustainable pricing-mix and product-mix skewed to proprietary solutions. As such, we expect EBITDA to climb by +15.7% FY24A-27E CAGR to Eu15.0mn/43% margin.

EBITDA and margin evolution (Eu mn, FY22A-27E)

We expect EBITDA to climb by +13.5% FY24-27E CAGR to Eu13.9mn with EBITDA margin reaching 42% in FY27E.



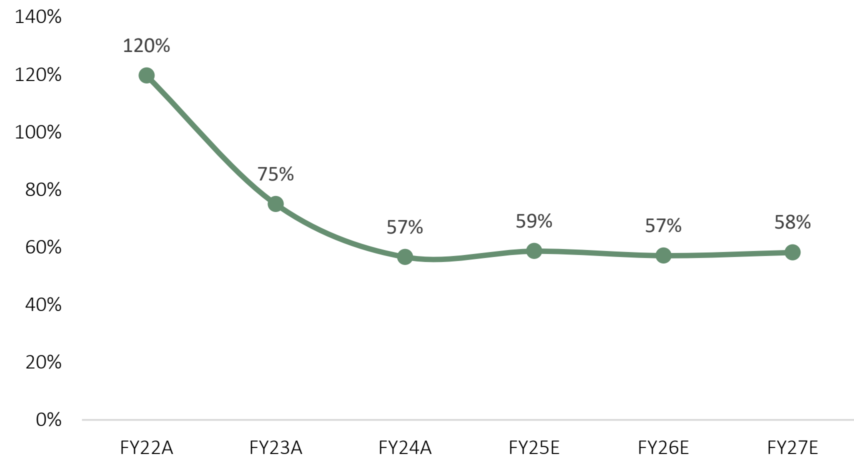
Source: Company data, Alantra estimates

Cyberoo set to remain above the "Rule of 40"

Cyberoo consistently outperforms the Rule of 40 (sales YoY growth + EBITDA margin >40%), a clear testament to the company's ability to scale efficiently while maintaining disciplined margin execution, positioning it among the top-tier operators in the Italian technology space. The group is expected to deliver 55% in sales + EBITDA margin on average FY24A-27E.

Consistently above the "Rule of 40" (2022A-27E)

Cyberoo is expected to beat "the Rule of 40" in the next years.



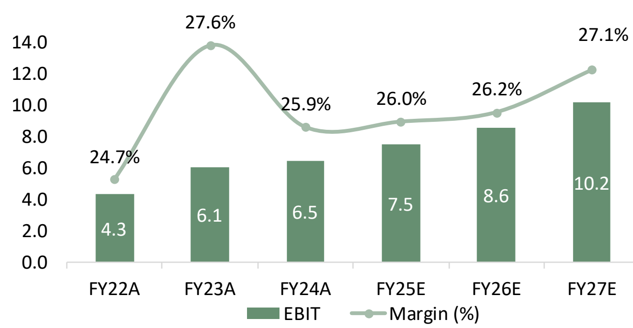
Source: Company data, Alantra estimates

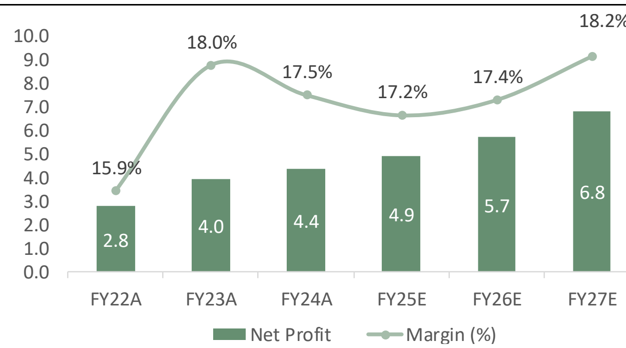
EBIT and Net Profit margin of respectively 27.1% and 18.2% in 27E

Adj. EBIT and adj. net profit should land in the region of Eu10.2mn/27.1% margin and Eu6.8mn/18.2%, after projecting stable financial expenses of c. Eu0.4mn on average and a tax rate of 30%.

EBIT (LHS) and Net Profit evolution (RHS) – (FY22-27E, Eu mn)

EBIT and Net Profit should land in the region of Eu10.2mn/27.1% margin and Eu6.8mn/18.2% margin, respectively





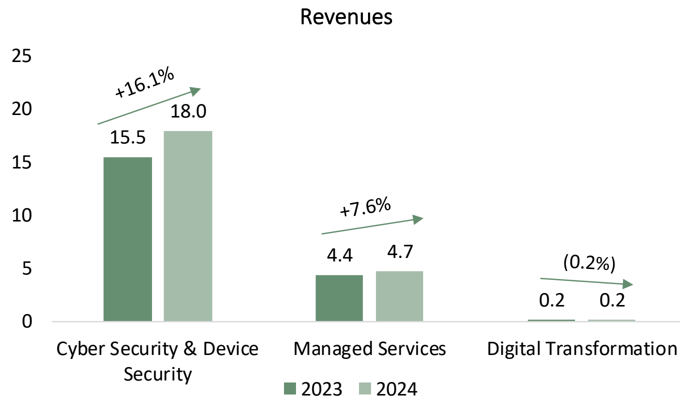
Source: Company data, Alantra estimates

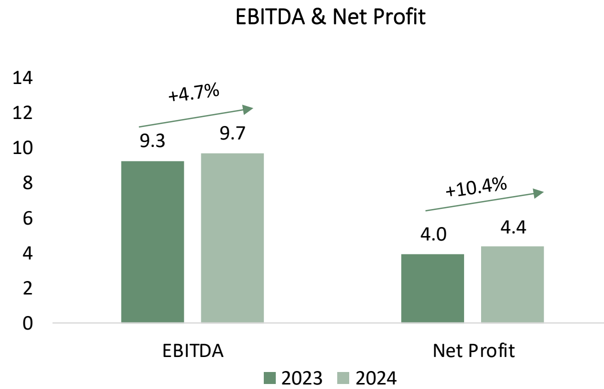
FY24 results: Supportive revenue growth; receivables level warrants attention

Cyberoo reported a solid performance in FY24, with revenues growing by 14.1% YoY to Eu22.8mn, driven by strong demand in its cybersecurity services (+16.1% YoY). EBITDA increased by 4.7%, reaching Eu9.7mn, with a margin of 38.9%, down from 42.2% in FY23. The net cash position decreased from Eu3.9mn in FY23 to a near-neutral position in FY24, mainly due to Eu5.5mn in capital expenditures and a Eu6mn absorption from negative working capital dynamics. The increase in working capital is primarily driven by higher receivables, which rose to Eu20.2mn (318 DSO) from Eu13.1mn in 2023 (236 DSO). Management stated that this trend is driven by a shift in clients' payment method, from upfront license fees to instalments spread over the license duration.

FY24 Revenues breakdown (LHS, Eu mn), EBITDA and net profit YoY evolution (RHS, Eu mn)

Revenues advanced by 14.1% YoY to Eu22.8mn, driven by strong demand in its cybersecurity services (+16.1% YoY). EBITDA increased by 4.7%, reaching Eu9.7mn/39%





