

PT ITSEC Asia Tbk (CYBR)

Equity Research

2 September, 2025

Leading the next wave of AI driven cybersecurity growth

Buy

Strategic software shift powers strong growth. CYBR reported strong financial performance in 2Q25, reinforcing the success of its strategic pivot from a service-based business model to a scalable, software-driven technology company. This transformation is clearly reflected in its 2Q25 revenue of IDR 95.0 billion (+54.5% YoY). Growth was supported by robust performances in both the Services segment, which generated IDR 72.0 billion (+51.2% YoY), and the Software Services segment, which contributed IDR 20.7 billion (+49.8% YoY). CYBR's geographic diversification continues to bear fruit, with revenues from Indonesia reaching IDR 47.7 billion (+28.0% YoY), while Singapore and Australia delivered significant growth of IDR 31.7 billion (+81.9% YoY) and IDR 15.6 billion (+129.0% YoY), respectively. These figures highlight the company's growing international footprint and success in tapping regional demand for cybersecurity solutions. For 1H25, CYBR booked total revenue of IDR 230.4 billion (+108.5% YoY) achieving 37.8% of our full-year forecast. More notably, the Software Services segment now contributes 47.9% of total revenue in 1H25, compared to only 20.1% in 1H24, a testament to CYBR's successful shift toward proprietary, high-margin products such as its IntelliBron cybersecurity platform.

Recovery in motion, despite one-off charges. CYBR managed to keep its cost of revenue well contained at IDR 48.5 billion (+9.0% YoY) in 2Q25, resulting in a gross profit of IDR 46.5 billion (+173.8% YoY). For 1H25, gross profit soared to IDR 120.0 billion (+332.3% YoY). This drove a significant improvement in gross margin, rising from 25.1% in 1H24 to 52.1% in 1H25. The margin expansion underscores the cost-efficiency of CYBR's software-based business model, which allows the company to increase sales volume without corresponding increases in delivery costs. Products like IntelliBron offer recurring revenue opportunities and enable CYBR to break free from the limitations of headcount-based service capacity. At the operating level, CYBR recorded an operating profit of IDR 1.8 billion in 2Q25 and IDR 42.5 billion for 1H25, translating to an 18.4% operating margin for 1H25. This marks a notable turnaround from the IDR 30.6 billion operating loss posted in 1H24, highlighting the continuation of the company's profitability recovery that began in 4Q24. It's worth noting that 2Q25 results were affected by a non-recurring charge of IDR 4.6 billion related to the impairment of trade receivables.

Earnings momentum builds in anticipation of robust 2H outlook. Net profit reached IDR 1.8 billion in 2Q25, a turnaround from a net loss of IDR 13.8 billion in 2Q24, while 1H25 net profit totaled IDR 36.7 billion. Historically, CYBR's earnings have shown a strong bias toward the 2H of the year due to seasonal spending patterns. In 2023, for example, the company recorded a net loss of IDR 28.7 billion in 1H, which narrowed to just IDR 7.0 billion in 2H. Similarly, 1H24 saw a net loss of IDR 28.0 billion, followed by a profitable 2H24 with IDR 28.8 billion in net profit. These patterns are consistent with industry seasonality, where cybersecurity spending typically increases in the 2H of the year due to corporate budget renewals, year-end IT procurement, and compliance deadline pressures. Looking forward, CYBR appears well-positioned for continued growth and profitability in 2H25. The company is maintaining its strategic momentum by reinvesting all FY24 profits into retained earnings rather than distributing dividends, a move that supports expansion and R&D.

Valuation. Backed by proprietary technology, international growth, and a shift toward recurring revenues, CYBR is expected to reach IDR 125.3 billion in net profit for FY25F and IDR 235.5 billion in FY26F, with ROE projected at 55.1% and 47.1%, respectively. We reiterate our Buy recommendation with a target price of IDR 1,460, which implies a 16.7x FY25F P/S and 11.7x FY26F P/S. These valuation multiples remain attractive compared to the industry average of 19.8x, presenting a compelling opportunity given CYBR's strong earnings momentum and growth trajectory.

