



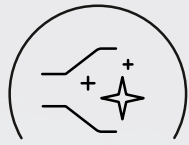
2024

**Half Year Report**





 **cyan** digital security



## **Network Security**

Going beyond  
connection

With our easy-to-implement, network-based security solutions, we enable telecommunications providers to effortlessly protect their end users online.



## **Endpoint Security**

Reaching full  
digital potential

Our device-based security solutions can be implemented in any end-customer app or as a standalone app. Fully branded in the style of our customers. For convenient digital security everywhere.

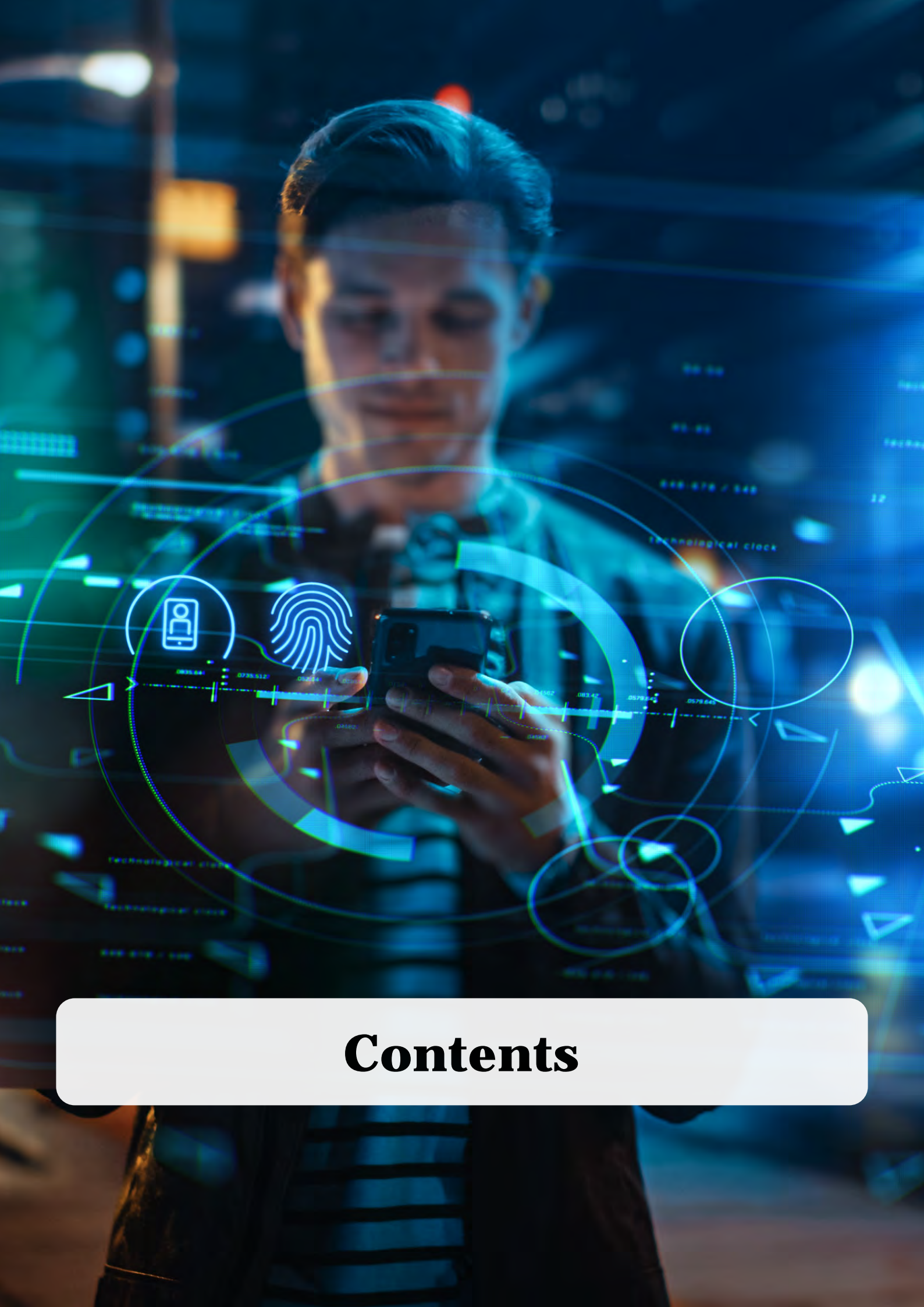


## **Child Protection**

Digital safety  
from day one

Using new technologies is essential for the young generation to fully realize their potential. We provide the secure digital environment to make this possible.





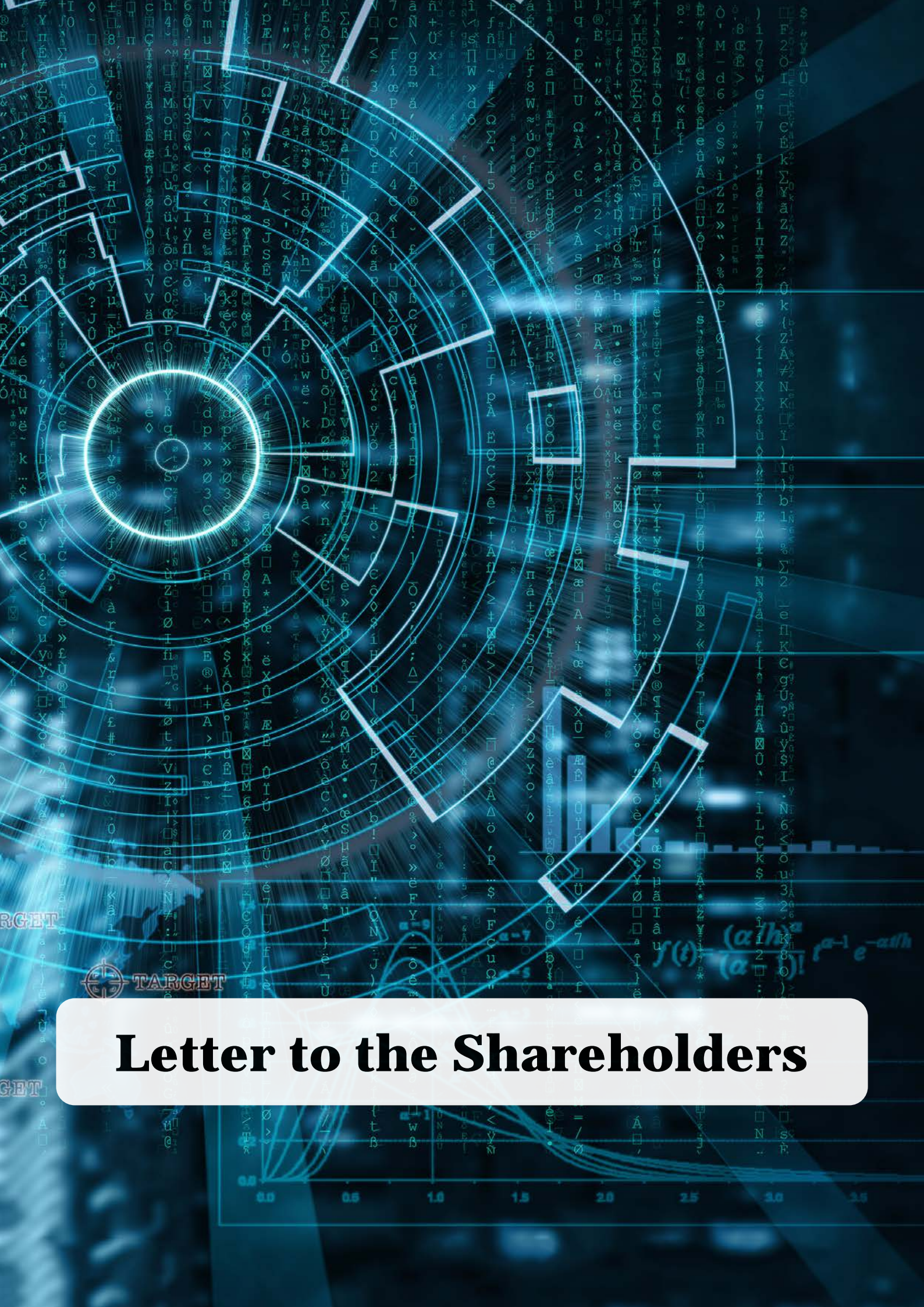
# Contents

*This half-yea-report is a convenience translation of the German original.*

*Please find the German original under the following link:  
▼ [ir.cyansecurity.com](http://ir.cyansecurity.com)*

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# Letter to the Shareholders



Dear shareholders,

we look back on a successful first half of 2024. Since the sale of the BSS/OSS segment with effect from January 1, 2024, we have been focusing fully on our core segment cybersecurity, which is in a rapidly growing market. Estimates suggest that the cybersecurity market will see a CAGR of over 20% by 2030. The significant revenue growth in the first half of 2024 shows that we are successfully taking advantage of the opportunities that arise. Revenue rose by 56% compared to the same period of the previous year. This is an impressive figure and gives us confidence that we are now on the right track. Despite the strong revenue growth, our cost base rose only slightly, enabling us to make progress on the earnings side as well. Only consulting expenses rose due to one-time costs in connection with the i-new sale, enabling us to transfer 75% of the revenue increase to EBITDA.