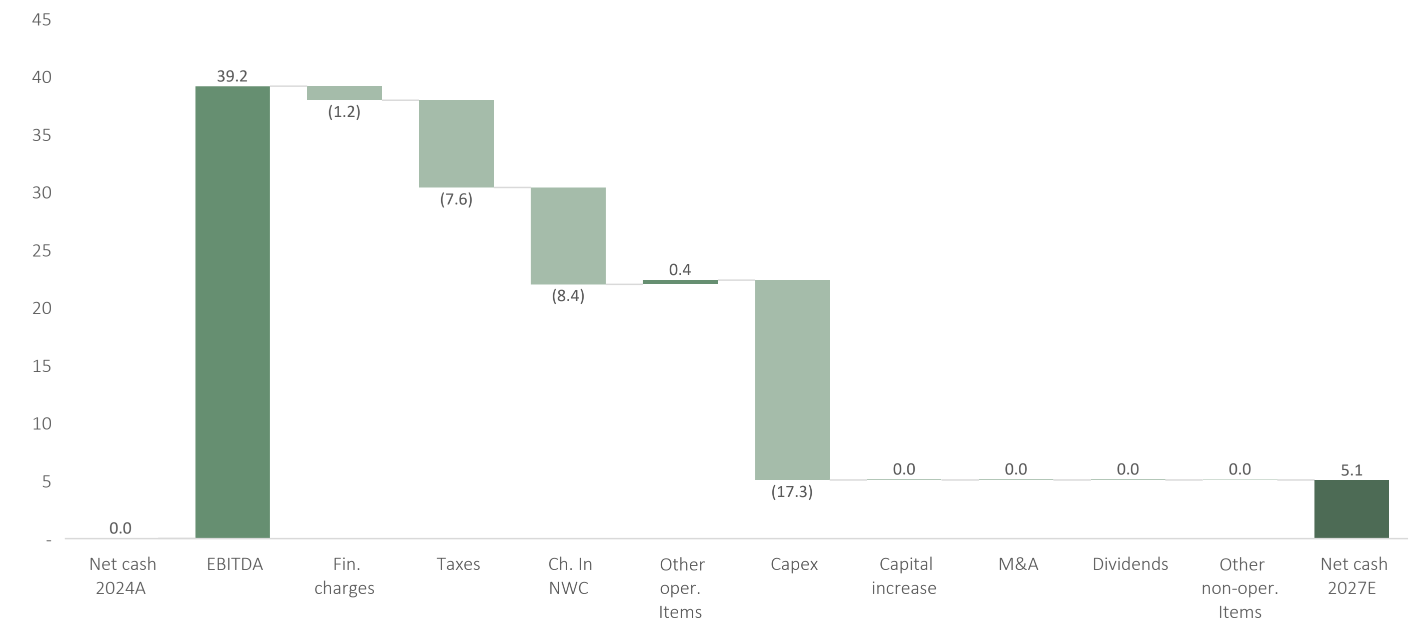
Source: Company data, Alantra estimates

Capex & NWC discipline determinate BS strength

The group has historically allocated more than 20% of sales to capex, primarily related to the development of products and solutions in the cybersecurity space. We expect this ratio to remain sustained, given the R&D-driven strategy of the group, projecting capex/sales at 18.8% on average for FY24A-27E. Net working capital is expected to remain structurally relevant (over 25% of sales historically), primarily due to substantial credit exposure to its parent company, Sedoc, which is gradually being reduced and expected to be eliminated within 3 years. However, a substantial increase in receivables is expected to persist, as the group is undergoing a shift in licence payment terms, with clients moving from upfront payments to instalments—reducing advances accordingly. As such, we expect DSO to increase further from 318 in 2024 to 328 by 2027. All in all, we expect FCF to generate a combined Eu5.1mn over the next 3 years, with an average conversion rate of over 12%. The combination of a sustainable level of fixed assets and a double-digit EBIT margin should support an uptick in ROCE, from 17.6% in FY24A to 18.5% in FY27E. While not included in our estimates, we believe that M&A should be instrumental in enhancing the group's international growth path.

2024A-27E Net cash bridge

We expect Cyberoo to increase its net cash position to Eu5.1mn in 2027E from breakeven level in 2024, despite Eu17.3mn combined capex and Eu8.4mn NWC absorption in FY25E-27E.



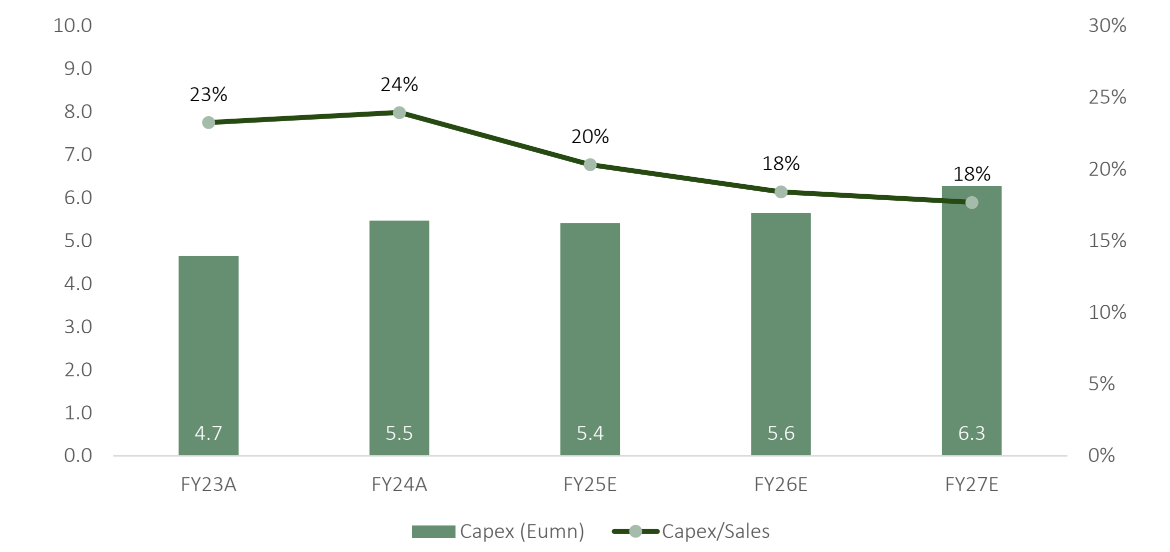
Source: Company data, Alantra estimates

Capex is expected to weigh 18.8% on sales due to product development

The Group consistently allocates a significant portion of its revenues , around 20% in recent years, to capital expenditures, primarily focused on the development and enhancement of proprietary products and solutions in the cybersecurity domain. This high level of investment underscores Cyberoo's innovation-driven strategy and its commitment to maintaining a technological edge in a rapidly evolving threat landscape. Looking ahead, we expect this disciplined approach to continue, with capex projected to average around 19% of sales over the FY25-FY27E period, reflecting sustained R&D intensity aligned with the Group's long-term growth ambitions.

Stable capex/sales projections (FY23-27E; %)

We expect capex/sales to remain at c. 19% of sales



Source: Company data, Alantra estimates

56% Working capital/Sales on average FY25-27E

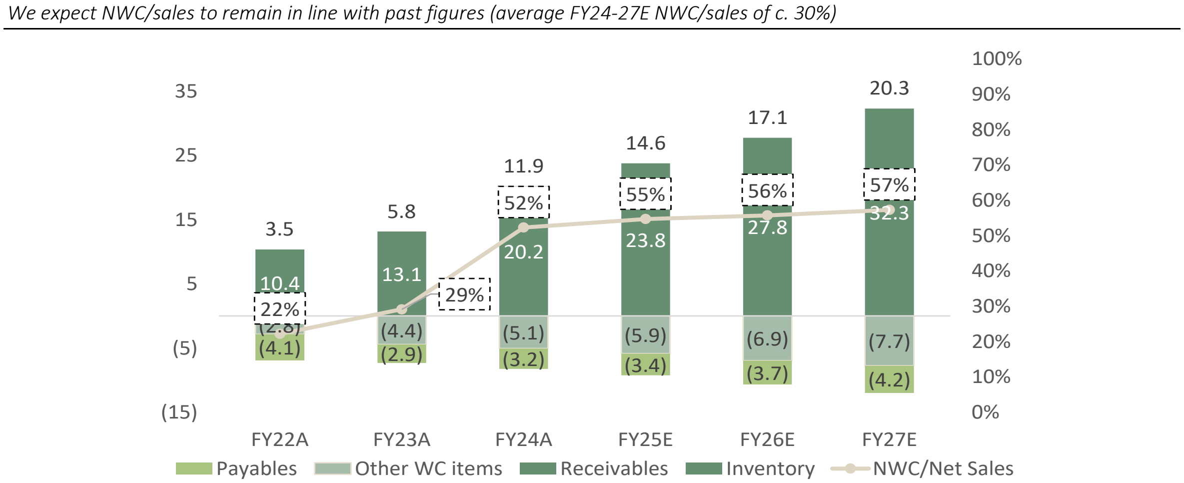
Net working capital is expected to remain structurally high over the forecasted period, averaging 56% of net sales in FY25-27E, up from 52% in FY24A and 29.2% in FY23A.

According to management, the increase reflects a shift in the licence payment structure, with clients moving from upfront payments to instalments, resulting in lower advances while accepting, in some cases, longer contract durations. This trend, observed across several clients, is further exacerbated by billing seasonality, with revenues and receivables heavily concentrated in 4Q, particularly in December. We believe this effect will be partly offset by the expected reduction in receivables from Sedoc over the coming years.