Current Price (IDR) (29/8)	955
Target price (IDR)	1460
Upside/Downside (%)	52.8%
52 Week High (IDR)	1195
52 Week Low (IDR)	266
Major Shareholders:	
INV Management	41.62%
MB Investment Management	26.65%
HSBC PV BK (Suisse) SA	6.23%
Public	23.70%

Stock Price Movement



Source: Bloomberg, Shinhan Sekuritas Indonesia

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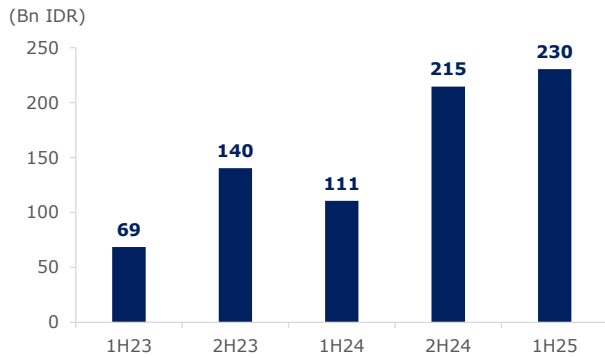
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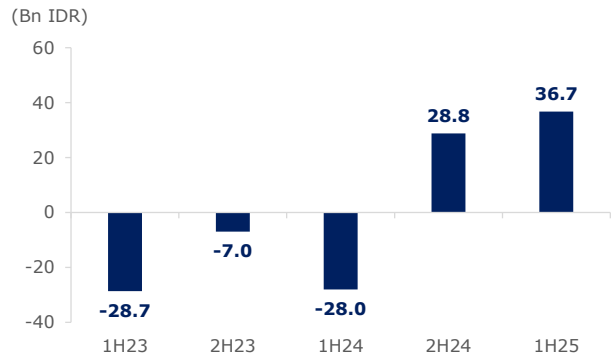
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CYBR's Revenue Generation



Source: Company, Shinhan Sekuritas Indonesia

CYBR's Net Profit Generation



Source: Company, Shinhan Sekuritas Indonesia

Regional cybersecurity leader. PT ITSEC Asia Tbk (CYBR), is a prominent cybersecurity provider in the Asia-Pacific region. With a team of over 350 professionals spread across Indonesia, Singapore, Australia, Mauritius, and Dubai, CYBR delivers comprehensive cybersecurity services. The company evolves from strategic consulting and integrated technology solutions to fully managed security operations.

Trusted expertise and global standards. Recognized as a trusted partner across diverse industries, ITSEC Asia is committed to securing digital infrastructure from increasingly sophisticated cyber threats while ensuring compliance with evolving data protection laws and critical infrastructure regulations. The company is verified by BSSN and holds globally respected certifications including ISO 27001, ISO 9001, and ISO 14001, in addition to being an official CREST member. Its technical capabilities are further strengthened by a roster of internationally certified experts holding credentials such as OSCP, OSCE, OSEP, OSWE, CRT, CPSA, CRTP, CISSP, CISA, CISM, CSXF, CSXP, CEH, GPEN, GSEC, GCIA, GCIH, and GDPR.

Locally developed innovation: IntelliBron. A cornerstone of CYBR's innovation is IntelliBron, a locally developed, cutting-edge platform designed to detect, analyse, and respond to cyber incidents in real-time. IntelliBron embodies CYBR's mission to accelerate secure and adaptive digital transformation in a rapidly evolving threat environment, offering advanced situational awareness and proactive defence capabilities.

Strategic roadmap and future ready initiatives. Looking ahead, CYBR is actively pursuing several strategic initiatives to future-proof its impact. The ITSEC Cyber Academy has been launched to address Indonesia's cybersecurity talent gap by producing industry-ready professionals trained to handle modern and emerging threats. In anticipation of the quantum computing era, CYBR is also investing in Post Quantum Cryptography (PQC). This including specialized PQC training programs through the Academy to equip the next generation of cybersecurity leaders. On the consumer front, CYBR is preparing to launch a mobile focused version of IntelliBron to expand its reach into the underserved B2C market, which has shown promising early interest.

