

WE CARE, WE PERFORM, WE DELIVER!



Investors - Site Visit

Pedaso, 7 & 8 April 2022



Today's presenters



22+ years
experience

Andrea Pizzarulli

Co-founder and
Chief Executive Officer

- Experienced Technology Chief Executive Officer
- Former positions in opto-electronics, chip design, satellite technology and inertial navigation, holds 9 patents
- Worked in the industry in Italy and USA



13+ years
experience

Letizia Galletti

Chief Financial Officer

- Qualified Chartered Accountant
- Qualified Public Auditor
- Previously senior manager at



Introducing Civitanavi Systems' inertial systems

Our Vision: Civitanavi Systems' vision is to be the technology powerhouse for inertial stabilisation and navigation solutions, enabling the future of mobility



Navigation
relative position and orientation



Stabilisation
automatic stabilisation for safety and function



Multiplatform-friendly
appropriate for aerospace & defense or industrial purposes



Civitanavi Systems at a glance

Highlight 2021

25.1M€  **+31% YoY**
Revenue

c. 31%  **+55% YoY**
EBITDA

29.8M€  **+65% YoY**
Booking

Unique capabilities



High
performance



Avionics
certified



ITAR-free⁽¹⁾



Serving a globally diversified customer base...



SENER



RHEINMETALL



**TELEDYNE
TECHNOLOGIES**
INCORPORATED

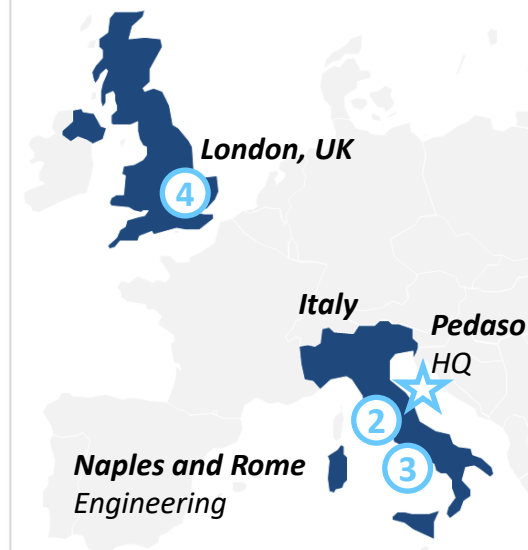


LEONARDO

BAE SYSTEMS



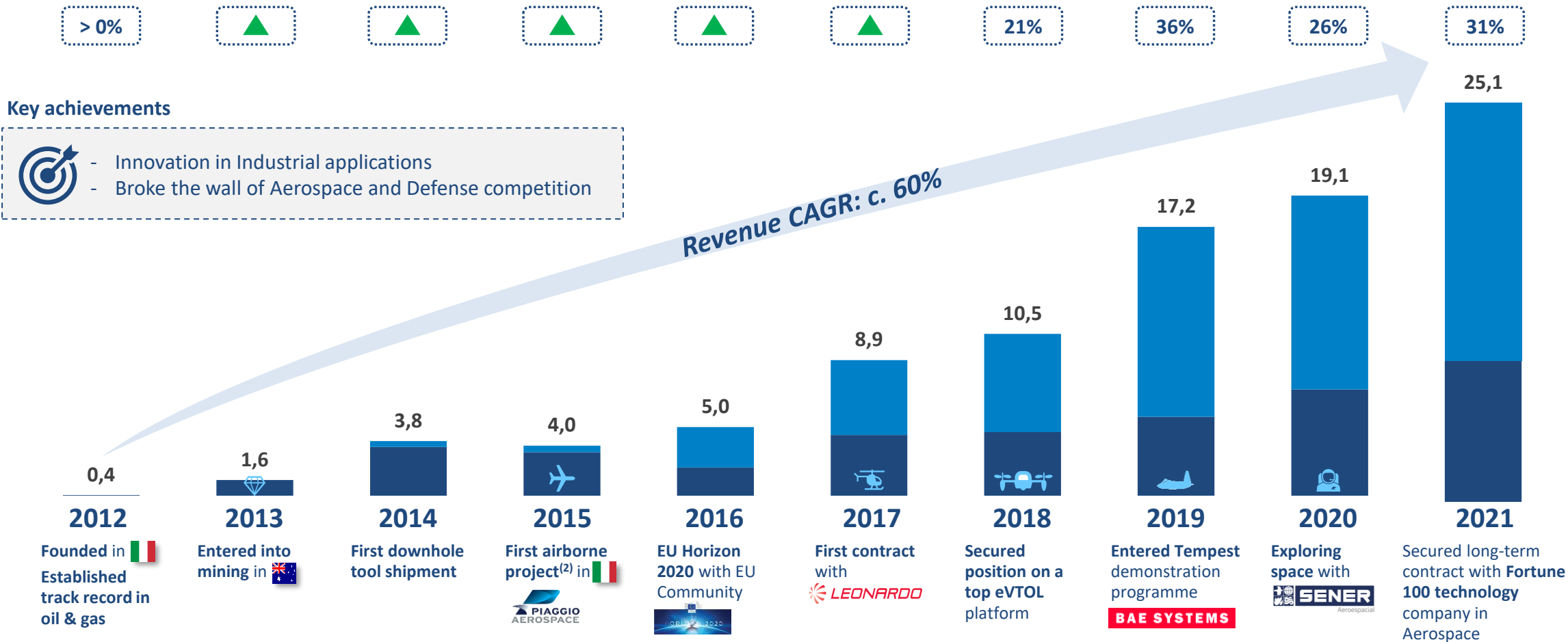
...growing presence, starting from Italy and the UK