As a result, we expect a high level of receivables to remain structural in the coming years, with DSO increasing from 318 in FY24 to 328 in FY27.

Healthy NWC level (Eumn, FY22-27E) and NWC/sales ratio (%)

We expect NWC/sales to remain in line with past figures (average FY24-27E NWC/sales of c. 30%)



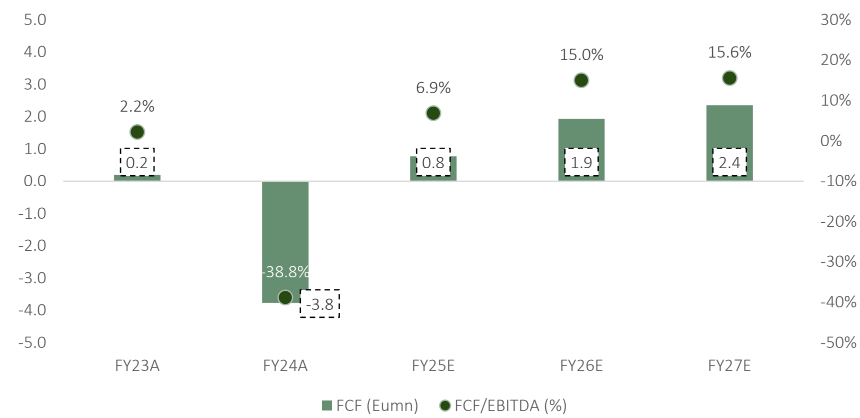
Source: Company data, Alantra estimates

FCF generation is set to gradually improve…

We anticipate an improvement in FCF over the forecasted period, driven by the group's continued operational efficiency. Specifically, we expect FCF/EBITDA conversion to increase from 6.9% in FY25 to 15.6% by FY27. This slight improvement reflects a combination of strong profitability, which partially offset cash allocated in the working capital. FCF is projected to rise from negative Eu3.8mn in 2024 (impacted by a strong increase in receivables) in FY24A to Eu2.4mn in FY27E.

Strong FCF (Eu mn, FY22-27E) and EBITDA conversion (%)

We expect Cyberoo to generate Eu5.1mn of cash in the forecasted period, with FCF/EBITDA conversion averaging 12.5%



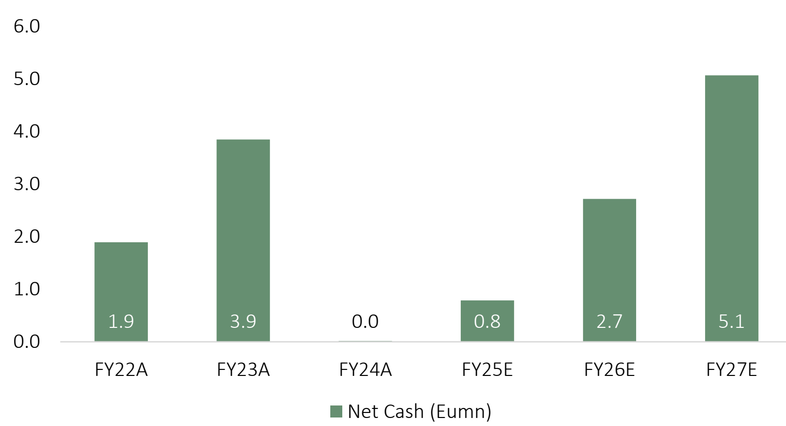
Source: Company data, Alantra estimates

…benefitting available cash

We expect the group to increase its net cash position from breakeven levels in 2024, reaching Eu5.1mn by 2027, despite absorbing Eu8.4mn in NWC and Eu5.8mn in capex over the period FY25E-27E.

Net Cash evolution (Eu mn) in FY22A-27E

Cyberoo is expected to increase its net cash position to Eu5.1mn in 2027



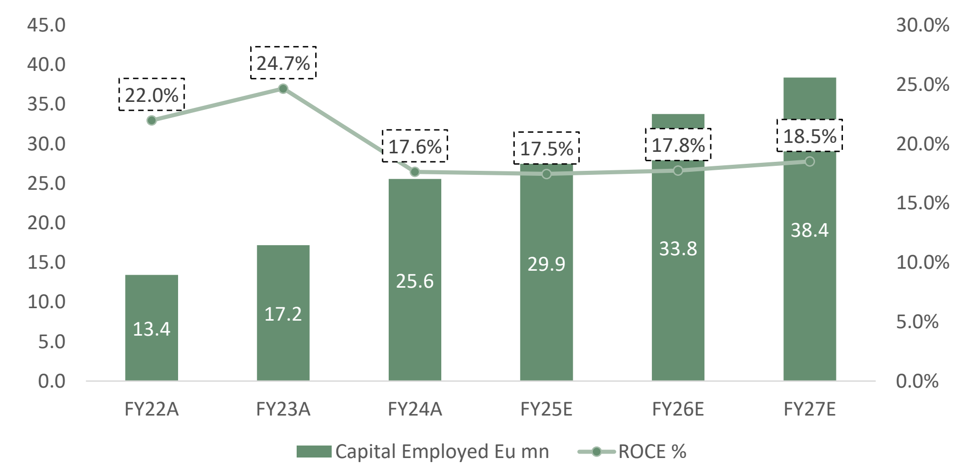
Source: Company data, Alantra estimates

ROCE is expected to uptick to 18.5% by 2027

We believe that the group has demonstrated a very attractive ROCE of 24.7% in 2023. However, we expect Cyberoo to continue investing in product development over the next few years, with receivables weighing on return on capital employed. All in all, we expect a gradual uptick in ROCE from 17.6% in 2024 to 18.5% in FY27E.

Capital Employed (Eumn) and ROCE (%)

ROCE should increase to 18.5% in 2027E



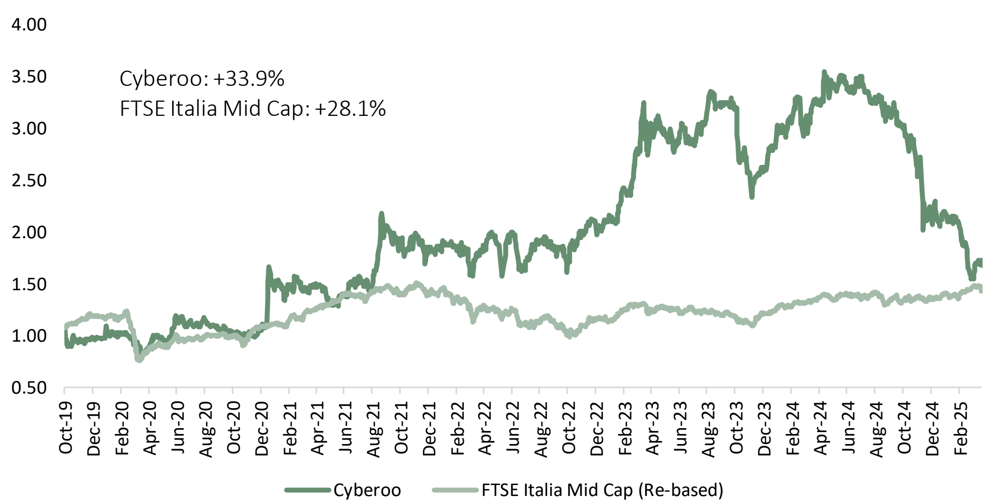
Source: Company data, Alantra estimates

Valuation: TP of Eu2.7/share

Listed in October 2019, Cyberoo's stock price has risen by 34% since the IPO, outperforming the FTSE Italian Mid Cap index over the same period, despite recent sharp pressure on CYB's shares. In our view, there are no direct listed comparable operating in the Italian market, which is primarily populated by system integrators. However, to establish a valuation benchmark, we analysed the multiples of companies developing complementary services and products within the MDR industry. These players are mainly based in the USA, such as Crowdstrike, Qualys and SentinelOne, among others. However, relying on US tech valuations highlights a structural discrepancy with European markets due to differences in size, liquidity, maturity, and capital structure. To account for this, we apply a 35% discount to relative valuation multiples, reflecting the 10Y historical discount of listed EU tech players vs US peers. We use the FY25-26E EV/EBITDA ratio as a relative valuation metric. Cyberoo trades at 5.4x-4.5x 2025-26E EV/EBITDA, representing an average 71% discount to cybersecurity peers. We believe this valuation gap is unjustified given Cyberoo's best-in-class profitability and expected growth rates in line with selected peers median Investors should also consider our DCF analysis to better capture the group's robust free cash flow profile. In our 7-year DCF valuation, we assume a 10.5% WACC and a 2.0% terminal growth rate. Given the current volatility in US tech valuations, we view the DCF method as the primary value anchor for CYB and assign it a 70% weighting. This yields a target price of Eu2.7/share, implying 86% upside.