In operational terms, we can report a very encouraging development: the end customer base (subscribers) of our existing customers in the telecommunications sector continues to grow steadily. The product launch in March of this year with Orange Spain, another major customer from the Orange Group, also contributed to this. Orange Spain offers our cybersecurity solutions in both the business and private customer segments. We continue to see significant growth potential across all customer groups. An exciting market has opened up for us, particularly with MTEL, which has recently started operating in Germany. We are also in ongoing talks to further expand our customer base. For example, another major launch is imminent with Orange in Belgium. We are also on the right track with Claro Chile after initial delays and are confident that we will be able to start here this year.

Furthermore, we were recently able to launch our product with the first customer outside the telecommunications sector. In collaboration with the insurtech company wefox and Allianz Partners, we are offering the first bundled cyber protection with additional cyber insurance. This opens the door for us to the strategically important insurance industry and is just the beginning of our growth strategy for developing new markets.

cyan AG is now on a very good path to self-financing. The new momentum that we have experienced since the sale of the BSS/OSS segment has also been apparent in numerous discussions at various capital market conferences. We are already looking ahead with confidence to the upcoming 2025 financial year, in which we have a great plans – always with the goal of operating profitably.

Finally, we would like to thank our shareholders, employees, customers and suppliers for their cooperation and support. Our progress is reflected in the business figures and gives us great confidence for a successful future together.

Yours sincerely,

Munich, September 2024



**Thomas Kicker**  
CEO



**Markus Cserna**  
CTO



POWER /// OPTIMAL

/LOCK/

STATUS /// ACTIVE

TARGET

XZ-01

POWER /// LOW

/LOCK/

ENGINE /// START

TARGET

SYSTEM - STABLE

XZ-01

/LOCK/

POWER /// LOW

**cyan-Share**



## Share price performance

### Relative share price performance<sup>a</sup> January 1, 2024 - June 30, 2024 (rebased)<sup>b</sup>

<sup>a</sup> compared to the Scale All-Share Index

<sup>b</sup> Xetra closing prices rebased to 100



cyan AG has been listed in the Scale segment (Open Market) of the Frankfurt Stock Exchange since March 2018. The Scale All Share Index, which covers the performance of all companies listed in the Scale segment, fell slightly by 1.3% in the reporting period. The cyan share opened at EUR 1.06 on January 2, 2024 (first trading day Xetra) and closed at EUR 2.46 on June 28, 2024 (last trading day Xetra). cyan's share thus posted a positive performance of 132.1 % in the first half of 2024. On April 18, 2024, the highest intraday price (Xetra) of the year was reached at EUR 2.80. The lowest daily low was recorded on January 11, 2024 at EUR 0.985. Based on the closing price of EUR 2.46 and the 20,189,486 bearer shares outstanding at that time, cyan AG's market capitalization as of June 30, 2024 was EUR 49.67 million.

	<b>H1 2024</b>	<b>2023</b>
Share capital at the end of the period	20.189.486	20.189.486
Market capitalization at the end of the period (EUR million)	49,67	21,2
High for the period (intraday)	2,46	2,16
Period low (intraday)	0,985	0,98
Opening price at the beginning of the period (first trading day Xetra)	1,06	1,395
Closing price at the end of the period (last trading day Xetra)	2,46	1,05
Change (%)	+132,1	-24,7

## Characteristics

WKN	A2E4SV
ISIN	DE000A2E4SV8
Ticker symbol	CYR
Trading segment	Open Market (Scale)
Stock exchange segment	Software
Marketplace	XETRA / Frankfurt
Class of shares	Inhaberaktien
Initial listing	28.3.2018
Initial issue price in EUR	23,0

## Analyst coverage

As of June 30, 2024, there was research coverage of the cyan share by two analysts. Both issued a buy recommendation. Alster Research has been operating under the name mwb Research since March 2024.

	<b>Date</b>	<b>Target price</b>	<b>Target price</b>
mwb Research	03.09.2024	EUR 3,85	Buy
SMC Research	31.05.2024	EUR 4,20	Spec. Buy

## Annual General Meeting

The Annual General Meeting of cyan AG took place on July 12, 2024 in Munich as a virtual Annual General Meeting. All items on the agenda for resolution were approved by a clear majority. Further details on the Annual General Meeting and the voting results are available on the website in the Investor Relations section.

▼ [ir.cyansecurity.com](https://ir.cyansecurity.com)

## Financial calendar

In the remainder of the year, cyan AG will continue to inform the capital market about the course of business and will be represented at analyst and investor conferences.

<b>Event</b>	<b>Date</b>	<b>Location</b>
Fall Conference Equity Forum	02.-03.09.2024	Frankfurt
Deutsche Börse Equity Forum	25.-27.09.2024	Frankfurt

Current dates, upcoming events and news for 2024 are continuously updated on the Group website.

▼ [ir.cyansecurity.com/news-and-events](https://ir.cyansecurity.com/news-and-events)





# Interim Management Report

of cyan AG, Munich  
from January 1 to June 30, 2024

The statements made in the 2023 Annual Report on the business model, the management system and research and development are still applicable at the time of preparing the interim report as of June 30, 2024.

## Fundamentals of the Group

The cyan Group (XETR: CYR; hereinafter referred to as “cyan”) is a provider of intelligent cybersecurity solutions with almost 20 years of experience in the IT industry. With its solutions, cyan protects millions of end customers from threats of the Internet such as phishing, malware and identity theft. The IT security products for end customers of mobile and fixed network internet providers, mobile phone providers and financial service providers are bundled under the “cyan digital security” brand. Four product types are marketed under the names OnNet Core, OnNet Plus, End-point/SDK and Child Protection. cyan's security solutions are integrated into the customer's infrastructure or via a cloud solution at the business partner, which then offers them to its end customers as a value-added service (“B2B2C”) in its own name (“white labeled”). Contracts in the cybersecurity segment usually provide for a revenue share or software license model, which generates recurring revenue. cyan's customers include the Orange Group, Magenta Austria and T-Mobile Poland (Deutsche Telekom/T-Mobile), Claro Chile (América Móvil Group) and dtac (Telenor Group).

### Group structure

cyan AG, based in Munich (Germany), acts as a holding company within the cyan Group. The majority of operational services are provided by the subsidiary cyan digital security GmbH (formerly i-new Unified Mobile Solutions GmbH) and its subsidiary cyan Security Group GmbH, both based in Vienna (Austria). As at the reporting date, cyan was represented by its own local subsidiaries in five countries. In addition, sales and service hubs are operated worldwide. Measures are currently underway to reduce the number of subsidiaries to a total of four companies. Further information on the scope of consolidation as at the respective reporting date is provided in the notes.

### Human resources development

For cyan, as a company in the knowledge-intensive IT and software sector, highly qualified employees are one of the most important factors for sustainable corporate success. Great importance is attached to selecting the right employees and their further development. As of June 30, 2024, cyan employed 45 people. This corresponded to around 39.5 FTEs. A significant proportion of employees work in the areas of operations, development, product management and research and development. The proportion of women was just under 35% of the global workforce and is set to increase further.

<b>As of 30.06.2024</b>	<b>Total</b>	<b>EU</b>	<b>Global</b>
Personnel	45	43	2
<i>of which in operation, development, research</i>	<i>31</i>	<i>31</i>	<i>0</i>



## Business Performance

Thomas Kicker, who has many years of experience in the telecommunications industry, took over as CEO at the beginning of 2024. As CCO of T-Mobile Austria, he was the driving force behind cyan's first major customer contract. In his last two professional positions at Palantir and blackshark.ai, two of the world's leading software companies in their respective fields, he drove market and product development in very dynamic and challenging markets and thus made a significant contribution to the companies' customer and sales growth. Thomas Kicker set up a strategy program in the company in the first months of 2024. As a result, a renewed product portfolio was presented, which guarantees faster implementation times. In addition, the Group's cost structure and complexity were further simplified, a new market access strategy was developed and new research and development projects were initiated.

In the operating business, another major customer from the Orange Group was launched with Orange Spain. The partnership comprises a range of network-integrated and endpoint-based products for mobile devices. For the first time in the Iberian Peninsula, cyan's proprietary and patented threat intelligence platform will offer state-of-the-art cyber threat detection. The products are available for both the business and consumer segments. This new customer acquisition and a solid development among existing customers in the reporting period contributed to a further increase in the number of end customers. Monthly recurring revenues also increased steadily as a result. In addition, the project teams were kept busy with work to expand cooperation with the Orange Group in existing and new countries, including Orange Belgium and preparations for the launch at Claro Chile and cooperation with the InsurTech company wefox.