Civitanavi Systems continuing a profitable growth since inception

Revenue development 2012-2021⁽¹⁾ (€m)

■ Industrial revenue ■ Aerospace and defence revenue ■ Other revenue □ EBITDA Margin ▲ Margin increase



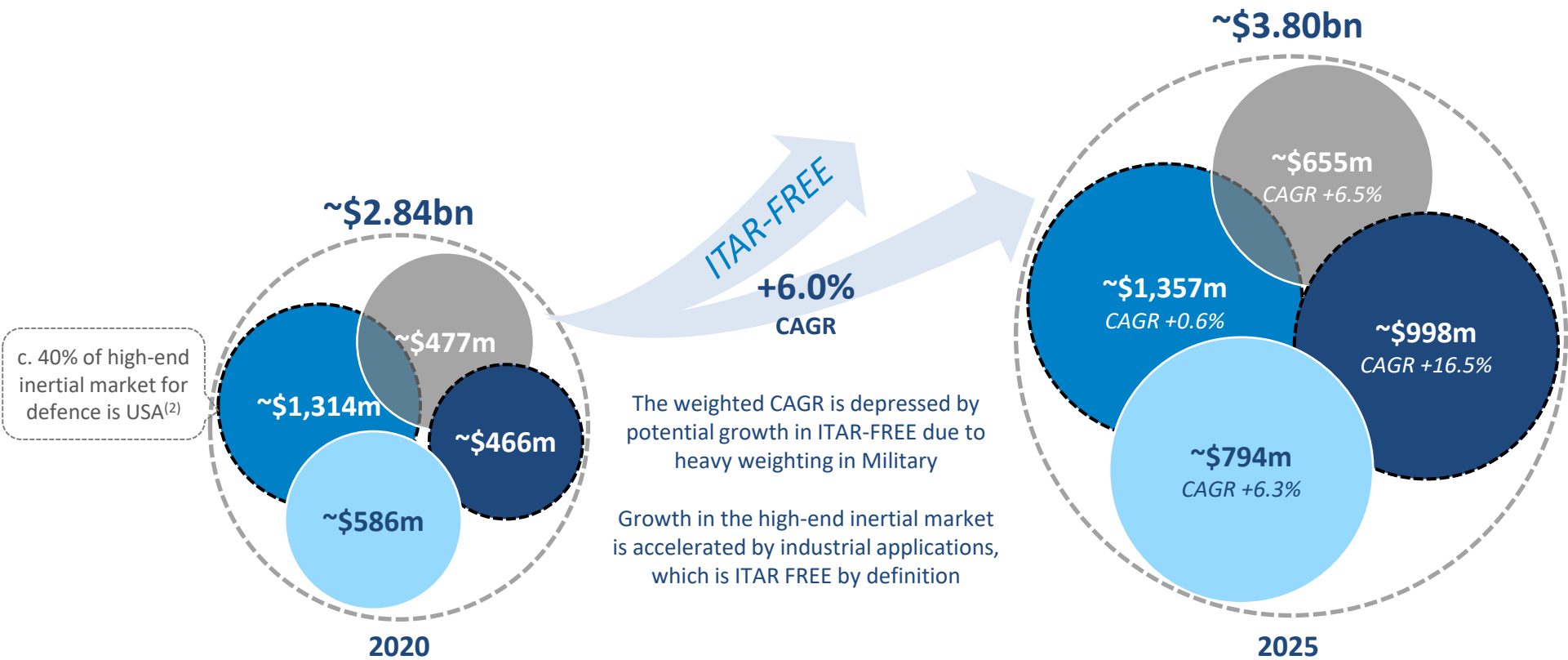
Notes(s): Figures rounded; (1) 2018-2021 figures audited and compliant with IFRS. Revenues before 2018 are based on Italian GAAP and unaudited; (2) 2015 marks the first safety-critical airborne project for Civitanavi Systems. The first airborne project of any kind was carried out in 2014








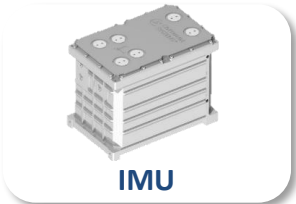




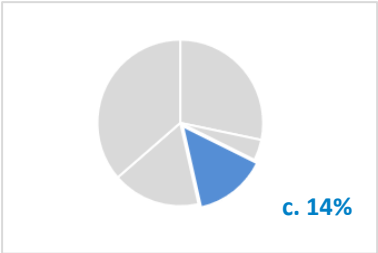
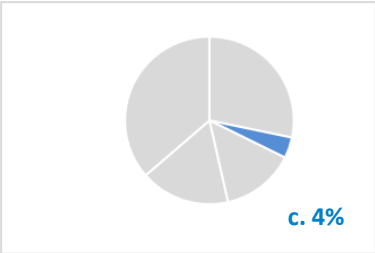
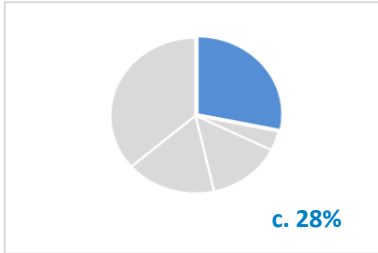
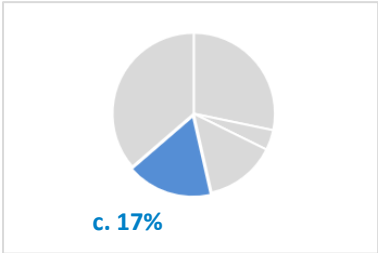
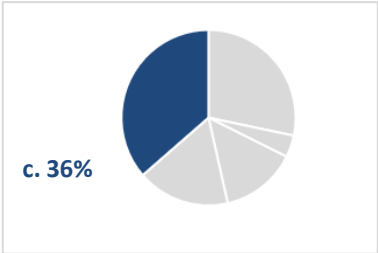
Civitanavi Systems is growing faster than the reference market (ITAR-FREE)