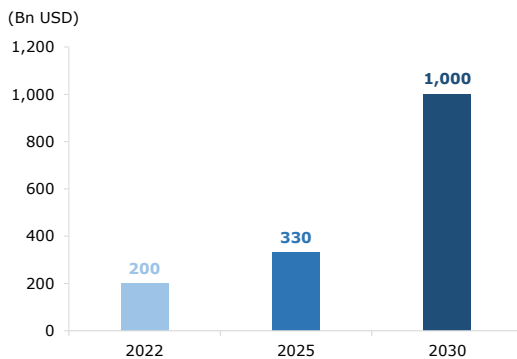
AI supercharging cybersecurity: Global USD 60B+ market forecast, APAC and Indonesia poised for rapid growth. AI is swiftly becoming indispensable in cybersecurity, not just an optional enhancement. Globally, AI-powered cybersecurity spending is expected to exceed USD 60 billion by 2028, fueled by enterprises migrating toward predictive and automated defense strategies (Grand View Research). In the Asia-Pacific region, the broader cybersecurity market is projected to grow from USD 74.2 billion in 2025 to USD 141.0 billion by 2030, reflecting a 13.7% CAGR (Mordor Intelligence). Indonesia's cybersecurity sector where AI-enabled solutions are gaining momentum is forecasted to expand from around USD 1.4 billion in 2025 to USD 3.5 billion by 2030, marking a 20.8% CAGR (Mordor Intelligence). While Indonesia remains smaller in absolute terms compared to APAC's largest economies, its rapid growth highlights strong potential for AI-driven cybersecurity investments in the coming years.

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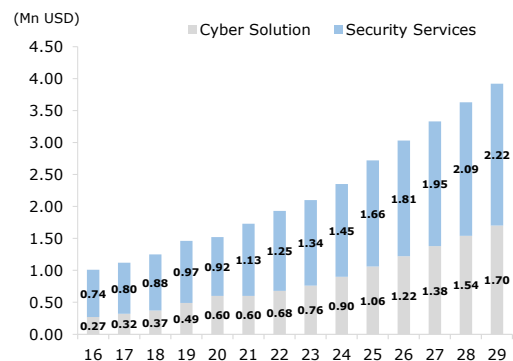
Key takeaways from ITSEC Cybersecurity Summit 2025. The ITSEC Cybersecurity Summit 2025, hosted by CYBR in Jakarta from 26–28 August, underscored both the company’s strategic role and Indonesia’s growing importance in the global cybersecurity landscape. Framed under the theme “The Largest Critical Infrastructure Cybersecurity Event in Southeast Asia”, the 3-day summit attracted more than 1,000 participants, including policymakers, regulators, corporate executives, and global experts. With over 40 sessions featuring keynote speeches, panel discussions, and technical presentations, the event not only served as a platform for knowledge exchange but also as a deliberate strategy to align CYBR’s brand leadership with its sales growth objectives. This positioning is reinforced by strong market fundamentals, Indonesia’s cybersecurity industry is projected to grow at a compound annual growth rate (CAGR) of 9.67%, with revenues expected to reach USD 2.71 billion in 2025 and expand to USD 3.92 billion by 2029. Security Services remain the largest segment, generating an estimated USD 1.66 billion this year, while per-employee spending on cybersecurity is forecasted at USD 18.89, underscoring the increasing prioritization of digital defence. Against this backdrop, the summit’s agenda ranging from quantum cryptography to real-world malware case studies and skill-building competitions was not just about awareness, but about preparing industries and governments to seize opportunities in a rapidly expanding market. Crucially, these initiatives are aligned with Indonesia’s ambition to be recognized as a regional cybersecurity hub, supporting the resilience of Southeast Asia’s digital economy, which is projected to reach USD 1 trillion in GMV by 2030.

