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PRESS RELEASE

CONSOB APPROVED AND PUBLISHED THE LISTING PROSPECTUS RELATING TO THE ADMISSION TO TRADING ON THE EURONEXT MILAN MARKET OF THE ORDINARY SHARES OF CIVITANAVI SYSTEMS S.p.A.

Pedaso (FM), 3rd February 2022 - **Civitanavi Systems S.p.A.** ("**Civitanavi**" or the "**Company**"), one of the leading pure-play providers of inertial navigation and stabilization systems, announces that the National Commission for Companies and the Stock Exchange ("**CONSOB**") by note dated 2 February 2022, protocol no. 0196579/22, approved the Prospectus (the "**Prospectus**") relating to the admission to listing on Euronext Milan, organised and managed by Borsa Italiana S.p.A., of the ordinary shares of Civitanavi System S.p.A..

CONSOB's approval follows provision no. 8827, by which, on 31 January 2022, Borsa Italiana S.p.A. issued the provision for admission to listing on Euronext Milan.

Publication of the Prospectus

The Prospectus has been published in accordance with applicable regulations and made available at the registered office of the Company, Via del Progresso 5, 63827 Pedaso (FM) as well as on the website www.civitanavi.com/investors.

In the context of the Offering (as defined below), the Company has appointed **Berenberg** and **Intermonte** as *Joint Global Coordinators* and *Joint Bookrunners*. Intermonte is also acting as Sponsor for the purposes of the Listing. **Emintad Italy** supports the Company as Financial Advisor. The Legal Advisor appointed by the Company is **Grimaldi Studio Legale, BDO Tax S.r.l. Stp** acts as Tax Advisor, while **Simmons & Simmons** is acting as Legal Advisor to the Joint Global Coordinators and Joint Bookrunners. **BDO Italia S.p.A.** is the Auditing Company appointed and subject to carry out the verifications of the Business Plan and the Management Control System. **A2B GROUP S.r.l.** as a consultant for non-accounting data.



Details of the Offering

The price range for the institutional offering (the “**Offering**”) has been set at EUR 4.00 to EUR 5.20. The final offer price will be determined by way of a bookbuilding process. The indicative valuation range of the Company based on outstanding 25,000,000 shares before the Capital Increase (as defined below), is between EUR 100 million and EUR 130 million.

The Offering is reserved to qualified investors in Italy, in the European Economic Area and in the United Kingdom and foreign institutional investors outside the United States of America pursuant to Regulation S of the United States Securities Act of 1933, (as subsequently amended), with the exclusion of institutional investors in Australia, Canada, Japan and the United States and any other foreign country in which the Offering is not possible without the authorization of the competent authorities. The Offering does not provide for any public offering in any jurisdiction.

The Offering will consist of up to 9,700,000 Shares, resulting from: (i) up to 7,200,000 newly issued ordinary shares of the Company (the “**New Shares**”) resulting from a capital increase with the exclusion of pre-emptive rights (the “**Capital Increase**”) with a gross target proceeds of up to a maximum of approximately EUR 37.4 million, and (ii) up to 2,500,000 Shares offered for sale by the sole shareholder **Civitanavi Systems Ltd.** The lock-up period for both the Company and its sole shareholder Civitanavi Systems Ltd will be 12 months, subject to certain exemptions.

The Offering also includes the granting of a greenshoe option (“the “**Greenshoe**”) by Civitanavi Systems Ltd in favour of Intermonte SIM as stabilization manager on behalf of the Joint Global Coordinators to purchase up to 1,455,000 shares, corresponding to 15% of the Shares placed under the Offer. This greenshoe option may be exercised, in whole or in part, within 30 days following the listing date.

Upon closing of the Offering, assuming the full exercise of the Greenshoe and placement of all offered Shares, the total number of Shares held by the market will be equal to 11,155,000 of the Issuer's share capital. Free float after the Offering will represent up to 34.6%, subject to the full exercise of the Greenshoe.

Offer period

The Offering will commence on **2 February 2022** and is expected to end on **14 February 2022**, unless closed earlier. Trading in the Shares is expected to commence on or around **17 February 2022**.

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Use of Proceeds

The Company intends to use the net proceeds from the capital increase to i) increase production capacity (new production facilities, factory automation and continuous improvements in production processes) and expand its geographic presence (e.g., the United Kingdom and Spain); ii) support product development and innovation (to improve accuracy, size, weight, power and consumption) and accelerate the process of developing and commercializing next-generation integrated stabilization and navigation solutions; and iii) support the search for new talent and expand the business development and sales team.

***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) and in two other locations, in Ardea (RM) and in Casoria (NA), counting on a staff of 123 employees operating throughout Italy.*

Media Relation

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DISCLAIMER

This document is an announcement and not a prospectus for the purposes of Regulation (EU) 2017/1129 (the “**Prospectus Regulation**”), and as such does not constitute an offer to sell or the solicitation of an offer to purchase securities of Civitanavi Systems S.p.A. (the “**Company**”). A prospectus prepared pursuant to the Prospectus Regulation, Commission Delegated Regulation (EU) 2019/980, the Commission Delegated Regulation (EU) 2019/979 (the “**Delegated Regulations**”), Legislative Decree no. 58/1998 of 24 February 1998, as subsequently amended (the “**Consolidated Financial Law**”) and Regulation adopted by CONSOB with Resolution no. 11971 of 14 May 1999,

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as subsequently amended (the “**Issuers’ Regulation**”), is expected to be approved by CONSOB and be made available in accordance with the requirements of the Prospectus Regulation, the Delegated Regulations, the Consolidated Financial Law and the Issuers’ Regulation. Any offer of securities that may be deemed to be made pursuant to this communication in any EU Member State is addressed solely to qualified investors (within the meaning of Article 2(1)(e) of the Prospectus Regulation) in that Member State.