High-end inertial market segment forecast

- Total high-end inertial industry --- Civitanavi Systems' definition of aerospace and defence
- Defence / Military ● Commercial naval ● Commercial aerospace ● Industrial applications



Platform-agnostic technology with variety of end markets

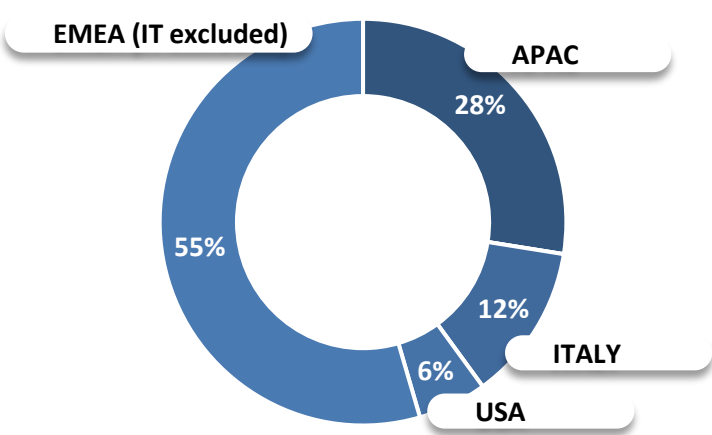
	Aerospace and defence				Industrial
	Space <i>Launch systems</i>	Land <i>Military vehicles</i>	Aeronautics <i>Jets, Helicopters, & eVTOLs⁽¹⁾</i>	Other <i>Naval surface, subsea, and guidance</i>	Mining, Oil & Gas <i>Drills, Subsea equipment</i>
					
Product	 IMU	 PETRA	 ARGO	 NAUTILUS	 Rig aligner Downhole
Share of revenues (2021)	 c. 14%	 c. 4%	 c. 28%	 c. 17%	 c. 36%

Note(s): Residual amount equal to 1% is related to raw materials sold to suppliers for processing as semi-finish goods (1) Electric Vertical Takeoff and Landing (eVTOL) aircraft

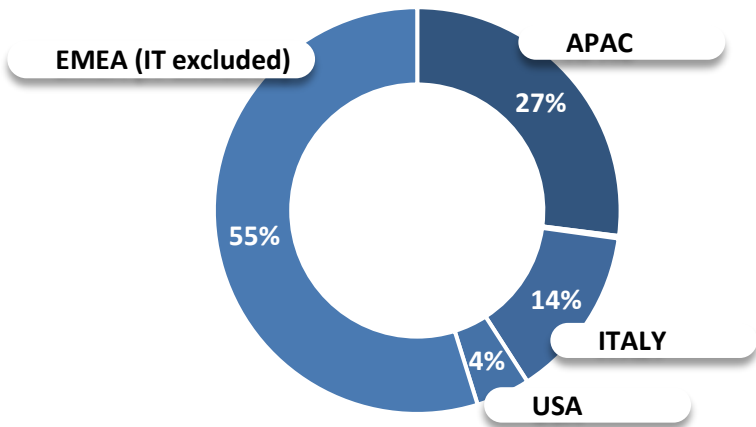


Diverse revenue exposure by geography

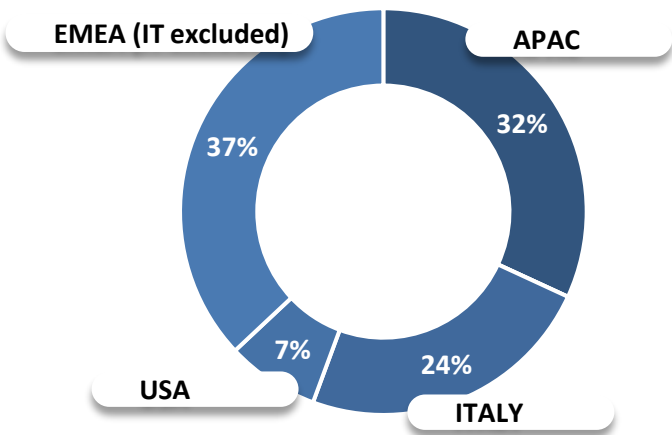
Revenue concentration 2019



Revenue concentration 2020



Revenue concentration 2021



Revenue stream driven by programmes Civitanavi Systems wins, but not geared to government defence budgets