Market performance since IPO

Cyberoo's stock price is up 34% from IPO outperforming the FTSE Italian Mid Cap Index



Source: Factset, Alantra

Valuation approach based on multiples of peers

Cyberoo has no direct listed peers in Italy, as domestic players are predominantly system integrators, third-party solution providers, or technology companies with partial proprietary offerings and active in different markets. To identify peers with a higher degree of strategic and operational comparability, we turn to the US market, which offers a broader and more mature landscape of companies active in the MDR space and cybersecurity services. Among these, CrowdStrike, Qualys and SentinelOne are the most comparable to Cyberoo, given their focus on endpoint protection, managed threat detection, SOC-driven architectures, and enterprise-grade cybersecurity platforms. More in detail:

CrowdStrike is a US-based cybersecurity leader specialized in endpoint protection, threat intelligence, and XDR. Its flagship platform, Falcon, leverages a cloud-native architecture and AI-powered analytics to deliver real-time threat prevention and managed detection capabilities (via Falcon Complete, its MDR service). The company operates a high-margin, subscription-based model with strong scalability, serving enterprises across all verticals. FY24 revenues exceeded $3.1bn, with EBITDA margin >30%.

Qualys focuses on vulnerability management, compliance, and cloud security, offering an integrated cloud-based platform for asset discovery, configuration assessment, and threat remediation. While less MDR-focused, Qualys plays a critical role in the cyber risk lifecycle and is increasingly embedding detection/response capabilities. The business is highly profitable, with FY24 revenues around $562mn and EBITDA margins near 40%, thanks to its automated SaaS model and efficient cost structure.

SentinelOne provides autonomous endpoint and cloud workload protection, with a strong emphasis on AI-powered EDR/XDR and MDR through its Singularity platform. The company differentiates through real-time detection and automated response capabilities, appealing to both mid-market and large enterprises. While it has grown rapidly, SentinelOne is still in scaling phase, with FY24 revenues of approx. $875mn and negative EBITDA, reflecting continued investment in sales and R&D.

Another relevant comparable is SecureWorks Corp., given certain product similarities with Cyberoo. However, the company was acquired in February 2025 and subsequently delisted. The acquisition transaction valued SecureWorks at approximately 2.5x EV/Sales 2024. Other selected players operate in cybersecurity, with varying degrees of focus on MDR services (TrendMicro, Fortinet, Check Point, etc).

Peers – Company description

We selected a panel of companies operating in the cybersecurity segment based mainly in the US

Company	Country	Mkt Cap (Eu mn)	Company Description
Cybersecurity			
Check Point Software Technologies Ltd.	UNITED STATES	20,045	Check Point Software Technologies Ltd. is engaged in the development and marketing of software and hardware solutions for information technology security. Its products include Quantum, CloudGuard, Harmony, and Infinity-Vision. The company was founded by Gil Shwed, Marius Nacht, and Shlomo Kramer in July 1993 and is headquartered in Tel Aviv, Israel.
CrowdStrike Holdings, Inc. Class A	UNITED STATES	79,569	CrowdStrike Holdings, Inc. provides cybersecurity products and services to stop breaches. It offers cloud-delivered protection across endpoints, cloud workloads, identity and data, and threat intelligence, managed security services, IT operations management, threat hunting, Zero Trust identity protection, and log management. CrowdStrike serves customers worldwide. The company was founded by George P. Kurtz, Gregg Marston, and Dmitri Alperovitch on November 7, 2011 and is headquartered in Austin, TX.
CyberArk Software Ltd.	UNITED STATES	13,862	CyberArk Software Ltd. engages in the development, market, and sale of access security software solutions. The firm's products include Privilege, Access, and DevSecOps. It offers its products and services to banking, insurance, healthcare, and federal industries. The company was founded by Udi Mokady and Alon Cohen in 1999 and is headquartered in Petah Tikva, Israel.
Dynatrace, Inc.	UNITED STATES	11,188	Dynatrace, Inc. engages in the business of developing software intelligence platforms which are purpose-built for the enterprise cloud. The firm also focuses on cloud ecosystem integration, incident and alert management integration, DevOps CI/CD integration, and user experience and business intelligence insights. The company was founded by Bernd Greifeneder in 2005 and is headquartered in Waltham, MA.
Fortinet, Inc.	UNITED STATES	63,224	Fortinet, Inc. provides cybersecurity solutions to a variety of businesses, such as enterprises, communication service providers, government organizations, and small to medium-sized businesses. Its product portfolio includes network security, secure access service edge, enterprise networking, security operations, application security, and operational technology. The company was founded by Ken Xie and Michael Xie in October 2000 and is headquartered in Sunnyvale, CA.
NCC Group plc	UNITED KINGDOM	485	NCC Group Plc is a holding company, which engages in the provision of independent advice and services. It operates through the Cyber Security and Software Resilience segments. The company was founded in June 1999 and is headquartered in Manchester, the United Kingdom.
Okta, Inc. Class A	UNITED STATES	13,628	Okta, Inc. engages in the provision of an identity management platform for enterprises. It operates through the United States and International geographical segments. The firm's products include single sign-on, multi-factor authentication, access gateway, API access management, authentication, adaptive MFA and lifecycle management. The company was founded by Todd McKinnon and J. Frederic Kerrest in 2009 and is headquartered in San Francisco, CA.
Palo Alto Networks, Inc.	UNITED STATES	94,389	Palo Alto Networks, Inc. engages in the provision of network security solutions to enterprises, service providers, and government entities. It operates through the following geographical segments: the United States, Israel, and Other Countries. The company was founded by Nir Zuk in March 2005 and is headquartered in Santa Clara, CA.
Qualys, Inc.	UNITED STATES	3,798	Qualys, Inc. engages in the provision of cloud security and compliance solutions. Its products enable organizations to identify security risks to information technology infrastructures, help protect information technology systems and applications from cyber attacks, and achieve compliance with internal policies and external regulations. The firm also offers solutions through a software-as-a-service model, primarily with renewable annual subscriptions. The company was founded on December 30, 1999 and is headquartered in Foster City, CA.
Rapid7 Inc.	UNITED STATES	1,277	Rapid7, Inc. engages in the provision of cyber security analytics and automation services. Its products include Metasploit, Nexpose, AppSpider, tCell by Rapid7, as well as insight platforms such as InsightDR, InsightIVM, InsightAppSec, InsightConnect, and InsightOps. The firm also offers security and product consulting services. The company was founded by Alan P. Matthews, Tas Giakouminakis, and Chad Loder in July 2000 and is headquartered in Boston, MA.
SentinelOne, Inc. Class A	UNITED STATES	4,496	SentinelOne, Inc. engages in the provision of endpoint security software that detects, models, and predicts threat behavior to block attacks on any computing device. Its services include vigilance, support, and training. The company was founded by Tomer Weingarten and Almog Cohen in 2013 and is headquartered in Mountain View, CA.
Tenable Holdings, Inc.	UNITED STATES	3,245	Tenable Holdings, Inc. engages in the development of security software solutions. It offers Cyber Exposure which is a discipline for managing and measuring cybersecurity risk in the digital era. Its products include tenable.io, tenable.sc, tenable.ot, and nessus professional. The firm delivers solutions in the field of application security, cloud security, compliance, energy, finance, healthcare, and retail. The company was founded by John C. Huffard, Jr. and Renaud M. Deraison in 2002 and is headquartered in Columbia, MD.
Trend Micro Incorporated	JAPAN	8,366	Trend Micro, Inc. is engaged in the development and sale of security-related products and services for computers and the Internet. The company was founded by Eva Chen, Steve Chang and Jenny Chang in August 1988 and is headquartered in Tokyo, Japan.
Zscaler, Inc.	UNITED STATES	26,491	Zscaler, Inc. engages in the provision of a cloud-based internet security platform. It offers Zero Trust Exchange, Zscaler Client Connector, Zscaler Internet Access, Zscaler Private Access, Zscaler B2B, Zscaler Cloud Protection, and Zscaler Digital Experience. The company was founded by Jagtar Singh Chaudhry and K. Kailash in September 2007 and is headquartered in San Jose, CA.