## Earnings, net assets and financial position of the Group

Due to the sale of the BSS/OSS segment under the i-new brand on January 1, 2024, the segment is reported separately in the income statement and balance sheet as a discontinued operation in accordance with IFRS 5. The previous year's figures will also be adjusted in the interim consolidated income statement. The application of IFRS 5 ensures future comparability. The items of the BSS/OSS segment are presented in the interim consolidated financial statements in the income statement under "Losses from discontinued operations" and in the balance sheet on the assets side under "Assets held for sale" and on the liabilities side under "Liabilities directly associated with assets held for sale".

Due to the sale of the BSS/OSS division and the associated adjustment of the figures for the first half of the year in accordance with IFRS 5, the figures reported for the first half of the year in the income statement do not correspond to the half-year report from the previous year. Due to the change in presentation in the consolidated balance sheet, the comparability of the balance sheet figures is limited.

## Earnings situation

### Turnover and costs

Consolidated operating revenue amounted to EUR 3.2 million in the first half of 2024 (H1 2023: EUR 2.1 million), an increase of 56%. This is attributable to solid growth with existing customers and the launch of Orange Spain, as well as preparations for the launch of Orange Belgium. The share of recurring revenue, which includes revenue from subscriptions and recurring service and maintenance fees, amounted to

95%. In addition to revenue, the Group generated other operating income of EUR 0.4 million (H1 2023: EUR 0.4 million). This mainly includes income from research grants for research services. Total income for the first half of 2024 therefore amounted to EUR 3.6 million (H1 2023: EUR 2.4 million).

The cost of materials and purchased services increased slightly from EUR 0.6 million to EUR 0.7 million. This is due to the fact that services that were previously provided internally had to be outsourced following the sale of i-new. By contrast, personnel costs fell slightly from EUR 2.7 million in H1 2023 to EUR 2.65 million in H1 2024. Despite an average collective agreement increase of 7.25% in Austria, this was offset by natural fluctuation and staff reductions. Other expenses increased slightly from EUR 1.2 million in H1 2023 to EUR 1.4 million in H1 2024. This was due to higher legal and consulting costs in connection with the sale of i-new.

### **EBITDA**

EBITDA improved from EUR -2.0 million in the first half of 2023 to EUR -1.1 million. This means that around 75% of the increase in revenue was positively reflected in EBITDA. Slight increases in costs were explained in the previous paragraph. Depreciation and amortization remained at a similar level of EUR 1.3 million and mainly related to intangible assets.

### **EBIT and annual result**

The loss from operating activities (EBIT) for the reporting period improved to EUR 2.4 million (H1 2023: EUR -3.3 million). Income taxes remained almost unchanged at EUR +0.35 million in H1 2024 (H1 2023: EUR +0.36 million), meaning that earnings after taxes from continuing operations were higher than EBIT and amounted to EUR 2.1 million (H1 2023: EUR -2.9 million). Total earnings after taxes amounted to EUR -2.1 million (H1 2023: EUR -6.0 million due to the disposal of i-new). Accordingly, basic earnings per share from continuing operations amounted to EUR 0.10 (H1 2023: EUR -0.16) and from discontinued operations to EUR 0.00 (H1 2023: EUR 0.18). Basic earnings per share for both divisions amounted to EUR -0.10 (H1 2023: EUR -0.34).

### **Net assets and capital structure**

The comparability of the figures is limited due to the separate disclosure of the assets and liabilities of the discontinued operations.

Total assets decreased from EUR 43.7 million as of December 31, 2023 to EUR 34.5 million as at June 30, 2024 due to the disposal of assets in the course of the i-new sale in the amount of EUR 6.6 million and the reduction in intangible assets by EUR 1.1 million as a result of amortization. At 78% (December 31, 2023: 64%), they continue to represent the majority of assets.

Equity amounted to EUR 29.7 million as of June 30, 2024 (31.12.2023: EUR 32.0 million). The reduction is due to the loss for the period of EUR 2.1 million. The equity ratio is 86% (31.12.2023: 73%). The decrease in current liabilities totalling EUR 6.6 million is due to the cancellation of the purchase price down payment by payment after 31.12.2023 and to the assets disposed of in the course of the i-new sale. Cash and cash equivalents (cash and cash equivalents) amounted to EUR 1.4 million as of June 30, 2024 (December 31, 2023: EUR 2.9 million). More detailed explanations of individual balance sheet items can be found in the notes to the consolidated financial statements.



## **Financial position**

Cash flow from operating activities improved to EUR -1.3 million in the first half of 2024 (H1 2023: EUR -3.1 million). The improvement is due to higher customer payments received as part of the increase in revenue. In principle, the provision of cybersecurity solutions requires only minor investments. Cash flow from investing activities therefore amounted to EUR 0.003 million (H1 2023: EUR 0.03 million). The cash outflow from financing activities amounted to EUR 0.2 million in the reporting period (H1 2023: EUR 0.6 million). In particular, this includes cash outflows for leases in accordance with IFRS 16.

Overall, there was a net cash flow of EUR -1.4 million in the first half of 2024 (H1 2023: EUR -3.8 million), as operating expenses still exceeded income. Due to its access to cash and cash equivalents, the Group was able to meet its payment obligations at all times despite the losses. The cash and cash equivalents were mainly used to finance ongoing operations.

## **Overall statement**

Overall, the Group closed the first half of the 2024 financial year with earnings after taxes of EUR -2.1 million (H1 2023: EUR -6.0 million). However, the Group has initiated the start of a turnaround by selling the less profitable BSS/OSS business. The continuing Cybersecurity segment recorded a 56% increase in revenue in the reporting period. In particular, the solid development of existing customers and the expansion of the cooperation with the Orange Group in Spain and Belgium contributed to the increase in revenues. Nevertheless, the expenses could not yet be fully compensated for. The Group's solvency was secured at all times during the reporting period. Despite the loss, the Management Board considers the business performance in the first half of 2024 to be positive due to the growing number of end customers and the significant increase in revenue, as well as the successful sale of the previously loss-making BSS/OSS segment under the i-new brand.

## **Opportunity and Risk Report**

The statements made in the 2023 Annual Report on cyan AG's opportunity and risk management system continue to apply unchanged as at the reporting date. The risk groups are essentially unchanged.

Munich, September 2024

The Management Board





1002 94

**cyan**

9220 18

3044 79

8265 31

8459 45

5290 66

5737 65

1111 38

1338 78

5080 19

5646 17

**UQ - 30106**  
NC33 : 946 88 57 : 665

**GS - 4888**  
MJ.84 : 666 84 : 88 .27

**TQ - 9666**  
MO.19 : 697 88 : 88 .87

**ZI - 17967**  
MS : 88 88 : 88 .78

AC - 652

**cyan**

PX - 825

AY - 109

BS - 476

SV - 870

TP - 461

ZN - 330

UY - 825

WX - 938

**cyan**

HM - 664

**CR - 69330**  
HZ.62 : 666 88 : 88 .31

**EW - 8053**  
VS.75 : 696 88 : 88 .88

**GY - 4088**  
TE.60 : 807 88 : 88 .38

**GT - 6488**  
KF.38 : 233 88 : 88 .46

DATA ANALYSIS

31000 5000 74000 8000

5000 8000 8000 8000

419 : 489-2441

117 : 092-5809

67\_862 /

# Interim Financial Statements

of cyan AG, Munich as of June 30, 2024

## Statement of comprehensive income

### Profit and loss account

<b>in EUR thousand</b>	<b>Notes</b>	<b>H1 2024</b>	<b>H1 2023</b>
<b>Continued operations</b>			
Revenues	1	3,212	2,065
Other operating income	2	368	357
Change in inventories and capitalized own work	2	-	76
Costs of materials and services	3	- 691	- 601
Personnel expenses	4	- 2,650	- 2,700
Value adjustments	5	- 17	- 0
Other expenses	6	- 1,362	- 1,191
<b>EBITDA</b>		<b>- 1,140</b>	<b>- 1,994</b>
Depreciation and amortization	7	- 1,272	- 1,269
<b>Operating result (EBIT)</b>		<b>- 2,412</b>	<b>- 3,263</b>
Financial income	8	5	11
Financial expenses	8	- 11	- 18
<b>Earnings before taxes</b>		<b>- 2,418</b>	<b>- 3,270</b>
Taxes on income and earnings	9	346	357
<b>Result after taxes from continuing operations</b>		<b>- 2,072</b>	<b>- 2,914</b>
<b>Result from discontinued operations</b>	10	<b>- 61</b>	<b>- 3,112</b>
<b>Result after taxes total</b>		<b>- 2,133</b>	<b>- 6,026</b>

### Other comprehensive income (OCI)

<b>in EUR thousand</b>	<b>Notes</b>	<b>H1 2024</b>	<b>H1 2023</b>
Gains (losses) from exchange rate differences from continuing operations <sup>a</sup>		- 5	- 8
Gains (losses) from exchange rate differences from discontinued operations <sup>a</sup>		-	7
<b>Total result for the fiscal year</b>		<b>- 2,137</b>	<b>- 6,027</b>

<sup>a</sup> recyclable

The entire results are attributable to the shareholders of the company.