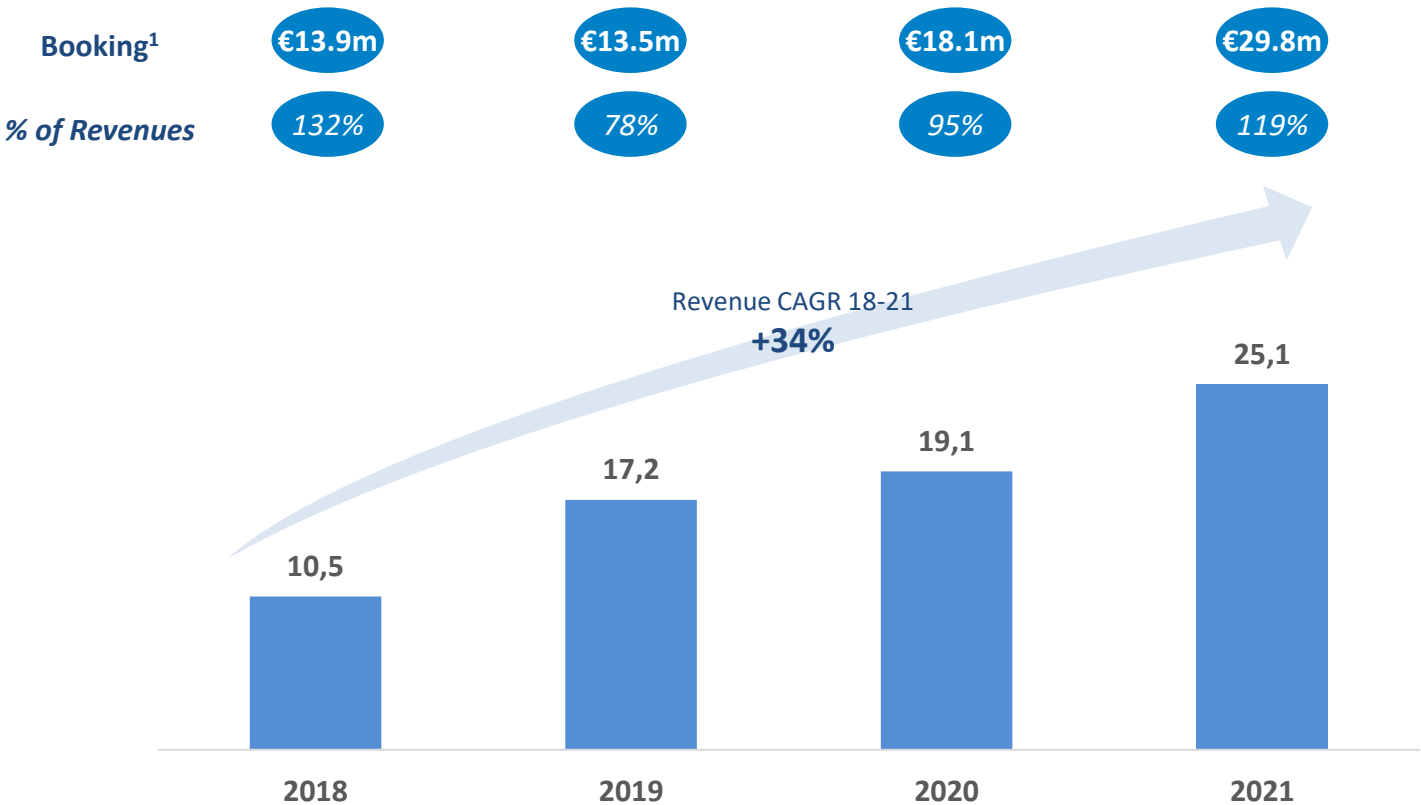


Well diversified portfolio revenue spread across different regions



Strong revenue growth

Total revenues
(€m)