Cyberoo boasts best-in-class financials vs US peers

Cyberoo is expected to show a higher EBITDA and EBIT margin evolution in the next three years compared to the panel median, while growing in line with peers across the board.

Financials – Cyberoo versus selected peers

Higher EBITDA and EBIT margin compared to Cybersecurity peers and higher growth rates in the coming years

Company	Country	Mkt Cap (Eu mn)	FY25E - FY27E average margins					CAGR FY24A - FY27E			
			EBITDA Margin	EBIT Margin	Net Income Margin	Capex / Sales	Dividend Payout	Sales	EBITDA	EBIT	Net profit
CYBEROO	ITALY	125	39.4%	26.4%	17.6%	18.8%	0.0%	15.8%	15.8%	16.4%	16.0%
PEERS	Average		26.6%	22.0%	17.9%	3.9%	12.7%	11.5%	21.0%	0.7%	1.0%
	Median		26.5%	22.3%	18.3%	1.8%	0.0%	9.6%	12.3%	15.5%	13.7%
Check Point Software Technologies Ltd.	UNITED STATES	20,045	43.5%	42.5%	39.7%	1.0%	0.0%	5.7%	5.6%	5.6%	9.8%
CrowdStrike Holdings, Inc. Class A	UNITED STATES	79,569	26.7%	22.9%	20.0%	6.3%	0.0%	22.3%	25.8%	29.7%	14.8%
CyberArk Software Ltd.	UNITED STATES	13,862	22.5%	19.0%	16.2%	1.4%	0.0%	23.6%	30.7%	38.2%	28.4%
Dynatrace, Inc.	UNITED STATES	11,188	30.6%	29.3%	24.2%	1.5%	0.0%	14.1%	na	15.0%	10.5%
Fortinet, Inc.	UNITED STATES	63,224	34.9%	32.5%	28.3%	5.4%	0.0%	13.3%	12.3%	10.8%	9.6%
NCC Group plc	UNITED KINGDOM	485	14.3%	10.9%	7.1%	1.7%	60.2%	2.4%	2.4%	5.2%	18.0%
Okta, Inc. Class A	UNITED STATES	13,628	27.3%	26.2%	21.4%	0.3%	0.0%	10.1%	18.3%	18.2%	13.2%
Palo Alto Networks, Inc.	UNITED STATES	94,389	31.1%	28.9%	25.1%	2.3%	0.0%	14.7%	17.5%	17.7%	13.9%
Qualys, Inc.	UNITED STATES	3,798	41.5%	38.8%	32.8%	1.9%	0.0%	6.6%	2.2%	2.1%	2.9%
Rapid7 Inc.	UNITED STATES	1,277	18.8%	16.2%	17.2%	0.8%	0.0%	4.7%	0.1%	0.4%	-2.2%
SentinelOne, Inc. Class A	UNITED STATES	4,496	11.2%	7.9%	9.6%	1.2%	0.0%	21.1%	128.3%	nm	nm
Tenable Holdings, Inc.	UNITED STATES	3,245	24.9%	23.0%	20.3%	1.3%	0.0%	8.9%	15.8%	15.5%	18.0%
Trend Micro Incorporated	JAPAN	8,366	31.4%	22.3%	15.3%	0.5%	70.6%	5.9%	12.0%	17.0%	18.2%
Zscaler, Inc.	UNITED STATES	26,491	26.2%	22.3%	19.3%	6.1%	0.0%	20.7%	26.9%	26.2%	10.7%
Cybersecurity	Average		27.5%	24.5%	21.2%	2.3%	9.3%	12.4%	22.9%	15.5%	12.8%
	Median		27.0%	23.0%	20.2%	1.5%	0.0%	11.7%	15.8%	15.5%	13.2%

Source: Factset, Alantra

Despite showing higher EBITDA margin and similar growth rates compared to peers, Cyberoo trades at a severe discount of 71% and 58% compared to the panel of comparable on EV/EBITDA and EV/EBIT 2025, respectively

Trading multiples

Company	Country	Mkt Cap (Eu mn)	EV/EBITDA			EV/EBIT			PE			EV/Sales		
			FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E	FY25E	FY26E	FY27E
CYBEROO	ITALY	125	5.4 x	4.5 x	3.7 x	8.0 x	6.8 x	5.5 x	12.2 x	10.5 x	8.8 x	2.3 x	1.9 x	1.6 x
Premium (discount) to Peers' Median			-71%	-71%	-74%	-59%	-62%	-64%	-59%	-60%	-62%	-61%	-60%	-63%
PEERS	Average		28.6 x	21.8 x	17.5 x	31.8 x	28.0 x	19.6 x	41.2 x	35.2 x	28.7 x	6.8 x	5.8 x	4.9 x
	Median		18.8 x	15.5 x	14.4 x	19.7 x	17.8 x	15.2 x	29.6 x	26.6 x	23.2 x	5.7 x	4.8 x	4.3 x
Check Point Software Technologies Ltd.	UNITED STATES	20,045	18.5 x	17.4 x	16.4 x	18.9 x	17.8 x	16.8 x	21.4 x	19.6 x	17.5 x	8.0 x	7.6 x	7.2 x
CrowdStrike Holdings, Inc. Class A	UNITED STATES	79,569	73.1 x	53.7 x	40.7 x	89.6 x	63.2 x	45.3 x	108.0 x	82.1 x	62.0 x	18.1 x	14.6 x	11.4 x
CyberArk Software Ltd.	UNITED STATES	13,862	51.8 x	39.9 x	31.9 x	67.1 x	48.1 x	34.4 x	88.1 x	67.7 x	50.2 x	11.3 x	9.2 x	7.3 x
Dynatrace, Inc.	UNITED STATES	11,188	19.3 x	15.5 x	na	20.2 x	16.2 x	14.6 x	27.7 x	23.9 x	23.2 x	5.8 x	4.8 x	4.3 x
Fortinet, Inc.	UNITED STATES	63,224	29.1 x	24.9 x	20.4 x	31.1 x	26.4 x	22.2 x	38.6 x	34.3 x	30.2 x	10.0 x	8.6 x	7.3 x
NCC Group plc	UNITED KINGDOM	485	9.6 x	8.6 x	7.3 x	13.4 x	11.1 x	9.1 x	20.0 x	16.8 x	15.4 x	1.3 x	1.2 x	1.1 x
Okta, Inc. Class A	UNITED STATES	13,628	18.6 x	15.5 x	12.2 x	19.6 x	16.2 x	12.6 x	29.6 x	26.9 x	23.2 x	4.9 x	4.2 x	3.5 x
Palo Alto Networks, Inc.	UNITED STATES	94,389	37.0 x	30.6 x	25.2 x	40.2 x	33.0 x	27.0 x	50.7 x	44.7 x	39.1 x	11.4 x	9.5 x	8.0 x
Qualys, Inc.	UNITED STATES	3,798	13.9 x	12.3 x	12.4 x	14.9 x	13.3 x	13.1 x	20.9 x	19.1 x	17.9 x	5.7 x	5.2 x	5.1 x
Rapid7 Inc.	UNITED STATES	1,277	11.5 x	9.3 x	3.9 x	13.5 x	10.9 x	4.5 x	12.8 x	11.8 x	10.7 x	2.0 x	1.8 x	0.8 x
SentinelOne, Inc. Class A	UNITED STATES	4,496	57.5 x	31.6 x	21.7 x	nm	42.4 x	26.0 x	nm	46.7 x	37.2 x	4.6 x	3.6 x	3.1 x
Tenable Holdings, Inc.	UNITED STATES	3,245	14.3 x	11.1 x	9.1 x	15.5 x	12.0 x	9.9 x	21.2 x	17.9 x	14.6 x	3.3 x	2.8 x	2.4 x
Trend Micro Incorporated	JAPAN	8,366	13.8 x	12.2 x	11.0 x	19.7 x	17.2 x	15.2 x	32.1 x	26.3 x	22.6 x	4.1 x	3.8 x	3.6 x
Zscaler, Inc.	UNITED STATES	26,491	42.7 x	33.1 x	25.4 x	50.1 x	38.9 x	29.8 x	63.8 x	55.4 x	45.4 x	10.7 x	8.7 x	6.9 x
Cybersecurity	Average		28.6 x	21.8 x	17.5 x	31.8 x	28.0 x	19.6 x	41.2 x	35.2 x	28.7 x	6.8 x	5.8 x	4.9 x
	Median		18.8 x	15.5 x	14.4 x	19.7 x	17.8 x	15.2 x	29.6 x	26.6 x	23.2 x	5.7 x	4.8 x	4.3 x