## Earnings per share from continuing operations

<b>in EUR per share</b>	<b>Notes</b>	<b>H1 2024</b>	<b>H1 2023<sup>b</sup></b>
Undiluted earnings per share		- 0.10	- 0.16
Diluted earnings per share		- 0.10	- 0.16

## Earnings per share from discontinued operations

<b>in EUR per share</b>	<b>Notes</b>	<b>H1 2024</b>	<b>H1 2023<sup>b</sup></b>
Undiluted earnings per share		0.00	- 0.18
Diluted earnings per share		0.00	- 0.18

## Earnings per share from continuing and discontinued operations

<b>in EUR per share</b>	<b>Notes</b>	<b>H1 2024</b>	<b>H1 2023<sup>b</sup></b>
Undiluted earnings per share		- 0.10	- 0.34
Diluted earnings per share		- 0.10	- 0.34

<sup>B</sup> The comparative figures for the previous year have been adjusted due to error corrections from previous periods.

The notes are an integral part of these consolidated financial statements.

## Balance sheet

### Assets

in EUR thousand	Notes	30/06/2024	31/12/2023
Intangible assets		26,972	28,067
<i>Patents, trademark rights, customer relationships and similar rights</i>	11	3,789	4,155
<i>Software</i>	11	701	1,404
<i>self-developed software</i>	11	702	729
<i>Goodwill</i>	11	21,779	21,779
Tangible assets		2,072	2,124
<i>Land and buildings</i>	12	1,506	1,573
<i>Business and office equipment</i>	12	566	551
Other receivables		7	3
Deferred tax assets		1	1
<b>Subtotal Non-current assets</b>		<b>29,051</b>	<b>30,195</b>
Trade receivables and other receivables	13, 14	868	1,047
Contract assets	13	600	489
Tax receivables		0	4
Other receivables and assets		2,515	2,463
Cash and cash equivalents	14	1,438	2,872
<b>Subtotal current assets</b>		<b>5,421</b>	<b>6,875</b>
Assets held for sale	10	-	6,648
<b>Total current assets</b>		<b>5,421</b>	<b>13,524</b>
<b>Total assets</b>		<b>34,472</b>	<b>43,718</b>



## Liabilities

<b>in EUR thousand</b>	<b>Notes</b>	<b>30/06/2024</b>	<b>31/12/2023</b>
Share capital	15	20,189	20,189
Reserves		9,510	11,793
<i>Capital reserves</i>	15	88,131	88,131
<i>Adjustments in accordance with IAS 8</i>	15	- 21,970	- 21,976
<i>Other reserves</i>	15	86	240
<i>Reserves according to IAS 19</i>	15	-	2
<i>Profit / loss carried forward</i>		- 56,737	- 54,605
<b>Total Equity</b>		<b>29,700</b>	<b>31,983</b>
Leasing liabilities	14	1,127	1,168
Other financial liabilities	14	748	748
Other non-current liabilities	14	207	207
Deferred tax liabilities		196	557
<b>Total non-current liabilities</b>		<b>2,278</b>	<b>2,680</b>
Trade payables and other liabilities	14	1,875	4,712
Provisions	16	-	88
Financial liabilities	14	-	0
Leasing liabilities	14	280	257
Tax liabilities		340	455
<b>Subtotal current liabilities</b>		<b>2,494</b>	<b>5,512</b>
Liabilities directly associated with assets held for sale	10	-	3,543
<b>Total current liabilities</b>		<b>2,494</b>	<b>9,056</b>
<b>Total liabilities</b>		<b>4,772</b>	<b>11,736</b>
<b>Total equity and liabilities</b>		<b>34,472</b>	<b>43,718</b>

The notes are an integral part of these consolidated financial statements.

## Cash flow statement

<b>in EUR thousand</b>	<b>Notes</b>	<b>H1 2024</b>	<b>H1 2023</b>
Result before taxes from existing operations		- 2,418	- 3,270
Result before taxes from discontinued operations		- 61	- 2,993
<b>Earnings before tax</b>		<b>- 2,479</b>	<b>- 6,264</b>
Profit/loss from the decrease in assets		-	2
Depreciation of intangible and tangible assets		1,272	1,595
Change in provisions		- 90	- 12
Financial income		- 5	- 298
Financial expenses		11	46
Other expenses/income with no influence on liquid funds		- 148	62
<b>Adjustments to reconcile profit before tax to net cash flows</b>		<b>1,040</b>	<b>1,395</b>
Change in inventories		-	21
Change in contract assets and contract costs		- 111	2,092
Change in receivables trade receivables and other receivables		123	- 257
Change in contract liabilities		139	- 48
<b>Working capital adjustments</b>		<b>152</b>	<b>1,808</b>
<b>Net cash flow from earnings before taxes</b>		<b>- 1,288</b>	<b>- 3,060</b>
Income taxes paid		3	33
<b>Cash flow from operating activities</b>	<b>17</b>	<b>- 1,285</b>	<b>- 3,027</b>
Purchases of intangible and tangible assets		- 2	- 359
Income from subleases		-	176
Disposal of tangible and intangible assets		-	-
Interest received		5	44
<b>Cash flow from investment activities</b>	<b>18</b>	<b>3</b>	<b>- 138</b>
Issue of shares and formation of capital reserves		-	3,046
Taking out loans		-	-
Repayment of financial liabilities		- 0	- 3,052
Payments from financing obligations		- 148	- 624
Interest paid		- 3	- 10
<b>Cash flow from financing activities</b>	<b>19</b>	<b>- 152</b>	<b>- 641</b>
<b>Net cash flow</b>		<b>- 1,434</b>	<b>- 3,806</b>
Cash and cash equivalents at beginning of financial year		2,872	5,349
Cash and cash equivalents at end of financial year		1,438	1,543
<i>of which, effect of exchange rate changes on holdings of cash and cash equivalents received in foreign currencies</i>		-	- 1

The notes are an integral part of these consolidated financial statements. The effects of IFRS 5 have not been taken into account in this cash flow. They are explained in Note 10 Discontinued operations.

## Consolidated statement of changes in equity

<b>in EUR thousand</b>	<b>Share capital</b>	<b>Capital reserves</b>	<b>Reserves in accordance with IAS 8</b>	<b>Other reserves / currency reserves</b>	<b>Reserves in accordance with IAS 8</b>	<b>Profit / loss carried forward</b>	<b>Total</b>
<b>01/01/2023</b>	<b>17,017</b>	<b>84,358</b>	<b>- 21,976</b>	<b>99</b>	<b>- 1</b>	<b>- 33,888</b>	<b>45,609</b>
Net profit/loss for the year	-	-	-	-	-	- 6,026	- 6,026
Change in the scope of consolidation	-	-	-	-	-	-	-
Other comprehensive income, net of tax	-	-	-	- 1	-	-	- 1
<b>Comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>-</b>	<b>- 1</b>	<b>-</b>	<b>- 6,026</b>	<b>- 6,027</b>
Capital increase	1,869	1,177	-	-	-	-	3,046
<b>30/06/2023</b>							
<b>01/01/2024</b>	<b>20,189</b>	<b>88,131</b>	<b>- 21,976</b>	<b>240</b>	<b>2</b>	<b>- 54,605</b>	<b>31,983</b>
Net profit/loss for the year	-	-	-	-	-	- 2,133	- 2,133
Change in the scope of consolidation/ discontinued operations	-	-	6	- 150	- 2	-	- 146
Other comprehensive income, net of tax	-	-	-	- 5	-	-	- 5
<b>Comprehensive income for the financial year</b>	<b>-</b>	<b>-</b>	<b>6</b>	<b>- 154</b>	<b>- 2</b>	<b>- 2,133</b>	<b>- 2,283</b>
Issue of convertible bonds	-	-	-	-	-	-	-
Capital increase	-	-	-	-	-	-	-
<b>30/06/2024</b>	<b>20,189</b>	<b>88,131</b>	<b>- 21,970</b>	<b>86</b>	<b>-</b>	<b>- 56,737</b>	<b>29,700</b>





# Notes to the Interim Financial Statements

## Information about the company

cyan AG, headquartered in Munich (Josephspitalstraße 15 (formerly: Theatinerstraße 11), 80333 Munich), is a stock corporation registered in the Commercial Register B of the Munich Local Court under HRB 232764. cyan AG has been listed on the German stock exchange in the Scale segment of the Open Market since March 2018. cyan AG acts as a holding company within cyan. Operational services are provided by the Austrian subsidiary cyan Digital Security GmbH (formerly: I-New Unified Mobile Solutions GmbH) and its subsidiaries, in particular cyan Security Group GmbH. cyan Digital Security GmbH (formerly: I-New Unified Mobile Solutions GmbH) operates as a Mobile Virtual Network Enabler (MVNE). cyan Security Group GmbH offers cybersecurity solutions for end customers of mobile network operators (MNOs), mobile virtual network operators (MVNOs) and financial service providers. In 2023, the decision was made to sell the BSS/OSS segment to focus on cybersecurity solutions. The contracts were signed in December 2023. The sale took effect on January 1, 2024.