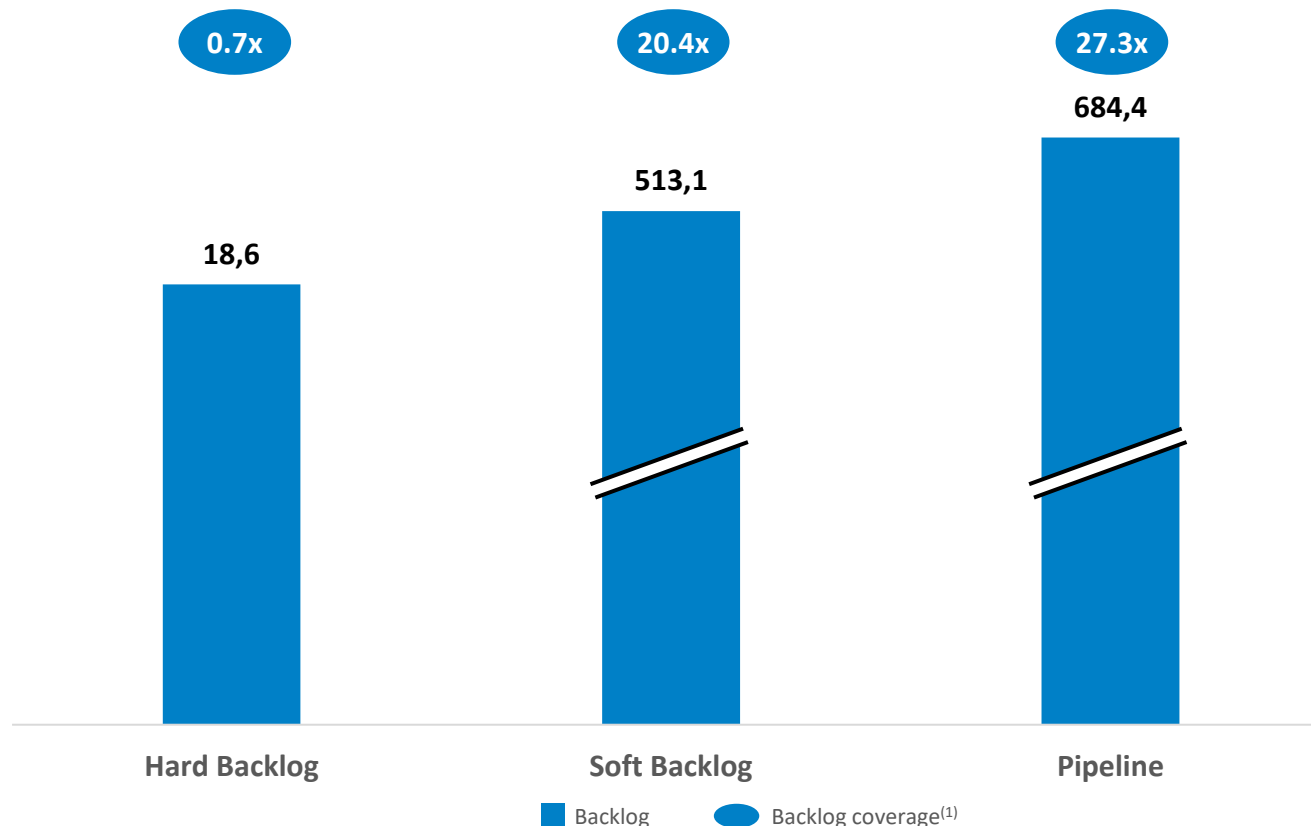
Key Comments

- Revenues in 2020 up c.11% YOY despite the impact of Covid-19 that prevented the company from development of new business
- Revenues in 2021 up c.31% YOY and a good proxy of the company growth trend is the 2018-20 CAGR of c. 34%
- €25.1m 2021 revenue is driven by programs for which the Company is already qualified (~92% of estimated Total revenues) and the launch of new programs
- Strong growth in 2021 booking, driven by the Company's ability to turn opportunities included in the soft backlog into actual bookings (+65% YoY)
- Total booking 18-21 / total revenues 18-21 = 105%



Approx. 1y backlog and soft backlog and pipeline within 2030 (as of 31 Dec 2021)

(€m)

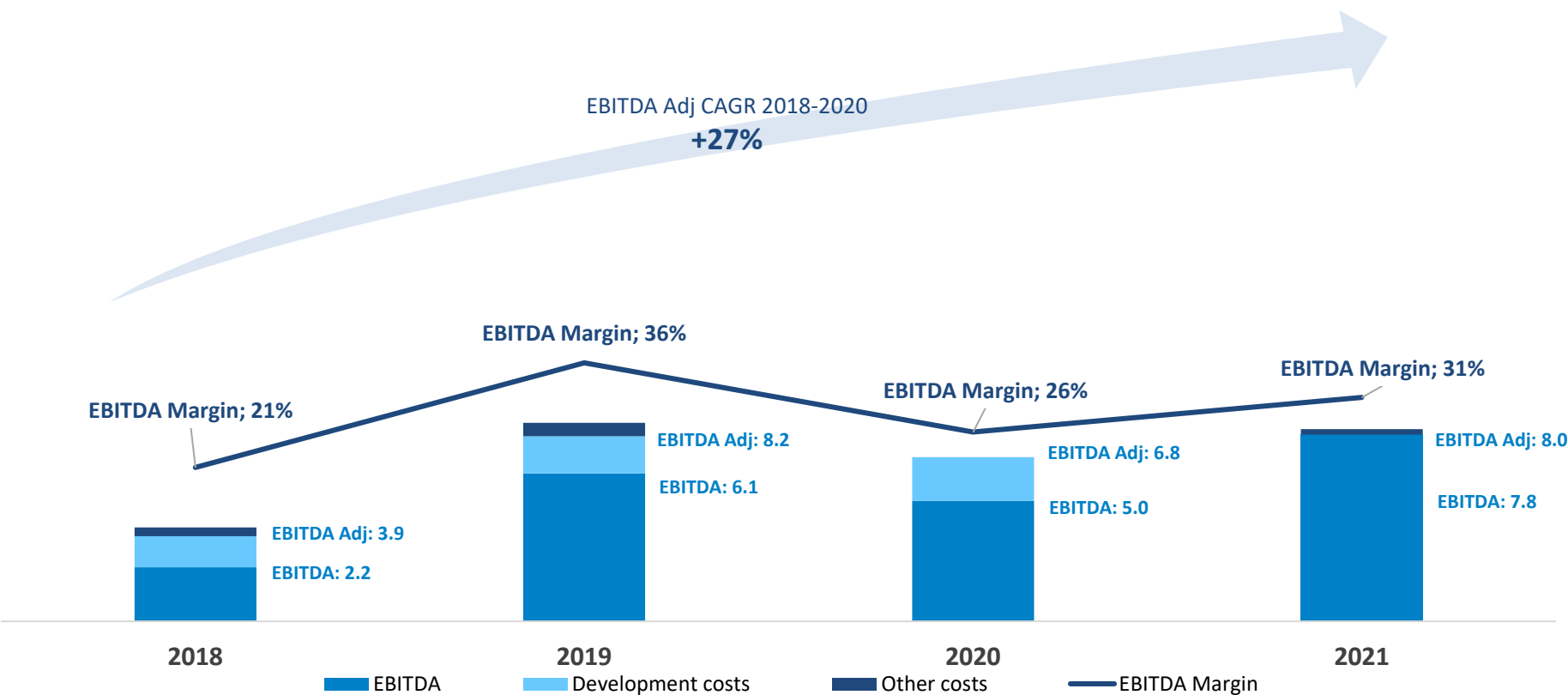


Key Comments

- **Hard Backlog:** it comprises **signed framework contracts** and related order indications for which Company assigns a P-Tot equal to 100%
- **Soft Backlog:** it comprises signed follow-on and options attached to existing contracts, as well as unsigned contracts that are more likely than not to both take place and be rewarded to the Company within 2030, which Company assigns a **P-Tot greater than or equal to 50%. The soft backlog is mainly related to A&D space.**
- **Pipeline:** it comprises contracts that are less likely than likely to take place and be rewarded to the Company within 2030, to which the Company assigns a **P-Tot minor to 50%.**
- For the purpose of the above, P-Tot is the total success probability for a single opportunity, calculated by the Company as follows⁽²⁾:
P-Tot⁽³⁾: P-Go* P-Win where: (i) **P-Go:** is the Company's assessment on the probability that the project will be funded, or the customer will finalize the order, (ii) **P-Win:** is the company's assessment on the probability of winning an opportunity compared to its competitors

