

## PRESS RELEASE

### **CIVITANAVI SYSTEMS S.P.A. BOARD OF DIRECTORS APPROVES OPERATING REVENUES FOR THE FIRST NINE MONTHS OF 2023 CONTINUING GROWTH IN AEROSPACE AND DEFENCE +79% GUIDANCE CONFIRMED**

- **Total Operating revenues: EUR 32.6 million, +64%** compared to EUR 19.8 million recorded in the first nine months of 2022;
- **Booking of EUR 32.1 million** as of 30 September 2023 and **EUR 34.5 million** as at the date of this press release;
- **Guidance 2023 confirmed:** expected total revenues in the EUR 42M - EUR 46M range and EBITDA adjusted margin to roughly 29%, in line with what was communicated to the market during the approval of Civitanavi Systems S.p.A.'s Budget 2023.

*Pedaso (FM), November 7<sup>th</sup>, 2023* — **Civitanavi Systems S.p.A. (EURONEXT MILAN: CNS)**, a company active in the design, development and production of inertial navigation and stabilization systems, announces that the Board of Directors, which met today, approved its Operating Revenues as of September 30<sup>th</sup>, 2023.

**Andrea Pizzarulli, CEO of Civitanavi Systems, commented** *“The positive trend continues, allowing us to present the market with exceptional results also in this third quarter with operating revenues up 64%. This extraordinary performance is due in particular to the further development of the Aerospace and Defence division, that thanks to a solid sales strategy which led to important commercial agreements with leading international companies brought meaningful contribution. We are approaching the end of the year with the expected trend and the current results allow us to confirm the targets announced to the market through the guidance, and for the end of 2023 to reach total revenues in the EUR 42M-EUR 46M range”.*

### **OPERATING REVENUES AS OF SEPTEMBER 30<sup>th</sup> 2023**

Operating Revenues as of September 30<sup>th</sup>, 2023 stood at EUR 32.6 million, up 64% compared to EUR 19.8 million recorded in the first nine months of 2022.

Operating revenues net of change in inventories of finished and semi-finished goods increased by 63% in the first nine months of 2023 compared to the same period in 2022. The significant increase is mainly driven by the sale of goods, which more than doubled compared to the same period in the previous year (up 103%), thanks to the drive of the Aerospace and Defense and Industrial divisions.

Revenue stream related to engineering services records an increase compared to the first half year 2023 with an incidence which increases from 8% to 12% on Operating revenues net of change in inventories

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of finished and semi-finished goods. Operating revenues follow the expected trend and allow to confirm what was communicated to the market during the approval of Budget 2023 for Civitanavi Systems S.p.A. (which took place on 22 December 2022), based on the information available to date.

The results achieved during the quarter are characterised by a solid and stable growth and consolidate the Group's position in the inertial stabilisation and navigation systems sector globally.

It is specified that the subsidiary in UK, being in a start up phase, has not reported any operating revenues, which are all in charge of Civitanavi Systems S.p.A..

## BOOKING 2023 – RECEIVED ORDERS

As of September 30<sup>th</sup>, 2023, Booking amounted to EUR 32.1 million, up 11% compared to September 30<sup>th</sup>, 2022.

Booking represents an indicator of the growth of Civitanavi Systems and shows the evolution recorded by the orders acquired within the period, whether or not they were fulfilled within the same (so-called “Booking”).

As of November 7<sup>th</sup>, 2023, orders received amounted to EUR 34.5 million, up by 13,5% compared to the booking recorded in the same period of 2022 (communicated on October 28<sup>th</sup>, 2022) confirming the Group's growth trend.

The Group remains confident about long-term demand trends in its target market due to Civitanavi's specific competitive characteristics.

## OPERATING REVENUES BY BUSINESS AREA

During the first nine months of fiscal year 2023, Civitanavi Systems achieved an excellent performance, in particular Aerospace and Defence contributed 79% of Operating Revenues net of change in inventories of finished and semi-finished goods and in Industrial with a steady presence of 19%.