## Accounting principles

### Principles of the creation

These interim consolidated financial statements as of June 30, 2024 were prepared **voluntarily** in accordance with the applicable International Financial Reporting Standards (IFRS) as adopted by the EU. The term IFRS also includes the International Accounting Standards (IAS) still in force, the International Financial Reporting Standards (IFRS) and the interpretations of the Standing Interpretations Committee (SIC) and the International Financial Reporting Interpretations Committee (IFRIC).

The interim consolidated financial statements were prepared in accordance with the instructions of the European Union (EU). The condensed reporting scope of the interim consolidated financial statements is in accordance with IAS 34 "Interim Financial Reporting". For further information and disclosures, please refer to the consolidated financial statements as of December 31, 2023. These form the basis for these interim consolidated financial statements.

### Functional currency

The interim consolidated financial statements of cyan AG are prepared in thousands of euros. Rounding differences may occur when adding up rounded amounts due to the use of automatic calculation aids.

In the opinion of the management, the consolidated interim financial statements include all adjustments necessary to give a true and fair view of the net assets, financial position and results of operations.

The annual financial statements of subsidiaries whose functional currency is a currency other than the euro are translated in accordance with the functional currency principle. Balance sheet items are translated at the closing rate. Income and expense items are translated at the average exchange rate for the year. Resulting translation differences are recognized in other comprehensive income (OCI) and presented in the currency translation reserve in equity until the subsidiary is sold.

Currency translation differences arising from exchange rate fluctuations between the recognition of the transaction and its cash effect or valuation on the balance sheet date are recognized in profit or loss and reported in the operating result.

The following table shows the exchange rates of the foreign currencies in which cyan AG and its subsidiaries conduct their business:

	Average rate		Closing rate	
	H1 2024	H1 2023	30/06/2024	31/12/2023
Argentine Peso (ARS)	-	236.519	-	892.045
Bangladeshi Taka (BDT)	-	116.598	-	124.628
Brazilian Real (BRL)	5.495	5.483	5.788	5.343
Chilean Peso (CLP)	-	873.065	-	979.400
Colombian Peso (COP)	-	4,921.783	-	4,223.365
Mexican Peso (MXN)	-	19.655	-	18.767
Peruvian Sol (PEN)	-	4.104	-	4.175
Thai Baht (THB)	39.124	36.968	39.492	38.176
Hungarian Forint (HUF)	-	380.710	-	381.800
US Dollar (USD)	1.081	1.081	1.076	1.090

As cyan Security Argentina SpA is located in a hyperinflationary economy, IAS 29 must always be observed. Due to the immateriality of the amounts and the fact that the company was dissolved in 2023, no further disclosure requirements were made.

## Scope and method of consolidation

The scope of consolidation is determined in accordance with the provisions of IFRS. In addition to the financial statements of cyan AG, the interim consolidated financial statements also include the financial statements of the companies controlled by cyan AG (and its subsidiaries).

Subsidiaries are companies that are controlled by cyan AG. Control exists when cyan AG can exercise power over the investee, is exposed to variable returns from its involvement with the investee and has the ability to affect the amount of the returns through its power over the investee. The financial statements of subsidiaries are included in the interim consolidated financial statements from the date on which cyan AG obtains control over the subsidiary until the date on which cyan AG ceases to have control.

The parent company of these interim consolidated financial statements is cyan AG. All companies under the control of the parent company are fully consolidated in the consolidated financial statements.



The scope of consolidation as of June 30, 2024 is as follows:

<b>Company</b>	<b>Registered office</b>	<b>Share</b>	<b>Fully consolidated since</b>	<b>Fully consolidated until</b>
<b>cyan AG</b>	<b>Germany</b>			
CYAN Licencing GmbH	Austria	100 %	01/01/2018	
cyan Seamless Solution Mexico, S.A. de C.V. (fmr. I-New Unified Mobile Solutions, S.A. de C.V.) <sup>b</sup>	Mexico	100 %	31/07/2018	31/12/2023
cyan digital security (Thailand) Ltd.a	Thailand	100 %	30/11/2022	
cyan Security Argentina SRLa	Argentina	200 %	01/12/2022	31/12/2023
cyan security Brasil Ltda	Brazil	100 %	31/12/2022	
cyan security Chile S.p.Ab	Chile	100 %	31/07/2018	31/12/2023
cyan security Colombia S.A.S.b	Colombia	100 %	31/07/2018	31/12/2023
cyan security Ecuador SAS	Ecuador	100 %	31/12/2020	
cyan Security Group GmbH	Austria	100 %	31/01/2018	
cyan security Peru S.A.C.b	Peru	100 %	31/07/2018	31/12/2023
cyan security USA, Inc.b	USA	100 %	31/07/2018	31/12/2023
I-New Bangladesh Ltd.b	Bangladesh	100 %	31/07/2018	31/12/2023
I-New Hungary Kft.b	Hungary	100 %	31/07/2018	31/12/2023
cyan Digital Security GmbH (fmr. I-New Unified Mobile Solutions GmbH)	Austria	100 %	31/07/2018	
smartspace GmbHb	Austria	100 %	31/07/2018	31/12/2023

<sup>a</sup> cyan Security Argentina SpA was dissolved in 2023, which is why it was deconsolidated.

<sup>b</sup> The agreement dated 19.12.2023 stipulates the sale of the companies with effect from 01.01.2024.

The following table shows the changes in the scope of consolidation:

	<b>Full consolidation</b>		<b>At-equity</b>	
	<b>30/06/2024</b>	<b>31/12/2023</b>	<b>30/06/2024</b>	<b>31/12/2023</b>
<b>Balance at the beginning of the reporting period</b>	<b>15</b>	<b>16</b>	<b>0</b>	<b>0</b>
Included for the first time	0	2	0	0
Deconsolidation due to mergers	0	0	0	0
Deconsolidated	8	1	0	0
<b>Balance at the end of the reporting period</b>	<b>7</b>	<b>15</b>	<b>0</b>	<b>0</b>

## Accounting and valuation methods

The income tax expense for the interim consolidated financial statements is calculated in accordance with IAS 34 on the basis of the average annual tax rate expected for the financial year as a whole. The same accounting and valuation methods were applied in these interim consolidated financial statements as in the consolidated financial statements as at December 31, 2023. A detailed description of these methods is published in the notes to the consolidated financial statements for 2023.

### New and amended accounting rules to be applied

The following amended standards must be applied for the first time:

<b>Standard</b>	<b>Content</b>	<b>Effective</b>
IFRS S1	General requirements for the disclosure of sustainability-related financial information (not mandatory to date)	01/01/2024
IFRS S2	Climate-related disclosures (not mandatory to date)	01/01/2024
IFRS 16	Amendments to clarify the subsequent measurement of sale and leaseback transactions by a seller-lessee	01/01/2024
IAS 1	Amendments relating to the classification of liabilities and ancillary conditions	01/01/2024
IFRS 7 + IAS 7	Amendments relating to supplier financing agreements	01/01/2024

The following amendments or new versions of standards and interpretations are not yet mandatory or applicable or have not yet been adopted by the EU:

<b>Standard</b>	<b>Content</b>	<b>Effective</b>
IAS 28 / IFRS 10	Amendments relating to the sale or contribution of assets between an investor and its associate or joint venture	postponed
IAS 21	Amendments relating to lack of exchangeability	01/01/2025
IFRS 7 + IFRS 9	Amendments relating to the classification and measurement of financial instruments	01/01/2026
IFRS 18	Presentation and disclosures in the financial statements	01/01/2027
IFRS 19	Subsidiaries without public accountability: disclosures	01/01/2027

The standards listed - if adopted by the EU - will not be applied early. From today's perspective, the amendments and new versions of the standards and interpretations are not expected to have any material impact on cyan's net assets, financial position and results of operations.

## Segmental Reporting

The operating segments are reported on in a way that is consistent with the internal reporting to the Management Board, which acts as the chief operating decision maker (management approach). Accordingly, the Management Board is responsible for allocating the company's resources to the two segments.

In 2023, cyan had two segments that are used to manage the company: Cybersecurity and BSS/OSS, which are based on the type of products offered. The Management Board opted for this segmentation as it best reflects the company's opportunity and risk structure. The segments are clearly differentiated from one another due to the diversity of the customer groups and the technical solutions and products used.

Following the sale of the BSS/OSS division, there will only be one segment from 2024, as there are no longer any objective criteria for identifying multiple operating segments in accordance with IFRS 8.5. For this reason, internal segment reporting is no longer required.



## Notes to the statement of comprehensive income

### [1] Sales revenue

Revenue results exclusively from contracts with customers within the meaning of IFRS 15 and includes all income resulting from cyan's ordinary business activities.

The following table shows cyan's revenue broken down by the region of origin of the business partner.