Highly attractive margin profile

EBITDA, EBITDA Adjusted and EBITDA margin
(€m)



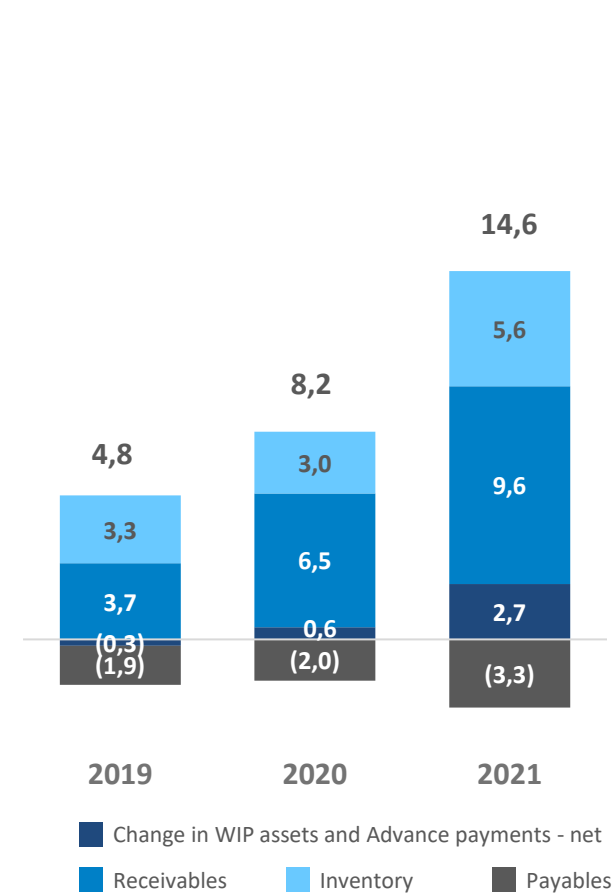
Key Comments

- In 2020, the Company sold **some components and semi-finished products at cost price** in order to **receive from year 2022 onwards, royalties** associated with the sale
- 2019 EBITDA is explained by the same **pluriannual contract** as above, which provided a peak of activity in 2019
- The decrease in the EBITDA margin between 2019 and 2020 is mainly due to the **higher incidence of raw material costs** by ~6 % as well as of **personnel expenses** by ~3 %
- EBITDA margin 2021 shows a **strong increase from 2020** despite a larger amount of products sold at production cost for the same contract abovementioned

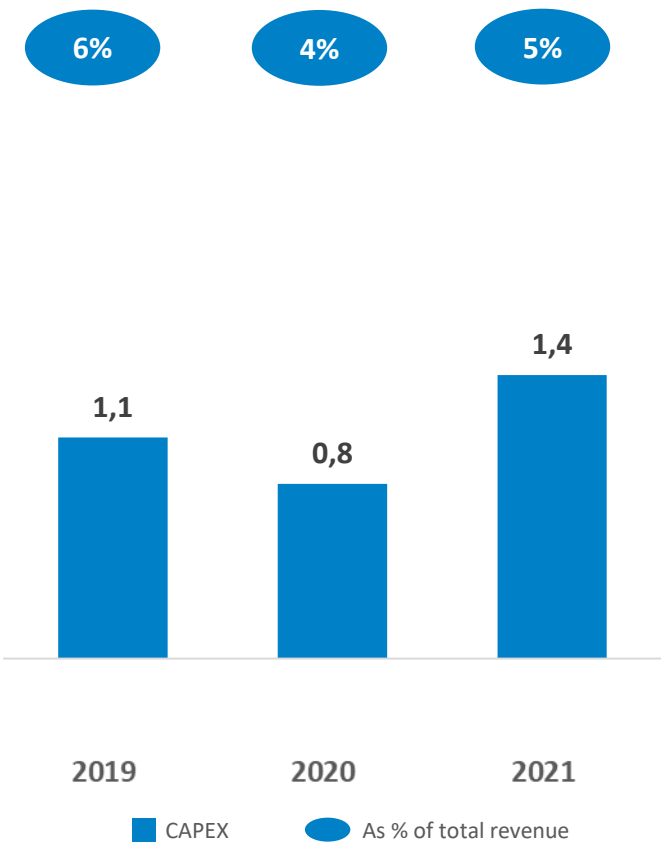


Solid balance sheet with low leverage

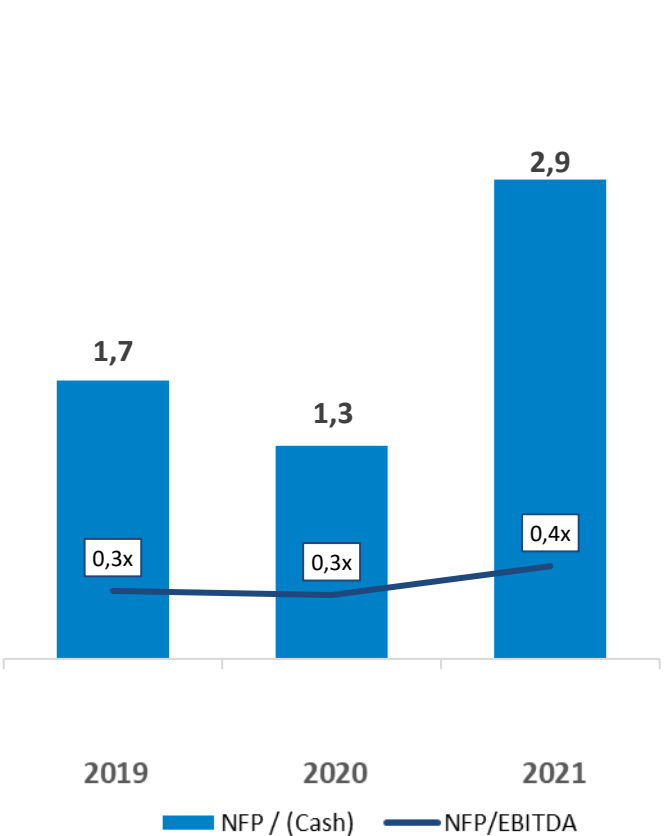
Net Working Capital (€m)⁽¹⁾



CAPEX (€m)⁽²⁾



Net Financial Position (€m)