<i>In Euro thousands</i>	As of September 30 <sup>th</sup> 2023	% of 2023 total	As of September 30 <sup>th</sup> 2022	% of 2022 total	Changes	Changes %
Aeronautics	3,315	11%	4,800	26%	(1,485)	(31%)
Land defence	1,643	5%	1,123	6%	520	46%
Space	7,963	26%	2,909	16%	5,054	174%
Other (Naval, Submarine, Guidance)	11,011	36%	4,505	24%	6,506	144%
<b>Total Aerospace and Defence</b>	<b>23,932</b>	<b>79%</b>	<b>13,337</b>	<b>72%</b>	<b>10,595</b>	<b>79%</b>
<b>Industrial</b>	<b>5,712</b>	<b>19%</b>	<b>4,624</b>	<b>25%</b>	<b>1,088</b>	<b>24%</b>
<b>Other</b>	<b>602</b>	<b>2%</b>	<b>645</b>	<b>3%</b>	<b>(43)</b>	<b>(7%)</b>
<b>Total Operating revenues net of the change in FP/SFP inventories</b>	<b>30,246</b>	<b>100%</b>	<b>18,606</b>	<b>100%</b>	<b>11,640</b>	<b>63%</b>
Change in FP and SFP inventories	2,362		1,222		1,140	93%
<b>Total Operating Revenues</b>	<b>32,608</b>		<b>19,828</b>		<b>12,780</b>	<b>64%</b>

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Growth is confirmed in both divisions: A&D reports revenues up 79% from the same period in the previous year, while the Industrial division achieves 24% growth, registering a recovery from the slowdown noted in 2022.

## REVENUES BY GEOGRAPHICAL AREA

<i>In Euro thousands</i>	As of September 30 <sup>th</sup> 2023	% of 2023 total	As of September 30 <sup>th</sup> 2022	% of 2022 total	Changes	Changes %
Italy	3,224	11%	2,482	13%	742	30%
EMEA (except Italy)	22,886	76%	11,267	61%	11,619	103%
APAC	3,684	12%	3,601	19%	83	2%
USA	452	1%	1,256	7%	(804)	(64%)
Rest of the World	0	0%	0	0%	0	0%
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As of September 30<sup>th</sup>, 2023, revenues generated in **Italy** amounted to EUR 3.2 million up 30% from the same period in 2022. The result is driven mainly by revenues from the Aerospace and Defence division. The Group believes it is strategic to maintain a portion of its business in the domestic market, with the international market remaining the reference market.

In the **EMEA** area (except Italy), as of September 30<sup>th</sup>, 2023, revenues amounted to EUR 22.9 million up 103% compared to EUR 11.3 million in the same period of 2022. Once again, growth is driven by the development of the Aerospace and Defence and Industrial divisions.

As regards the **APAC** region, as of September 30<sup>th</sup>, 2023, there was a slight growth of 2% to EUR 3.7 million compared to EUR 3.6 million in the same period last year.

Finally, the **USA** market, shows an improvement over previous quarters with sales of EUR 452 thousand, although still down from the result of the same period in the previous year, registering a significant narrowing in sales (down 64%).

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## Declaration of the Manager in charge of drawing up the corporate accounting documents

Letizia Galletti, as the manager in charge of drawing up the corporate accounting documents, hereby declares - pursuant to paragraph 2, article 154-bis of Legislative Decree no. 58/1998 ("Consolidated Law on Finance") - that the accounting information contained in this press release corresponds to the documented results, books and accounting records.

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The press release is available in the Investors section of the Company website  
<https://www.civitanavi.com/investors/comunicati-stampa/>

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**Civitanavi Systems**, born as a start-up in 2012, is one of the main players in the design, development and production of inertial navigation and stabilization systems used in the aerospace and defense sectors in space, terrestrial, aeronautical, naval and industrial, mining and oil & gas. The Company vertically provides high accuracy systems, designed and manufactured with methods, techniques and algorithms based on FOG (Fiber Optic Gyroscope) and MEMS (Micro Electro Mechanical Systems) technology, also integrated with devices for satellite navigation. Today it carries out its activities in Pedaso (FM), in Ardea (RM), in Casoria (NA) in Turin (TO) and in Filton, Bristol, counting on a staff of around 170 employees in Italy and UK.

#### Investor Relations

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