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Americas	-	547
<i>thereof Colombia</i>	-	144
<i>thereof Mexico</i>	-	226
<i>thereof other countries</i>	-	178
APAC	117	745
<i>thereof Bangladesh</i>	-	103
<i>thereof New Zealand</i>	-	510
<i>thereof other countries</i>	117	132
EMEA	3,095	2,473
<i>thereof Austria</i>	1,804	1,711
<i>there of Slovenia</i>	-	237
<i>thereof other countries</i>	1,291	526
<b>Revenues</b>	<b>3,212</b>	<b>3,766</b>

The effect of IFRS 5 on revenue is explained below.

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Revenue before IFRS 5	3,212	3,766
Reclassification IFRS 5	-	-1,700
<b>Total revenue after IFRS 5</b>	<b>3,212</b>	<b>2,065</b>

The increase in sales in 2024 is primarily the result of increased end-customer growth. A new contract concluded with Orange Spain also contributed to this.

## [2] Other income, income from reversal of impairment losses and changes in inventories

Other income, income from reversals of impairment losses and changes in inventories consist of the following items:

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Change in inventory	-	76
Income from grants/research premium	290	341
Income from reversals of write-downs of receivables	-	-
Exchange gains	5	1
Other	73	16
<b>Total</b>	<b>368</b>	<b>434</b>

The research premium is a subsidy for expenditure on research and development, which is granted by the Austrian Federal Ministry of Finance.

## [3] Cost of materials and purchased services

The income statement and the statement of comprehensive income include expenses for materials and purchased services as follows:

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Cost of materials	-0	-6
Cost of services procured	-691	-595
<b>Cost of materials and services procured</b>	<b>-691</b>	<b>-601</b>

Purchased services mainly relate to external services such as various services (e.g. maintenance services and technical consulting) in Germany, the EU and third countries.

## [4] Personnel expenses

Personnel expenses include the following items:

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Salaries	-2,057	-2,116
Expenses for social security contributions and payroll taxes	-529	-586
Other personnel expenses	-64	2
<b>Personnel expenses</b>	<b>-2,650</b>	<b>-2,700</b>

## [5] Impairment losses on trade receivables and contract assets

In 2023, there was a minimal impairment loss on trade receivables and contract assets in continuing operations. In 2024, receivables in connection with foreign investments and withholding tax in the amount of approximately EUR 16.5 thousand were written off.

## [6] Other expenses

Other expenses include the following items (type of expenses):

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Consulting fees	- 526	- 345
Advertising expenses	- 85	- 111
Rental expenses	- 19	- 23
Fees	- 60	- 41
insurance	- 97	- 99
Research and development	- 79	- 38
Travel expenses	- 34	- 122
Exchange rate differences	- 5	- 7
Other expenses	- 457	- 405
<b>Total Other expenses</b>	<b>- 1,362</b>	<b>- 1,191</b>

Consulting expenses include expenses for technical advice, legal and tax advice and other consulting services. Other expenses include Supervisory Board remuneration, licenses and patents, administrative costs and contributions.

## [7] Depreciation and amortisation

The statement of comprehensive income includes expenses for depreciation and amortisation as follows:

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Amortisation of intangible assets	- 1,096	- 1,090
Depreciation on property, plant and equipment	- 176	- 179
<b>Depreciation and amortisation</b>	<b>- 1,272</b>	<b>- 1,269</b>



## [8] Financial income and financial expenses

in EUR thousand	H1 2024	H1 2023
<b>Interest income</b>		
Loans	5	10
Other	-	0
<b>Financial income</b>	<b>5</b>	<b>11</b>
<b>Interest and similar expenses</b>		
Leasing liabilities	- 8	- 9
Interest on loans	- 0	- 6
Other	- 3	- 3
<b>Financial expenses</b>	<b>- 11</b>	<b>- 18</b>
<b>Financial result</b>	<b>- 6</b>	<b>- 7</b>

## [9] Income taxes

in EUR thousand	H1 2024	H1 2023
Expenses for current income taxes	- 7	- 4
Tax credits/back payments for previous years	- 3	- 18
Change in deferred income taxes	356	378
<b>Income taxes</b>	<b>346</b>	<b>357</b>

## [10] Discontinued operation

In 2023, it was decided to sell the BSS/OSS segment in order to focus on cybersecurity solutions. In December 2023, a framework agreement was concluded and it was agreed to sell the operating business of cyan Digital Security GmbH (formerly I-New Unified Mobile Solutions GmbH) by means of an asset deal and the subsequent companies by means of a share deal with effect from January 1, 2024.

- cyan Seamless Solution México, S.A. de C.V. (vormals I-New Unified Mobile Solutions, S.A. de C.V.)
- cyan security Chile S.p.A
- cyan security Colombia S.A.S
- cyan security Peru S.A.C.
- cyan security USA, Inc.
- I-New Bangladesh Ltd.
- I-New Hungary Kft.
- smartspace GmbH

The associated assets and liabilities were therefore reported as “held for sale” or under “discontinued operation” in the 2023 financial year. Financial information on the discontinued operation for the period up to the date of disposal is presented below.

The assets and liabilities held for sale as at December 31, 2023 and the net assets of the discontinued operation at the time of disposal on January 1, 2024 are made up as follows:

<b>in EUR thousand</b>	<b>31.12.2023 / 01.01.2024</b>
Intangible assets	301
Tangible assets	1,178
Trade receivables and other receivables	19
Inventories	2,231
Inventories	9
Tax receivables	526
Other receivables and assets	443
Contract assets	1,035
Cash and cash equivalents	907
<b>Non-current assets</b>	<b>6,648</b>
Provisions	11
Lease liabilities	477
Liabilities for goods and services and other liabilities	1,451
Current provisions	33
Current liabilities to banks	0
Current lease liabilities	431
Tax liabilities	1,140
<b>Liabilities</b>	<b>3,543</b>
<b>Net assets of the disposal group</b>	<b>3,105</b>

The result from the sale of the discontinued operation is made up as follows:

<b>in EUR thousand</b>	<b>01/01/2024</b>
Cash and cash equivalents	2,000
Trust account	884
<b>Total consideration</b>	<b>2,884</b>
Net assets of the disposal group	3,105
<b>Result from the sale of the discontinued operation</b>	<b>- 221</b>
Reclassification of currency translation reserve	150
Reclassification of IAS 8 reserve	- 6
Reclassification of IAS 19 reserve	2
Other	14
Tax on result	-
<b>Result from the sale of the discontinued operation after taxes</b>	<b>- 61</b>

The purchasers of the BSS/OSS have undertaken to pay a purchase price improvement in the form of an earn-out in addition to the base purchase price if the adjusted revenue generated by the divested business in the financial years 2024 to 2027 exceeds a certain threshold.

The net cash inflow from the sale is shown below:

<b>in EUR thousand</b>	<b>01/01/2024</b>
Consideration received in the form of cash and cash equivalents	2,000
Cash and cash equivalents disposed of with the sale	- 907
<b>Net cash inflow from the disposal</b>	<b>1,093</b>

The statement of comprehensive income and cash flow statement for the discontinued operation are as follows:

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
<b>Discontinued operation</b>		
Revenues	-	1,700
Other operating income	-	951
Income from reversal of impairment losses on receivables	-	32
Change in inventories	-	55
Cost of materials and services procured	-	- 1,904
Personnel expenses	-	- 2,053
Other expenses	-	- 1,708
<b>EBITDA</b>	<b>-</b>	<b>- 2,927</b>
Depreciation and amortization	-	- 326
<b>Operating result (EBIT)</b>	<b>-</b>	<b>- 3,253</b>
Financial income	-	288
Financial expenses	-	- 28
<b>Earnings before taxes</b>	<b>-</b>	<b>- 2,993</b>
Taxes on the result from ordinary activities of the discontinued operation	-	- 119
<b>Net profit/loss for the year from discontinued operations</b>	<b>-</b>	<b>- 3,112</b>
Profit/Loss from the sale of the discontinued operation	- 61	-
<b>Profit/Loss from the discontinued operation</b>	<b>- 61</b>	<b>- 3,112</b>
<b>Other comprehensive income (OCI)</b>		
<b>Gains (losses) from exchange rate differences from discontinued operations</b>	<b>-</b>	<b>7</b>
<b>Total result for the financial year</b>	<b>- 61</b>	<b>- 3,105</b>

<b>in EUR thousand</b>	<b>H1 2023</b>
Cash flow from operating activities of the discontinued operation	528
cash flow from investing activities	- 138
cash flow from financing activities	- 382
<b>Change in cash and cash equivalents of discontinued operations</b>	<b>7</b>