SEA Digital Economy



Source: World Economic Forum

Indonesia Cybersecurity Market Value



Source: Statista

ITSEC Cybersecurity Summit 2025



Source: Company, Shinhan Sekuritas Indonesia

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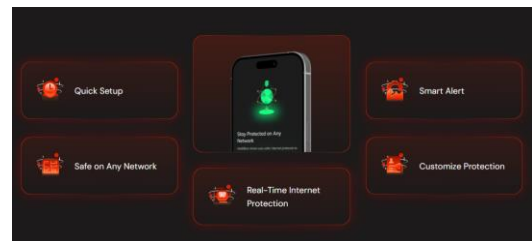
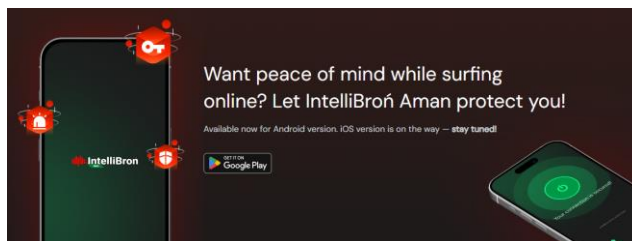
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IntelliBron Cybersecurity Solutions



Source: Company

IntelliBron Aman



Source: Company, Shinhan Sekuritas Indonesia

IntelliBron Aman as a new layer of defence for mobile users against evolving cybercrime. As part of the ITSEC Cybersecurity Summit 2025, CYBR also held a soft launch of IntelliBron Aman, a cutting-edge mobile internet cybersecurity platform tailored for mobile subscribers, addressing the increasing risks in today's digital landscape. With critical service providers, such as banking, healthcare, and government agencies, continuing to release mobile applications to enhance user experience, the security of these apps has become paramount. At the same time, cybercriminals are shifting their focus toward individual mobile users, employing increasingly sophisticated attacks that exploit vulnerabilities on mobile devices. IntelliBron Aman serves as a robust defense layer, delivering comprehensive protection against cyber threats so that users can access essential mobile services with confidence and peace of mind. The platform's uniqueness also offers business added value (BAS) for telecommunication providers, enabling them to deliver security as a subscription-based service to both consumer and enterprise customers on their networks.

CYBR-Qrypt alliance marks a milestone in Indonesia's quantum-safe security journey. At the Summit, CYBR formalized a strategic partnership with Qrypt, a US-based leader in quantum cryptography. The collaboration represents a pivotal step in preparing Indonesia for the quantum era, where traditional encryption methods such as RSA and ECC risk being broken by the exponential power of quantum computing. Qrypt's solutions, including Quantum Entropy Appliances, Quantum Entropy-as-a-Service, and Digital Quantum Key Distribution (DQKD), are designed to mitigate these threats and accelerate the adoption of quantum-safe systems. Through this partnership, CYBR will pursue three key priorities: i) advancing research and proof-of-concept testing with universities and global partners to demonstrate post-quantum cryptography (PQC) in areas such as financial transactions, secure communications, and data storage; ii) expanding workforce capacity via the ITSEC Cyber Academy to train professionals in quantum-resilient systems; iii) and leading industry-wide awareness initiatives through events, media, and policy forums to drive PQC adoption.

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CYBR's 1H25 Results Highlights

in billion Rupiah	1H24	1H25	Growth (YoY)
Revenue	111	230	108.5%
Gross Profit	28	120	332.3%
Operating profit	-31	43	N/A
Profit (loss) for the year	-28	37	N/A
Gross Margin	25.1%	52.1%	
Operating Margin	-27.7%	18.4%	
Net Profit Margin	-25.4%	15.9%	

CYBR's 2Q25 Results Highlights

in billion Rupiah	2Q24	1Q25	2Q25	Growth (YoY)	Growth (QoQ)
Revenue	62	135	95	54.5%	-29.8%
Gross Profit	17	74	47	173.8%	-36.7%
Operating profit	-14	41	2	N/A	-95.5%
Profit (loss) for the year	-14	35	2	N/A	-94.9%
Gross Margin	27.6%	54.3%	48.9%		
Operating Margin	-23.3%	30.1%	1.9%		
Net Profit Margin	-22.5%	25.8%	1.9%		