Source: Factset, Alantra

A discount to consider when looking to US tech peers

While US players offer the best business-alike comparability, they are less reliable benchmarks from a valuation standpoint, as they typically trade at structurally higher multiples due to factors such as scale, free float liquidity, investor base depth, capital structure flexibility and market maturity. To account for this distortion, we analysed the 10-year evolution of NTM EV/EBITDA multiples in the US and European technology sectors. The analysis highlights that US tech companies consistently trade at a c.35% premium to their European counterparts. In our view, this valuation gap embeds structural advantages such as larger addressable markets, deeper capital markets access, broader institutional coverage, among others. Therefore, while we use US peers to frame Cyberoo's business model positioning, our valuation cross-checks must apply a 35% discount to the US panel, adjusting for size and liquidity gaps. Looking at EV/EBITDA multiple we derive a valuation of Eu3.2/share

Valuation (Eu mn), using peers' multiples

Our relative valuation based on EV/EBITDA of cybersecurity peers delivers a TP of Eu3.2/share

	Cybersecurity		
Eu mn	FY25E	FY26E	FY27E
EBITDA	11.2	12.9	15.1
EV/EBITDA Peer Group	18.8x	15.5x	14.4x
Premium (Discount)	*-35%*	*-35%*	*-35%*
EV/EBITDA Peer Group after premium (discount)	12.1x	10.0x	9.3x
EV based on multiples	135.9	128.9	140.2
Net Financial Position	0.8	2.7	5.1
Adjustments	(0.9)	(1.0)	(1.1)
Equity Value on EV/EBITDA	136	131	144
Eu Per Share	3.3	3.2	3.5

Eu mn	FY25E	FY26E	FY27E
EBIT	7.5	8.6	10.2
EV/EBIT Peer Group	19.7x	17.8x	15.2x
Premium (Discount)	*-35%*	*-35%*	*-35%*
EV/EBIT Peer Group after premium (discount)	12.7x	11.5x	9.8x
EV based on multiples	94.9	98.6	99.9
Net Financial Position	0.8	2.7	5.1
Adjustments	(0.9)	(1.0)	(1.1)
Equity Value on EV/EBIT	95	100	104
Eu Per Share	2.3	2.4	2.5

Eu mn	FY25E	FY26E	FY27E
Net income	4.9	5.7	6.8
PE Peer Group	29.6x	26.6x	23.2x
Premium (Discount)	*-35%*	*-35%*	*-35%*
P/E Peer Group after premium (discount)	19.1x	17.1x	14.9x
Equity Value on P/E	94	98	102
Eu Per Share	2.3	2.4	2.5

Source: Alantra estimates

Valuation based on DCF approach

We believe that the DCF methodology is a better approach to capture the cash generation profile of the group. In our DCF valuation we assume 7 years of estimates to better reflect the groups' growth trajectory, with 10.5% WACC and 2.0% terminal growth rate. Our DCF suggests a valuation of Eu2.5/share.

DCF Valuation

(Eu mn)	FY24A	FY25E	FY26E	FY27E	FY28E	FY29E	FY30E	FY31E	TV
EBITDA	9.7	11.2	12.9	15.1	17.2	19.2	21.5	24.1	24.6
taxes on EBIT	(1.9)	(2.3)	(2.6)	(3.1)	(3.5)	(3.9)	(4.4)	(4.9)	(5.4)
Non recurring Cash-out	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0	0.0
NWC Change	(6.0)	(2.6)	(2.5)	(3.2)	(2.6)	(2.4)	(2.2)	(2.0)	(2.0)
Capex	(5.5)	(5.4)	(5.6)	(6.3)	(7.0)	(7.2)	(8.1)	(9.0)	(2.9)
Capex/Revenues	*-24.0%*	*-20.3%*	*-18.4%*	*-17.7%*	*-17.0%*	*-15.0%*	*-15.0%*	*-15.0%*	*-10.0%*
Free cash flow	(3.6)	0.9	2.1	2.5	4.1	5.8	6.9	8.2	168.3
Disc. Free Cash Flow	(3.6)	0.9	1.8	1.9	2.8	3.6	3.9	4.2	86.0
Year		*0.8*	*1.8*	*2.8*	*3.8*	*4.8*	*5.8*	*6.8*	*6.8*

Total Disc. FCF	19.0
Terminal value	86.0
Total EV (Eu mn)	105.0
NFP FY24A	0.0
Adjustments	(0.8)
TOTAL Equity Value	104.3
# of shares (mn)	41.2
Fair Value per share (Eu)	2.5

Implied multiples	FY25E	FY26E	FY27E
EV/ Adj. EBITDA	9.3 x	8.0 x	6.7 x
EV/Adj. EBIT	14.0 x	11.9 x	9.8 x
P/Adj. E	21.1 x	18.2 x	15.3 x

Source: Alantra

Valuation with sensitivity based on DCF

		Wacc				
		8.5%	9.5%	10.5%	11.5%	12.5%
Term. Growth	1.50%	137.5	115.7	99.0	85.9	75.3
	1.75%	142.2	119.1	101.6	87.8	76.8
	2.00%	147.3	122.8	104.3	89.9	78.4
	2.25%	152.8	126.6	107.1	92.0	80.1
	2.50%	158.7	130.8	110.2	94.3	81.9

Source: Alantra

Main risks

We believe that the main risks related to Cyberoo's business can be summarised in the following factors:

High level of receivables pressures FCF generation capability. Cyberoo's commercial receivables have increased in recent years, reaching Eu20.2mn in 2024 (318 DSO), underpinned by a reduction in up-front payments from clients. This trend, if confirmed in the coming years, could be a cash flow generation headwind.

Exposure to parent company Sedoc. Sedoc Digital Group remains a significant partner for Cyberoo, accounting for 36% of revenues in 2024. However, Cyberoo has successfully reduced its exposure over the years, down from 58% in 2021, thanks to its diversification across 92 partners. This positive trend is expected to accelerate in the coming years due to international expansion and further diversification of its network. Additionally, the group announced that, starting in July 2024, Sedoc purchases Cyberoo's services indirectly through distributors, rather than directly, enhancing transparency. Moreover, to date, Sedoc is honouring its repayment schedule on Eu11.5mn in Cyberoo's commercial credits. Any delay arising from the repayment plan could increase net working capital headwinds. That said, the group has announced a plan to reduce its credit exposure to zero versus Sedoc by 2027, maintaining regular oversight of outstanding credit positions.

Limited geographical diversification. Nearly all of Cyberoo's revenues are generated in Italy, exposing the company to domestic macroeconomic headwinds and limiting geographical scale. However, the company has already expanded its commercial presence in Poland and Spain, with rising revenue contribution expected shortly.

Shortage of skilled professionals in cybersecurity. The growing shortage of cybersecurity professionals could hinder Cyberoo's ability to scale operations and maintain service quality, leading to higher recruitment costs and delays in hiring. Cyberoo mitigates this risk through strong partnerships, internal training programs, and its established presence in regions with a strong talent pool, like Ukraine and Poland.

Execution risk on scalable platforms. Cyberoo's core value proposition relies on proprietary cybersecurity solutions (e.g., CY, CSI, Titaan), built on artificial intelligence and machine learning technologies. These platforms require continuous innovation and market alignment, exposing the group to potential development delays and obsolescence risk. That said, Cyberoo has a proven track record of rolling out new AI-powered products and maintains an internal R&D lab with highly specialised talent.

Operational exposure to Ukraine. The company relies on its Ukrainian-based SOC (1st level) and R&D hubs for key managed services and technology development. The geopolitical context, marked by ongoing conflict, poses a risk to business continuity and employee safety. Nonetheless, operations have remained fully functional since 2022, and the company has implemented robust disaster recovery and continuity plans to mitigate disruptions.