## Notes to the consolidated balance sheet

### [11] Intangible assets

The following table shows the development of intangible assets:

in EUR thousand	Patents, customer relations & similar rights	Software	Self- developed software	Goodwill	Total
<b>As of 01/01/2023</b>					
Acquisition costs	17,916	20,923	966	30,779	70,584
Accumulated depreciation	- 12,854	- 17,951	- 183	- 9,000	- 39,988
<b>Book value before IFRS 5 reclassification</b>	<b>5,062</b>	<b>2,972</b>	<b>783</b>	<b>21,779</b>	<b>30,596</b>
<b>Financial year 31/12/2023</b>					
Opening book value	5,062	2,972	783	21,779	30,596
Additions – purchases	8	17	-	-	24
Reclassifications Acquisition costs	27	- 27	-	-	-
Reclassification of accumulated depreciation	-	-	-	-	-
Disposals of acquisition costs	-	- 54	-	-	- 54
Disposals of accumulated depreciation	-	52	-	-	52
Depreciation	- 773	- 1,422	- 54	-	- 2,249
Currency difference Depreciation	-	- 0	-	-	- 0
<b>Book value before IFRS 5 reclassification</b>	<b>4,323</b>	<b>1,538</b>	<b>729</b>	<b>21,779</b>	<b>28,369</b>
IFRS 5 reclassification	168	134	-	-	301
<b>Book value after IFRS 5 reclassification</b>	<b>4,155</b>	<b>1,404</b>	<b>729</b>	<b>21,779</b>	<b>28,067</b>
Currency translation Acquisition costs	-	5	-	-	5
Currency translation accumulated depreciation	-	- 5	-	-	- 5
<b>As of 01/01/2024</b>					
Acquisition costs	17,950	20,864	966	30,779	70,559
Accumulated depreciation	- 13,627	- 19,326	- 237	- 9,000	- 42,191
<b>Book value before IFRS 5 reclassification</b>	<b>4,323</b>	<b>1,538</b>	<b>729</b>	<b>21,779</b>	<b>28,369</b>
IFRS 5 reclassification	168	134	-	-	301
<b>Carrying amount after IFRS 5 reclassification</b>	<b>4,155</b>	<b>1,404</b>	<b>729</b>	<b>21,779</b>	<b>28,067</b>
<b>Financial year 30 June 2024</b>					
Opening carrying amount before IFRS 5	4,323	1,538	729	21,779	28,369
Additions – purchases	-	-	-	-	-
Reclassifications	-	-	-	-	-
Reclassification	-	-	-	-	-
Disposals	- 257	- 25,033	-	-	- 25,290
Depreciation	89	24,900	-	-	24,989

Currency difference	- 366	- 703	- 27	-	- 1,096
Depreciation	-	-	-	-	-
<b>Carrying amount</b>	<b>3,789</b>	<b>701</b>	<b>702</b>	<b>21,779</b>	<b>26,972</b>
<b>As at 30 June 2024</b>					
Currency conversion Acquisition costs	-	- 2	-	-	- 2
Currency conversion Accumulated depreciation	-	2	-	-	2
Acquisition costs	17,693	- 4,171	966	30,779	45,267
Accumulated depreciation	- 13,904	4,873	- 264	- 9,000	- 18,296
<b>Book value</b>	<b>3,789</b>	<b>701</b>	<b>702</b>	<b>21,779</b>	<b>26,972</b>

Regular checks are carried out to determine whether there are any indications of impairment of assets, particularly with regard to the recoverability of goodwill. There were no indications of impairment at the end of the first half of the year.

## [12] Tangible assets

The development of property, plant and equipment is as follows:

<b>in EUR thousand</b>	<b>Building equipment</b>	<b>Machinery and similar equipment</b>	<b>Other equipment/ office equipment</b>	<b>Total</b>
<b>As of 01/01/2023</b>				
Acquisition costs	4,481	606	798	5,885
Accumulated depreciation	- 1,817	- 138	- 598	- 2,553
<b>Book value before IFRS 5 reclassification</b>	<b>2,664</b>	<b>468</b>	<b>201</b>	<b>3,332</b>
<b>Financial year as at 31/12/2023</b>				
Opening book value	2,664	468	201	3,332
Additions – purchases	624	309	524	1,457
Reclassifications Acquisition costs	-	-	-	-
Reclassifications of accumulated depreciation	-	-	-	-
Disposals Acquisition costs	- 209	- 385	8	- 586
Disposals of accumulated depreciation	-	-	- 8	- 8
Depreciation	- 731	- 100	- 103	- 934
Exchange rate difference	- 16	0	- 0	- 16
<b>Book value before IFRS 5 reclassification</b>	<b>2,332</b>	<b>291</b>	<b>621</b>	<b>3,244</b>
Currency conversion Acquisition costs	184	- 6	7	185
Currency conversion accumulated depreciation	- 121	- 1	- 6	- 127
<b>Book value before IFRS 5 reclassification</b>	<b>2,395</b>	<b>284</b>	<b>623</b>	<b>3,302</b>
IFRS 5 reclassification	822	284	72	1,178
<b>Book value after IFRS 5 reclassification</b>	<b>1,573</b>	<b>-</b>	<b>551</b>	<b>2,124</b>
<b>As of 01/01/2024</b>				
Acquisition costs	5,080	523	1,338	6,941
Accumulated depreciation	- 2,685	- 239	- 715	- 3,639

<b>Book value before IFRS 5 reclassification</b>	<b>2,395</b>	<b>284</b>	<b>623</b>	<b>3,302</b>
IFRS 5 reclassification	822	284	72	1,178
<b>Carrying amount after IFRS 5 reclassification</b>	<b>1,573</b>	<b>-</b>	<b>551</b>	<b>2,124</b>
<b>Financial year 30 June 2024</b>				
Opening book value	2,395	284	623	3,302
Additions – purchases	87	-	44	131
Reclassifications	-	-	-	-
Acquisition costs	-	-	-	-
Reclassifications	- 2,546	- 523	- 341	- 3,410
Disposals	1,721	239	269	2,228
Acquisition costs	- 147	-	- 29	- 176
Disposals	0	-	0	0
<b>Depreciation</b>	<b>1,509</b>	<b>-</b>	<b>566</b>	<b>2,075</b>
Exchange rate difference	- 3	-	0	- 3
Book value	0	-	- 0	0
<b>Currency conversion acquisition costs</b>	<b>1,506</b>	<b>-</b>	<b>566</b>	<b>2,072</b>
<b>Currency conversion accumulated depreciation</b>				
Book value	2,617	-	1,041	3,658
As of 30 June 2024	- 1,111	-	- 475	- 1,586
<b>Acquisition costs</b>	<b>1,506</b>	<b>-</b>	<b>566</b>	<b>2,072</b>

This table also includes the right-of-use assets arising from IFRS 16.

The following table shows the development of right-of-use assets within the balance sheet item property, plant and equipment:

<b>in EUR thousand</b>	<b>Buildings</b>	<b>Vehicles</b>	<b>Fiber Optic</b>	<b>Total</b>
<b>As of 01/01/2023</b>				
Acquisition costs	3,907	82	-	3,989
Accumulated depreciation	- 1,647	- 75	-	- 1,722
<b>Book value</b>	<b>2,260</b>	<b>7</b>	<b>-</b>	<b>2,267</b>
<b>Financial year 31/12/2023</b>				
Opening book value	2,260	7	-	2,267
Additions	624	34	-	658
Disposals Acquisition costs	- 209	-	-	- 209
Disposals accumulated depreciation	-	-	-	-
Depreciation	- 670	- 17	-	- 687
Currency difference	- 16	-	-	- 16
<b>Book value</b>	<b>1,990</b>	<b>24</b>	<b>-</b>	<b>2,014</b>
Currency conversion acquisition costs	175	-	-	175
Currency conversion accumulated depreciation	- 114	-	-	- 114
<b>Book value before IFRS 5 reclassification</b>	<b>2,051</b>	<b>24</b>	<b>60</b>	<b>2,134</b>

IFRS 5 reclassification	796	-	60	855
<b>Book value after IFRS 5 reclassification</b>	<b>1,255</b>	<b>24</b>	<b>-</b>	<b>1,279</b>
<b>As of 01/01/2024</b>				
Acquisition costs	4,497	115	-	4,613
Accumulated depreciation	-2,447	-91	-	-2,538
<b>Book value before IFRS 5 reclassification</b>	<b>2,051</b>	<b>24</b>	<b>-</b>	<b>2,075</b>
IFRS 5 reclassification	796	-	-	796
<b>Book value after IFRS 5 reclassification</b>	<b>1,255</b>	<b>24</b>	<b>-</b>	<b>1,279</b>
<b>Financial year 30 June 2024</b>				
Opening book value	2,051	24	-	2,075
Additions	87	41	-	128
Disposals Acquisition costs	-2,459	-	-	-2,459
Disposals accumulated depreciation	1,659	-	-	1,659
Depreciation	-119	-13	-	-132
Currency difference	0	-	-	0
<b>Book value</b>	<b>1,219</b>	<b>52</b>	<b>-</b>	<b>1,271</b>
Currency conversion acquisition costs	-3	-	-	-3
Currency conversion accumulated depreciation	0	-	-	0
<b>Book value</b>	<b>1,216</b>	<b>52</b>	<b>-</b>	<b>1,268</b>
<b>As at 30 June 2024</b>				
Acquisition costs	2,122	157	-	2,278
Accumulated depreciation	-906	-104	-	-1,010
<b>Book value</b>	<b>1,216</b>	<b>52</b>	<b>-</b>	<b>1,268</b>