Note(s): (1) The Company already attended two meetings to address the growing NWC trend: "Strategy Top management meeting" with CFO, CEO and the Program Manager (i) Lengthening of payment terms for non-strategic suppliers and or closely related to production (ii) Reduction in collection periods for new customer contracts and increase the down payment; "Operative meeting" with CFO and Procurement manager; defined strategy to increase DPO; (2) capex includes investments and disposals
Source(s): Company information



THANK YOU

The information contained in this document is Civitanavi Systems S.p.A. proprietary and is disclosed in confidence. It is the property of Civitanavi Systems S.p.A. and shall not be used, disclosed to others or reproduced, without the express written consent of Civitanavi Systems S.p.A.

CONTACTS

Investorrelations@civitanavi.com



Disclaimer (1/2)

Publisher
Civitanavi Systems SpA
Via del Progresso 5
63827 Pedaso (FM)
Italy
Internet: <https://www.civitanavi.com/>

For the purposes of this disclaimer, this presentation (the "Presentation") comprises the attached slides, the speeches made by the presenter(s), the question and answer session and any materials distributed at, or in connection with, the Presentation.

THIS PRESENTATION AND ANY OTHER INFORMATION DISCUSSED AT THE PRESENTATION IS BEING PROVIDED TO YOU SOLELY FOR YOUR INFORMATION. THIS PRESENTATION, WHICH HAS BEEN PREPARED BY CIVITANAVI SYSTEMS S.p.A. (THE "COMPANY"), IS PRELIMINARY IN NATURE AND IS SUBJECT TO UPDATING, REVISION AND AMENDMENT. THIS PRESENTATION MAY NOT BE REPRODUCED IN ANY FORM, FURTHER DISTRIBUTED OR PASSED ON, DIRECTLY OR INDIRECTLY, TO ANY OTHER PERSON, OR PUBLISHED, IN WHOLE OR IN PART, FOR ANY PURPOSE. ANY FAILURE TO COMPLY WITH THESE RESTRICTIONS MAY CONSTITUTE A VIOLATION OF APPLICABLE LAWS AND VIOLATE THE COMPANY'S RIGHTS..

This Presentation is being made available to a limited number of recipients solely for the purpose of introducing the Company. This Presentation is preliminary in nature and does not, and is not intended to, constitute or form part of, and should not be construed as, an offer to sell, or a solicitation of an offer to purchase, subscribe for or otherwise acquire, any securities of the Company, nor shall it or any part of it form the basis of or be relied upon in connection with or act as any inducement or recommendation to enter into any contract or commitment or investment decision whatsoever.

This presentation is not a prospectus for the purposes of applicable laws and regulations and it has not been approved by any authority.

To the extent applicable, the industry, competitive position and market data contained in this Presentation comes from official or third-party sources. Third party industry publications, studies and surveys generally state that the data contained therein have been obtained from sources believed to be reliable, but that there is no guarantee of the accuracy or completeness of such data. While the Company reasonably believes that each of these publications, studies and surveys has been prepared by a reputable source the Company has not independently verified the data contained therein. In addition, certain of the industry, competitive and market data contained in this Presentation come from the Company's own internal research and estimates based on the knowledge and experience of the Company's management in the market in which the Company operates. While the Company reasonably believes that such research and estimates are reasonable and reliable, they, and their underlying methodology and assumptions, have not been verified by any independent source for accuracy or completeness and are subject to change without notice. Accordingly, undue reliance should not be placed on any of the industry or market data contained in this Presentation.

Certain information in this Presentation is based on management estimates. Such estimates have been made in good faith and represent the current beliefs of relevant members of management. Those management members believe that such estimates are founded on reasonable grounds. However, by their nature, estimates may not be correct or complete. Accordingly, no representation or warranty (express or implied) is given that such estimates are correct or complete.

Neither the Company nor any of their direct or indirect shareholders, partners, directors, officers, employees, agents, other representatives, consultants, legal counsel, accountants, financial or other advisors, auditors, , subsidiaries or other affiliates or any other person acting on behalf of the Company (collectively, the "Representatives") makes any representation or warranty, expressed or implied, as to the truthfulness, fairness, quality, accuracy, relevance, completeness or sufficiency for any purpose whatsoever of any information contained in this Presentation. By attending or otherwise accessing this Presentation, you acknowledge and agree not to be entitled to rely on the fairness, quality, accuracy, relevance, completeness or sufficiency for any purpose whatsoever of the information contained herein (or whether any information has been omitted from the presentation) and that the Company will have any liability relating to, or resulting from, this Presentation, its inaccuracy or incompleteness, or the use of, or reliance upon, this Presentation.

Neither the Company nor any of its hare holders, financial or other advisors mandated by the Company, nor any other manager, their respective subsidiaries, affiliates or associated companies, or any of such person's respective directors, officers, employees, agents, affiliates or advisers: (i) accepts any liability whatsoever arising directly or indirectly from the use of this Presentation and/or (ii) undertakes any obligation to update the Company's view of such risks and uncertainties or to publicly announce the result of any revision to the forward-looking statements made herein, except where it would be required to do so under applicable law. No reliance may be or should be placed by any person for any purposes whatsoever on the forward-looking statements contained in this Presentation.