Scalability and international market penetration risk. While Cyberoo has expressed ambitions to expand internationally, successfully scaling operations in new markets requires overcoming significant challenges. These include adapting to local cybersecurity regulations, establishing a strong sales network, and competing against well-established global players. Failure to execute an effective international expansion strategy could limit growth potential and prolong dependence on the Italian market.

Dependency on few key people. The top management team of the company, especially CEO Fabio Leonardi, has been among the main contributors to the group's growth. However, we believe that his significant equity shareholding (61.6% directly and indirectly through Sedoc) is a strong mitigating factor.

Appendix

Cyberoo – Revenue breakdown

Eu mn	FY22A	FY23A	FY24A	FY25E	FY26E	FY27E
Revenues by Product	15.6	20.0	22.8	26.6	30.7	35.5
Cyber Security & Device Security	11.0	15.5	18.0	21.4	25.0	29.4
YoY Growth	*155.6%*	*40.6%*	*16.1%*	*19.0%*	*17.0%*	*17.4%*
% total revenues	*70.8%*	*77.3%*	*78.7%*	*80.4%*	*81.6%*	*82.8%*
Managed Services	4.4	4.4	4.7	5.1	5.5	5.9
YoY Growth	*1.0%*	*0.1%*	*7.6%*	*7.6%*	*8.0%*	*8.4%*
% total revenues	*28.0%*	*21.8%*	*20.6%*	*19.0%*	*17.8%*	*16.7%*
Digital Transformation	0.2	0.2	0.2	0.2	0.2	0.2
YoY Growth	*-4.5%*	*-7.5%*	*-0.2%*	*2.0%*	*2.0%*	*2.0%*
% total revenues	*1.1%*	*0.8%*	*0.7%*	*0.6%*	*0.6%*	*0.5%*

Source: Cyberoo, Alantra

Cyberoo – P&L

	FY22A	FY23A	FY24A	FY25E	FY26E	FY27E
Net revenues	**15.6**	**20.0**	**22.8**	**26.6**	**30.7**	**35.5**
YoY Growth	*76.4%*	*28.7%*	*14.1%*	*16.5%*	*15.2%*	*15.7%*
Organic	76.4%	28.7%	14.1%	16.5%	15.2%	15.7%
M&A						
Inflation						
Forex						
Change in WIP and Finished goods	**1.7**	**1.7**	**1.7**	**1.7**	**1.7**	**1.7**
YoY Growth		*-0.1%*	*-0.1%*	*-0.1%*	*-0.1%*	*-0.1%*
Other revenues	**0.3**	**0.3**	**0.4**	**0.4**	**0.4**	**0.4**
YoY Growth		*-1.5%*	*63.8%*	*63.8%*	*63.8%*	*63.8%*
Revenues	**17.6**	**22.0**	**25.0**	**28.8**	**32.8**	**37.6**
YoY Growth	*99.2%*	*25.4%*	*13.6%*	*15.1%*	*14.0%*	*14.7%*
Organic	99.2%	25.4%	13.6%	15.1%	14.0%	14.7%
M&A						
Raw Materials	**(3.6)**	**(4.9)**	**(6.2)**	**(6.3)**	**(7.2)**	**(8.3)**
YoY Growth		*35.2%*	*26.8%*	*1.4%*	*14.0%*	*14.7%*
% total revenues	*-20.7%*	*-22.4%*	*-25.0%*	*-22.0%*	*-22.0%*	*-22.0%*
Services	**(2.0)**	**(1.6)**	**(1.8)**	**(2.1)**	**(2.4)**	**(2.8)**
YoY Growth		*-19.8%*	*13.3%*	*15.1%*	*14.0%*	*14.7%*
% total revenues	*-11.5%*	*-7.4%*	*-7.4%*	*-7.4%*	*-7.4%*	*-7.4%*
Personnel Costs	**(4.6)**	**(5.6)**	**(6.6)**	**(7.8)**	**(8.8)**	**(9.8)**
YoY Growth	*29.6%*	*21.9%*	*17.4%*	*18.6%*	*13.2%*	*10.8%*
% total revenues	*-26.1%*	*-25.4%*	*-26.3%*	*-27.1%*	*-26.9%*	*-26.0%*
Rents	**(0.3)**	**(0.3)**	**(0.4)**	**(0.4)**	**(0.5)**	**(0.6)**
YoY Growth		*-6.7%*	*15.8%*	*15.1%*	*14.0%*	*14.7%*
% total revenues	*-1.9%*	*-1.4%*	*-1.5%*	*-1.5%*	*-1.5%*	*-1.5%*
Other Operating Costs	**(0.2)**	**(0.3)**	**(0.3)**	**(0.9)**	**(1.0)**	**(1.2)**
YoY Growth		*18.1%*	*-2.8%*	*236.4%*	*14.0%*	*14.7%*
% total revenues	*-3.1%*	*-3.1%*	*-3.1%*	*-3.1%*	*-3.1%*	*-3.1%*
Operating Costs	**(10.8)**	**(12.7)**	**(15.3)**	**(17.6)**	**(20.0)**	**(22.6)**
YoY Growth	*205.8%*	*17.6%*	*20.1%*	*14.9%*	*13.7%*	*13.0%*
% total revenues	*-61.7%*	*-57.8%*	*-61.1%*	*-61.0%*	*-60.8%*	*-59.9%*
EBITDA Adj.	**6.7**	**9.3**	**9.7**	**11.2**	**12.9**	**15.1**
YoY Growth	*27.6%*	*37.8%*	*4.7%*	*15.4%*	*14.6%*	*17.3%*
on net revenues %	*43.3%*	*46.4%*	*42.6%*	*42.2%*	*42.0%*	*42.5%*
% total revenues	*38.3%*	*42.2%*	*38.9%*	*39.0%*	*39.2%*	*40.1%*
EBITDA Adjustments	**0.0**	**0.0**	**0.0**			
EBITDA	**6.7**	**9.3**	**9.7**	**11.2**	**12.9**	**15.1**
YoY Growth	*27.6%*	*37.8%*	*4.7%*	*15.4%*	*14.6%*	*17.3%*
on net revenues %	*43.3%*	*46.4%*	*42.6%*	*42.2%*	*42.0%*	*42.5%*
% total revenues	*38.3%*	*42.2%*	*38.9%*	*39.0%*	*39.2%*	*40.1%*
D&A	**(2.4)**	**(3.2)**	**(3.3)**	**(3.7)**	**(4.3)**	**(4.9)**
YoY Growth		*34.1%*	*1.5%*	*15.1%*	*14.0%*	*14.7%*
% total revenues	*-13.6%*	*-14.6%*	*-13.0%*	*-13.0%*	*-13.0%*	*-13.0%*
Tangible	(0.5)	(0.6)	(0.6)	(0.7)	(0.7)	(0.9)
Intangible	(1.9)	(2.6)	(2.7)	(3.1)	(3.5)	(4.0)
of which Goodwill						
IFRS 16 (Lease)						
Provisions/Writedown	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
YoY Growth						
% total revenues	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
EBIT Adj.	**4.3**	**6.1**	**6.5**	**7.5**	**8.6**	**10.2**
YoY Growth	*-17.6%*	*39.8%*	*6.4%*	*15.6%*	*14.9%*	*18.6%*
% total revenues	*24.7%*	*27.6%*	*25.9%*	*26.0%*	*26.2%*	*27.1%*
EBIT Adjustments	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
EBIT	**4.3**	**6.1**	**6.5**	**7.5**	**8.6**	**10.2**
YoY Growth	*-17.6%*	*39.8%*	*6.4%*	*15.6%*	*14.9%*	*18.6%*
% total revenues	*24.7%*	*27.6%*	*25.9%*	*26.0%*	*26.2%*	*27.1%*
Net financial income (costs)	**(0.2)**	**(0.4)**	**(0.2)**	**(0.4)**	**(0.4)**	**(0.4)**
of which Forex Income and Expenses						
of which IFRS 16						
YoY Growth						
% total revenues	*-1.4%*	*-1.8%*	*-0.9%*	*-1.4%*	*-1.2%*	*-1.1%*
Associates	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
YoY Growth						
on revenues %	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Write-up / (Write-Down) of Equity Investments	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
YoY Growth						
on revenues %						
Pre-tax profits	**4.1**	**5.7**	**6.2**	**7.1**	**8.2**	**9.8**
YoY Growth	*-22.3%*	*38.5%*	*9.8%*	*13.5%*	*15.8%*	*19.5%*
% total revenues	*23.4%*	*25.8%*	*24.9%*	*24.6%*	*25.0%*	*26.0%*
Taxes	**(1.3)**	**(1.7)**	**(1.9)**	**(2.1)**	**(2.5)**	**(3.0)**
tax rate %	*-32.0%*	*-30.2%*	*-30.2%*	*-30.2%*	*-30.2%*	*-30.2%*
Minorities	**(0.0)**	**0.0**	**0.0**	**0.0**	**0.0**	**0.0**
Pre-tax profits %	*-0.1%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Net Profit	**2.8**	**4.0**	**4.4**	**4.9**	**5.7**	**6.8**
YoY Growth	*1540.0%*	*42.2%*	*10.4%*	*12.8%*	*15.8%*	*19.5%*
% total revenues	*15.9%*	*18.0%*	*17.5%*	*17.2%*	*17.4%*	*18.2%*
Restated Net Profit	**2.8**	**4.0**	**4.4**	**4.9**	**5.7**	**6.8**
YoY Growth	*1540.0%*	*42.2%*	*10.4%*	*12.8%*	*15.8%*	*19.5%*
% total revenues	*15.9%*	*18.0%*	*17.5%*	*17.2%*	*17.4%*	*18.2%*