CYBR's 1H25 Segment Revenue

in billion Rupiah	1H24	1H25	Growth (% YoY)
Services	86	114	32.7%
Software services	22	110	397.8%
Product sales	2	6	144.0%
Indonesia	66	78	17.2%
Singapore	34	133	296.2%
Australia	10	19	83.6%
Professional Security Services	94	202	114.9%
Managed Security Services	16	28	71.4%

CYBR's 2Q25 Segment Revenue

in billion Rupiah	2Q24	1Q25	2Q25	Growth (YoY)	Growth (QoQ)
Services	48	42	72	51.2%	71.7%
Software services	14	90	21	49.8%	-76.9%
Product sales	0	4	2	N/A	-38.9%
Indonesia	37	30	48	28.0%	58.1%
Singapore	17	102	32	81.9%	-68.8%
Australia	7	3	16	129.0%	350.4%
Professional Security Services	86	122	80	-6.7%	-34.3%
Managed Security Services	-24	13	15	N/A	11.2%

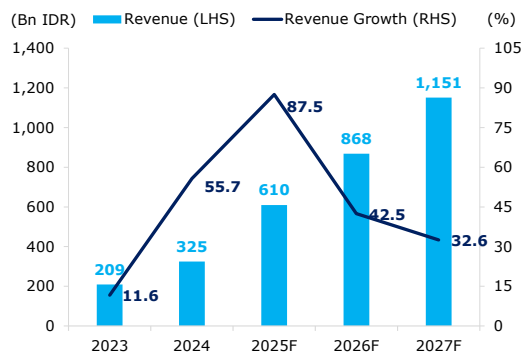
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Peer Group Valuation Table

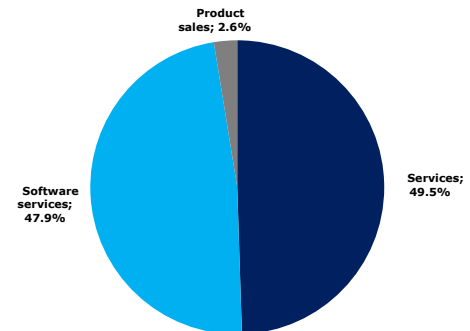
Ticker	Name	Market Cap. (Mn USD)	Revenue Growth (%)		ROE %	P/S x
			2025F	2026F		
CRWD US	CrowdStrike Holdings Inc	111,329	47.2%	22.5%	20.94	23.27
NET US	Cloudflare Inc	69,735	60.1%	27.6%	24.70	32.96
ZS US	Zscaler Inc	43,637	47.3%	20.1%	25.62	16.39
CYBR US	CyberArk Software Ltd	20,476	58.6%	19.4%	8.38	15.41
PANW US	Palo Alto Networks Inc	115,276	30.4%	13.6%	29.67	12.55
OKTA US	Okta Inc	16,655	20.2%	9.8%	8.14	5.83
Weighted Average						19.79

CYBR's Revenue



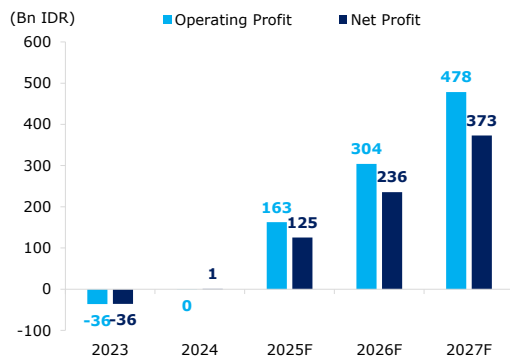
Source: Company, Shinhan Sekuritas Indonesia