By reading, attending or otherwise accessing the Presentation, you acknowledge and agree that you will be solely responsible for your own independent evaluation and assessment of the Company and of the information contained in this Presentation and will rely solely on your own judgment and that of your qualified advisors in evaluating the Company and in determining the desirability of the possible acquisition of an interest in the Company. Recipients should not construe the contents of this Presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters.

This Presentation may include statements that are, or may be deemed to be, forward-looking statements. Forward-looking statements typically use terms such as "believes", "projects", "anticipates", "expects", "intends", "plans", "may", "will", "would", "could" or "should" or similar terminology. Any forward-looking statements in this Presentation are based on the Company's current expectations and, by their nature, forward-looking statements are subject to a number of risks and uncertainties, many of which are beyond the Company's control, that could cause the Company's actual results and performance to differ materially from any expected future results or performance expressed or implied by any forward-looking statements. Statements contained in this Presentation regarding past trends or activities should not be taken as a representation that such trends or activities will continue in the future. You are cautioned not to place undue reliance on the forward-looking statements contained herein, which are made only as of the date of this Presentation. Except where otherwise indicated, this Presentation speaks as of the date hereof and the information and opinions contained in this Presentation are subject to change without notice and do not purport to contain all information that may be required to evaluate the Company. The information in this Presentation is in preliminary form and has not been independently verified. The Company, and its Representatives undertake no obligation to provide the recipients with access to any additional information or to update or revise this Presentation or to correct any inaccuracies or omissions contained herein that may become apparent. To the fullest extent permissible by law, such persons disclaim all and any responsibility or liability, whether arising in tort, contract or otherwise, which they might otherwise have in respect of this Presentation. Recipients should not construe the contents of this Presentation as legal, tax, regulatory, financial or accounting advice and are urged to consult with their own advisers in relation to such matters.

This Presentation may include projections. Any projection or forecast in this document is based on estimates and assumptions, described in this document, about future events and, as a consequence, is subject to a significant economic and competitive uncertainty and other contingencies, none of which can be predicted with any certainty and some of which are beyond the Company's control. Each recipient of this document should be aware that these projections do not constitute a forecast or prediction of actual results and there can be no assurance that the projected results will be realized or achieved, and actual results may be higher or lower than those indicated. None of the Company nor any of their respective security-holders, directors, officers, employees, advisors or affiliates, or any representative or affiliates, assumes responsibility for the accuracy of the projection presented herein.



Disclaimer (2/2)

Publisher
Civitanavi Systems SpA
Via del Progresso 5
63827 Pedaso (FM)
Italy
Internet: <https://www.civitanavi.com/>

This Presentation includes information on backlog of the Company. Any information on Company's backlog included therein has been carefully estimated and calculated by the Company on the basis of accurate methodologies. However, there is no certainty that the backlog will actually generate the expected revenues, cash flows or margin or generate them to the extent and within the timeframe envisaged as unforeseen events (some of which beyond the Company's control) may occur over the time which may affect the commercial relations of the Company with its clients. In addition, the data relating to the backlog are not recognized by the International Financial Reporting Standard (IFRS) and are not subject to audit. Furthermore, other companies operating in the same sector may calculate these values using different methods from those used by the Company and, therefore, the Company's data may not be comparable or may be poorly comparable with those calculated by other companies.

The Company's backlog data included in this Presentation, have been estimated and calculated by the Company as follows:

Hard Backlog: it comprises signed framework contracts and related order indications for which Company assigns a P-Tot equal to 100%;

Soft Backlog: it comprises signed follow-on and options attached to existing contracts, as well as unsigned contracts that are more likely than not to both take place and be rewarded to the Company within 2030, which Company assigns a P-Tot greater than or equal to 50%;

Pipeline: it comprises contracts that are less likely to take place and be rewarded to the Company within 2030 than likely contracts, which Company assigns a P-Tot minor to 50%

For the purpose of the above, P-Tot is the total success probability for a single opportunity, calculated by the Company as follows:

P-Tot: P-Go* P-Win

where: (i) **P-Go:** is the Company's assessment on the probability that the project will be funded, or the customer will finalize the order, (ii) **P-Win:** is the company's assessment on the probability of winning an opportunity compared to its competitors. The value of each single opportunity included in the Soft Backlog or in the Pipeline is weighted by the P-Tot assigned to it by the Company's management (e.g., opportunity value equal to 100, relevant P-Tot equal to 65%, value in Soft Backlog 65).

The Presentation also includes presented herein are alternative performance indicators that are not recognized by IFRS. Different companies and investors may calculate these non-IFRS measures differently, so making comparisons among companies on this basis should be done very carefully. These non-IFRS measures have limitations as analytical tools, are not measures of performance or financial condition under IFRS and should not be considered in isolation or construed as substitutes for operating profit or net profit as an indicator of our operations in accordance with IFRS.

By attending or otherwise accessing this Presentation, you warrant, represent, undertake and acknowledge to the Company that (a) you have read and agree to comply with the foregoing limitations and restrictions including, without limitation, the obligation to keep this Presentation and its contents confidential, (b) you agree to treat this Presentation and its content as strictly private and confidential and to take all necessary steps to preserve such confidentiality, (c) you are able to receive this Presentation without contravention of any applicable legal or regulatory restrictions. By attending the meeting where this presentation is made or otherwise accessing this Presentation, you agree to be bound by the foregoing limitations, qualifications and restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such other jurisdiction. Any potential investment or investment activity to which this Presentation relates is available only to persons eligible to invest in securities and will be engaged in only with such persons.