Source: Cyberoo, Alantra

Cyberoo – Balance Sheet

(Eu mn)	FY22A	FY23A	FY24A	FY25E	FY26E	FY27E
Inventory	0.0	0.0	0.0	0.0	0.0	0.0
% total revenues	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
DIO	*0*	*0*	*0*	*0*	*0*	*0*
Receivables	10.4	13.1	20.2	23.8	27.8	32.3
% total revenues	*59.1%*	*59.7%*	*80.7%*	*82.7%*	*84.6%*	*85.9%*
DSO	240	236	318	*322*	*326*	*328*
Payables	(4.1)	(2.9)	(3.2)	(3.4)	(3.7)	(4.2)
% external costs incl. CAPEX	*57.9%*	*35.7%*	*31.7%*	*30.3%*	*29.8%*	*29.9%*
DPO	154	88	81	*80*	*80*	*80*
Other current assets	1.8	1.8	2.1	2.4	2.9	3.5
% total revenues	10.3%	8.2%	8.5%	*9.0%*	*9.5%*	*10.0%*
Other current liabilities	(4.6)	(6.2)	(7.2)	(8.3)	(9.8)	(11.3)
% total revenues	-26.4%	-28.4%	-28.7%	*-28.7%*	*-30.0%*	*-30.0%*
Net Working capital	3.5	5.8	11.9	14.6	17.1	20.3
% total revenues	19.7%	26.5%	47.8%	50.6%	52.1%	54.0%
Property, plant and equipment	1.6	1.8	2.5	3.2	3.9	4.4
Right of Use Assets	0.0	0.0	0.0	0.0	0.0	0.0
Intangible assets	8.4	9.6	11.1	12.0	12.8	13.6
o/w goodwill	1.3	1.1	1.1	1.1	1.1	1.1
Financial assets	0.0	0.0	0.0	0.0	0.0	0.0
Investments in other companies	0.0	0.0	0.0	0.0	0.0	0.0
Others	0.0	0.0	0.0	0.0	0.0	0.0
Total fixed assets	10.0	11.4	13.7	15.3	16.7	18.1
Employee pension benefits	(0.4)	(0.6)	(0.8)	(0.9)	(1.0)	(1.2)
Other liabilities (funds)	0.1	0.0	0.0	0.0	0.1	0.1
Net Invested Capital	13.2	16.7	24.9	29.0	32.8	37.3
Current Lease Liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Non-Current Lease Liabilities	0.0	0.0	0.0	0.0	0.0	0.0
Short Term debts	1.2	1.5	2.0	2.0	2.0	2.0
Long Term debts	1.4	4.1	4.4	4.4	4.4	4.4
Short term credits	0.0	0.0	0.0	0.0	0.0	0.0
Cash	(4.4)	(9.5)	(6.4)	(7.2)	(9.1)	(11.5)
Net Debt (Cash)	(1.9)	(3.9)	(0.0)	(0.8)	(2.7)	(5.1)
Share capital	1.0	1.0	1.0	1.0	1.0	1.0
Reserves	11.2	15.5	19.5	23.8	28.8	34.5
Net result	2.8	4.0	4.4	4.9	5.7	6.8
Minorities	0.0	0.0	0.0	0.0	0.0	0.0
Shareholders Equity	15.0	20.5	24.9	29.8	35.5	42.4
Source of Funds	13.2	16.7	24.9	29.0	32.8	37.3

Source: Cyberoo, Alantra

Cyberoo – Cash-flow statement

(Eu mn)		FY22A	FY23A	FY24A	FY25E	FY26E	FY27E
Net Profit before minorities		2.8	4.0	4.4	4.9	5.7	6.8
Interests		0.2	0.4	0.3	0.4	0.4	0.4
Taxes		1.3	1.7	1.9	2.1	2.5	3.0
Losses (gains) on disposal of fixed assets		0.0	0.0	0.0	0.0	0.0	0.0
Provisions/Writedowns		0.0	0.0	0.0	0.0	0.0	0.0
D&A		2.4	3.2	3.3	3.7	4.3	4.9
Change in net working capital		(0.4)	(2.3)	(6.0)	(2.6)	(2.5)	(3.2)
Interests paid		(0.2)	(0.4)	(0.3)	(0.4)	(0.4)	(0.4)
Taxes paid		(1.3)	(1.7)	(1.9)	(2.1)	(2.5)	(3.0)
Use of funds		0.0	0.0	0.0	0.1	0.1	0.1
Other operating items		(0.0)	0.0	0.0			
Cash flow from operating activities		4.8	4.9	1.7	6.2	7.6	8.6
Intangibles (CAPEX)		(2.5)	(3.8)	(4.1)	(4.0)	(4.3)	(4.9)
	% total revenues	*-14.2%*	*-17.1%*	*-16.4%*	*-14.0%*	*-13.0%*	*-13.0%*
Tangibles (CAPEX)		(0.8)	(0.9)	(1.4)	(1.4)	(1.4)	(1.4)
	% total revenues	*-4.8%*	*-4.1%*	*-5.5%*	*-4.8%*	*-4.2%*	*-3.7%*
IFRS 16 - Lease (CAPEX)		0.0	0.0	0.0	0.0	0.0	0.0
	% total revenues	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
Intangibles + Tangible		(3.3)	(4.7)	(5.5)	(5.4)	(5.6)	(6.3)
	% total revenues	*-19.0%*	*-21.1%*	*-21.9%*	*-18.8%*	*-17.2%*	*-16.7%*
Financials		0.0	0.0	0.0	0.0	0.0	0.0
	% total revenues	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*	*0.0%*
(Acquisitions) / Disposals		1.5	0.3	0.2	0.0	0.0	0.0
	% total revenues	*8.4%*	*1.4%*	*0.9%*	*0.0%*	*0.0%*	*0.0%*
Cash flow from investment activities		(1.9)	(4.3)	(5.2)	(5.4)	(5.6)	(6.3)
Capex/sales		*-10.6%*	*-19.7%*	*-20.9%*	*-18.8%*	*-17.2%*	*-16.7%*
Change in shareholders equity		0.0	1.5	0.0	0.0	0.0	0.0
Dividends		0.0	0.0	0.0	0.0	0.0	0.0
Other items		(0.8)	(0.1)	(0.3)	0.0	0.0	0.0
Change in NFP		2.2	2.0	(3.8)	0.8	1.9	2.4
NFP at year beginning		(0.3)	1.9	3.9	0.0	0.8	2.7
NFP at YE (debt)/cash		1.9	3.9	0.0	0.8	2.7	5.1

Source: Cyberoo, Alantra

Disclaimer

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BUY: The stock is expected to generate returns of over 10% during the next 12 months.

HOLD: The stock is expected to generate returns of 0-10% during the next 12 months.

SELL: The stock is expected to generate negative returns during the next 12 months.

NOT RATED: The stock is not covered.

UNDER REVIEW: An event occurred with an expected significant impact on our target price and we cannot issue a recommendation before having processed that new information and/or without a new share price reference.

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