Revenue Based on Revenue Type in 1H25



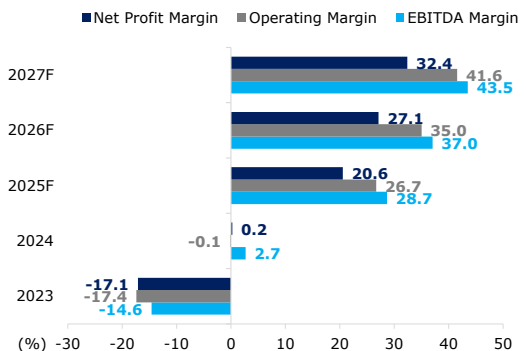
Source: Company, Shinhan Sekuritas Indonesia

CYBR's Consolidated Operating & Net Profit



Source: Company, Shinhan Sekuritas Indonesia

CYBR's Profitability



Source: Company, Shinhan Sekuritas Indonesia

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Income Statement

(In Billion IDR)	2023	2024	2025F	2026F	2027F
Revenue	209	325	610	868	1,151
COGS	-153	-207	-292	-373	-484
Gross Profit	55	118	317	496	667
EBITDA	-30	9	175	322	501
Operating Expenses	-92	-118	-155	-191	-189
Operating Profit	-36	0	163	304	478
Pre-Tax Profit	-38	-3	161	302	478
Income Tax Expenses	3	4	-35	-66	-105
Net Profit	-36	1	125	236	373

Source: Company, Shinhan Sekuritas Indonesia

Balance Sheet

(In Billion IDR)	2023	2024	2025F	2026F	2027F
Assets					
Cash & Cash Equivalents	50	11	123	392	809
Accounts Receivable	29	49	77	112	151
Inventories	0	0	0	0	0
Other Current Assets	94	129	87	87	87
Total Current Assets	173	189	286	590	1,047
Net Fixed Assets	10	12	36	58	78
Other Assets	27	66	52	52	52
Total Assets	210	267	374	700	1,177
Liabilities and equities					
Accounts Payables	25	43	31	62	78
Other Short-Term Liabilities	32	49	49	62	72
Total Current Liabilities	57	92	80	123	150
Long-Term Borrowings	0	0	0	0	0
Other Long-Term Liabilities	58	78	67	76	83
Total Liabilities	114	170	147	199	233
Minority Interest	0	0	0	0	0
Total Equity	96	97	227	501	944

Source: Company, Shinhan Sekuritas Indonesia

Cash Flows

(In Billion IDR)	2023	2024	2025F	2026F	2027F
Net Profit	-36	1	125	236	373
Change in Working Capital	-193	-36	-34	1	-18
CFs from Operating	-228	-35	91	237	355
CFs from Investing	55	-26	-13	-27	-25
CFs from Financing	208	23	9	59	88
Net Inc./ (Dec.) in Cash	35	-39	87	269	417
Cash at End. Period	50	11	123	392	809

Source: Company, Shinhan Sekuritas Indonesia

Key Ratio

Year-End 31 Dec	2023	2024	2025F	2026F	2027F
Profitability					
Gross Margin	27%	36%	52%	57%	58%
Operating Margin	-17%	0%	27%	35%	42%
EBITDA Margin	-15%	3%	29%	37%	44%
Profit Margin	-17%	0%	21%	27%	32%
ROA	-17%	0%	34%	34%	32%
ROE	-37%	1%	55%	47%	39%
Growth					
Revenue	12%	56%	87%	42%	33%
Gross Profit	-22%	113%	169%	56%	35%
Operating Profit	N/A	N/A	N/A	87%	57%
EBITDA	N/A	N/A	1903%	84%	56%
Net Profit	N/A	N/A	16392%	88%	58%
Solvability					
Current Ratio (x)	3.1	2.1	3.6	4.8	7.0
Quick Ratio (x)	4.7	2.4	3.3	5.4	8.1
Debt to Equity (x)	0.2	0.4	0.2	0.1	0.1
Interest Coverage (x)	-13.8	-0.1	69.1	89.2	112.8

Source: Company, Shinhan Sekuritas Indonesia



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