### [13] Contract assets, contract costs and contract liabilities from contracts with customers

The following table contains the status of contract costs (costs to initiate a contract and costs to fulfill a contract), receivables, contract assets and contract liabilities from contracts with customers in accordance with IFRS 15:

<b>in EUR thousand</b>	<b>30/06/2024</b>	<b>31/12/2023</b>
Trade accounts receivable	868	1,047
<i>thereof non-current</i>	-	-
<i>thereof current</i>	868	1,047
Contract assets	600	489
<i>thereof non-current</i>	-	-
<i>thereof current</i>	600	489



## [14] Financial instruments

in EUR thousand	IFRS 9 <sup>a</sup>	Level	Book values 31/12/2023	Book values 31/12/2022
<b>Assets</b>				
Cash and cash equivalents	AC	n/a	1,438	2,872
Trade receivables and other receivables	AC	n/a	868	1,047
<b>Liabilities</b>				
Leasing liabilities (non-current)	AC	n/a	1,127	1,168
Leasing liabilities (current)	AC	n/a	280	257
Current financial liabilities	AC	n/a	-	0
Trade payables and other liabilities	AC	n/a	1,875	4,712
Other non-current financial liabilities	AC	n/a	748	748
Other non-current liabilities	AC	n/a	207	207

<sup>a</sup> Classification in accordance with IFRS 9 (AC = Accumulated Cost).

A fair value measurement according to level 2 (capital value-oriented) resulted in a fair value of EUR 1,289 thousand for the lease liabilities as at June 30, 2024.

Non-current financial liabilities include fixed-interest loans from the Austrian Research Promotion Agency (FFG). The FFG loans are measured at amortized cost and amounted to EUR 748 thousand as at 30 June 2024. A fair value measurement according to level 2 (capital value-oriented) resulted in a fair value of EUR 673 thousand.

In the case of trade receivables, other receivables, cash and cash equivalents, trade payables and other liabilities, it is assumed that the carrying amounts essentially correspond to the fair values to be recognized due to the predominantly short-term nature of the items.

## [15] Equity

The share capital amounted to EUR 20,189,486.00 as at June 30, 2024 (December 31, 2023: EUR 20,189,486.00) and is fully paid in. Changes in share capital and capital reserves are shown in the statement of changes in equity.

As at the reporting date, there were 20,189,486 shares in circulation (12/31/2023: 20,189,486 shares), with a nominal value of EUR 1.00 per share (12/31/2023: EUR 1.00).

The capital reserves result from payments by shareholders and conversions of convertible bonds. . Other reserves relate to currency translation differences arising from the translation of the annual financial statements of foreign subsidiaries.

## [16] Provisions

Provisions include the following items:

<b>in EUR thousand</b>	<b>Personnel expenses</b>	<b>Consulting expenses</b>	<b>Other</b>	<b>Total</b>
<b>Book value as of 1 January 2023</b>	-	4	18	21
Use/reversal	-	-	12	12
Additions to provisions	-	112	1	112
<b>Book value as of 31 December 2023 before IFRS 5 reclassification</b>	-	116	6	121
IFRS 5 reclassification	-	-	28	6
<b>Book value as of 31 December 2023 after IFRS 5 reclassification</b>	-	-	88	-
Use/reversal	-	88	-	88
Additions to provisions	-	-	-	-
<b>Book value as of 30 June 2024</b>	-	-	-	-

## **Notes to the consolidated cash flow statement**

The cash flow statement was prepared using the indirect method. It shows the changes in cash and cash equivalents resulting from the inflow and outflow of funds during the reporting period and distinguishes between cash flows from operating, investing and financing activities. The funds reported in the cash flow statement are cash and cash equivalents.

### **[23] Cash flow from operating activities**

Cash flow from operating activities shows the cash flows from the provision and acceptance of services during the reporting period and includes changes in current assets.

### **[24] Cash flow from investing activities**

Cash flow from investing activities mainly comprises cash outflows for the purchase of property, plant and equipment and intangible assets.

### **[25] Cash flow from financing activities**

Cash flow from financing activities consists of the capital increase and the repayment of loans. It also includes cash outflows for leases.

## Other explanations

### Related companies and persons

As all subsidiaries are fully consolidated and transactions are therefore eliminated, there are no transactions with related parties. With regard to persons subject to reporting requirements - such as members of the Management Board - please refer to the section "Information on the remuneration of the Management Board and Supervisory Board".

### Information on the remuneration of the Management Board and Supervisory Board members

#### Remuneration of the Management Board

The Management Board of cyan AG consisted of the following members as at June 30, 2024:

- Thomas Kicker
- Markus Cserna
- Frank von Seth (until 31.08.2023)

The remuneration of the members of the cyan AG Management Board is made up as follows.

in EUR thousand	Current remuneration 2023			Current remuneration 2022		
	fisc	variable	Total	fisc	variable	Total
<b>Total</b>	95	30	125	93	-	93

Management Board remuneration consists of fixed salaries and one-off bonuses. In previous years, the current members of the Management Board have waived the existing bonus regulations. A bonus arrangement has been or will be agreed with the members of the Management Board.

The members of the Management Board also receive remuneration from subsidiaries that is not included in the above figures. The remuneration of the members of the Management Board of cyan AG, which comes from subsidiaries, is made up as follows.

in EUR thousand	Current remuneration 2023			Current remuneration 2022		
	fisc	variable	Total	fisc	variable	Total
<b>Total</b>	253	70	323	243	-	243

In addition to the current fixed remuneration, remuneration in kind totaled EUR 1 thousand (H1 2023: EUR 15 thousand) and cash expenses and cost reimbursements totaled EUR -6 thousand (H1 2023: EUR 1 thousand).



## Remuneration of the Supervisory Board members

The following are members of the Supervisory Board of cyan AG:

- Lucas Prunbauer, Deputy Chairman
- Markus Messerer (since 31.03.2023)
- Alexander Singer (since 10.07.2023), Chairman
- Stefan Schütze (until 10.07.2023)
- Alexandra Reich (until 31.03.2023)

The members of the Supervisory Board of cyan AG receive the following remuneration:

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Total	65	65

## Information on employees

The average number of employees during the 2024 financial year was 42 (31.12.2023: 52).

The composition of personnel expenses can be found in Note 4 Personnel expenses..

## Contingent liabilities

Contingent liabilities include guarantees for rent deposits and credit cards and amounted to EUR 221 thousand as at 30 June 2024 (30 June 2023: EUR 776 thousand).

## Audit Fee

The expenses for the Group auditor attributable to the financial year are broken down as follows:

<b>in EUR thousand</b>	<b>H1 2024</b>	<b>H1 2023</b>
Expenses for audit services	112	120
<i>thereof from previous years</i>	59	20
Expenses for other certification services	-	-

## Negative notice

The interim consolidated financial statements of cyan as at June 30, 2024 were neither fully audited nor reviewed by the auditor.

## Significant events after the balance sheet date

Between the balance sheet date on 30 June 2024 and the publication on 26 September 2024, the old Authorized Capital (2023/I) was cancelled at the Annual General Meeting on 12 July 2024 and a new Authorized Capital (2024/I) was resolved. It was also decided to liquidate CYAN Licencing GmbH, cyan security Ecuador SAS and cyan Security Brazil LTDA. In the operating business, the cooperation with wefox Austria was announced. Together with Allianz Partners, cyan and wefox launched the first mobile app for integrated cyber and insurance protection for customers in Austria.



**Thomas Kicker**  
CEO



**Markus Cserna**  
CTO



**Further Information**

## **Disclaimer**

### **Forward-looking statements**

This report contains forward-looking statements that are based on current estimates of the Management Board regarding future developments. Such statements are based on current expectations and certain assumptions and estimates made by management. They are subject to risks, uncertainties and other factors that could cause the actual circumstances, including the net assets, financial position and results of operations of cyan, to differ materially from or be more negative than those expressly or implicitly assumed or described in these statements.

The business activities of cyan are subject to a number of risks and uncertainties, which may also result in a forward-looking statement, estimate or forecast being inaccurate. Forward-looking statements are not to be understood as guarantees or assurances of the future developments or events mentioned therein.

### **Rounding note**

The figures in this report have been commercially rounded. Rounding differences may therefore occur. The addition of the individual figures shown may therefore deviate from the exact total stated.

### **Gender-neutral wording**

In the interests of readability, gender-differentiating formulations have been avoided throughout. The corresponding terms apply to all genders in the interests of equality. The abbreviated form of language is for editorial reasons only and does not represent any judgment on the part of cyan.

### **German Translation**

The report is also available in English. In the event of deviations, the German version applies. The reports are available for download in both languages in the IR section of the website.

▼ [ir.cyansecurity.com](https://ir.cyansecurity.com)



## Imprint

### **Publisher**

cyan AG  
Josephspitalstraße 15  
80331 Munich  
Germany

UID: DE315591576  
HR Munich: HRB 232764

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