This announcement does not constitute or form part of any offer or invitation to sell or issue, or any solicitation of any offer to purchase or subscribe for any shares or any other securities, nor shall it (or any part of it) or the fact of its distribution form the basis of, or be relied on in connection with, any contract therefor. The offer and the distribution of this announcement and other information in connection with the offer in certain jurisdictions may be restricted by law and persons into whose possession this announcement or any document or other information referred to herein comes should inform themselves about, and observe, any such restrictions. Any failure to comply with these restrictions may constitute a violation of the laws of any such jurisdiction.

The communication is directed only at persons (a) in member states of the European Economic Area (“**EEA**”) who are “qualified investors” (“**Qualified Investors**”) within the meaning of the Prospectus Regulation, or (b) in the United Kingdom who (i) are “qualified investors” within the meaning of Article 2 of the Prospectus Regulation as it forms part of domestic law by virtue of the European Union (Withdrawal) Act 2018 (the “**EUWA**”) (the “**UK Prospectus Regulation**”); and (ii) have professional experience in matters relating to investments falling within Article 19(5) of the Financial Services and Markets Act 2000 (Financial Promotion) Order 2005 (the “**Order**”) (iii) fall within Article 49(2)(a) to (d) (“High Net Worth Companies, Unincorporated Associations, etc”) of the Order (iv) to whom it may otherwise lawfully be communicated, falling within Article 49(2)(a) to (d) of the Order (all such persons referred to in (b) being “**Relevant Persons**”). The Information must not be acted on or relied on (i) in the United Kingdom, by persons who are not Relevant Persons, and (ii) in any member state of the European Economic Area, by persons who are not Qualified Investors. Any investment or investment activity to which the Information relates is available only to or will be engaged in only with, (i) Relevant Persons in the United Kingdom, and (ii) Qualified Investors in any member state of the European Economic Area. Any investment activity to which this communication relates will only be available to and will only be engaged in with, relevant persons. Any person who is not a relevant person should not act or rely on this document or any of its contents.

Neither this announcement, nor any copy of it may be taken, transmitted or distributed, directly or indirectly, into Australia, Canada, Japan, or to any persons in any of those jurisdictions or any other jurisdictions where to do so would constitute a violation of the laws of such jurisdiction. The securities referred to herein have not been and will not be



qualified under the applicable securities laws of Australia, Canada, Japan and, subject to certain exceptions, may not be offered or sold within Australia, Canada, Japan or to any resident or citizen of Australia, Canada, Japan.

This announcement does not constitute an offer for sale of, or a solicitation of an offer to purchase or subscribe for, any securities in the United States. No securities of the Company have been registered under the U.S. Securities Act of 1933, as amended, and the Company does not intend to register any of the securities in the United States or to conduct a public offering of the securities in the United States. There will be no public offering of the securities in the United States or elsewhere.

This announcement does not constitute a recommendation concerning the offer or the shares of the Company (the “**Offering**”). The price and value of securities can go down as well as up. Past performance is not a guide to future performance. Information in this announcement or any of the documents relating to the Offering cannot be relied upon as a guide to future performance. Potential investors should consult, to the extent they deem necessary, a professional investment, business, tax, and/or legal advisor as to the suitability of the Offer for the person concerned.

Any purchase of shares of the Company in the proposed Offering should be made solely on the basis of the information contained in the offering documents and the prospectus to be approved by CONSOB for the purposes of the admission to trading on the Euronext Milan. The approval of the prospectus by CONSOB shall not constitute an evaluation of the economic and financial soundness of the transaction and the quality or solvency of the Company. No reliance may or should be placed by any person for any purpose whatsoever on the information contained in this announcement or on its completeness, accuracy or fairness. The information in this announcement is subject to change.

Certain figures contained in this document, including financial information, have been subject to rounding adjustments. Accordingly, in certain instances, the sum or percentage change of the numbers contained in this document may not conform exactly with the total figure given.

None of the banks acting as joint global coordinators and joint bookrunners in the contest of the potential initial public offering (the “**Managers**”) or any of their respective directors, officers, employees, advisers or agents accepts any responsibility or liability whatsoever for or makes any representation or warranty, express or implied, as to the truth, accuracy or completeness of the information in this announcement (or whether any information has been omitted from the announcement) or any other information relating to the Company, its subsidiaries or associated companies, whether written, oral or in a visual or electronic form, and howsoever transmitted or made available or for any loss howsoever arising from any use of this announcement or its contents or otherwise arising in connection therewith. Nothing contained herein is, or shall be relied upon as, a promise



or representation by the Managers or any of their respective directors, officers, employees, advisers or agents in this respect, whether as to the past or future.

None of the Managers or any of their respective directors, officers, employees, advisers or agents assumes any responsibility for its accuracy, completeness or verification and accordingly the Managers and each of their respective directors, officers, employees, advisers or agents disclaim, to the fullest extent permitted by applicable law, any and all liability whether arising in tort, contract or otherwise which they might otherwise be found to have in respect of this announcement or any such statement. The Managers are each acting exclusively for the Company and the selling shareholder in the transaction referred to in this announcement and for no-one else in connection with any transaction mentioned in this announcement and will not regard any other person (whether or not a recipient of this announcement) as a client in relation to any such transaction and will not be responsible to any other person for providing the protections afforded to their respective clients, or for advising any such person on the contents of this announcement or in connection with any transaction referred to in this announcement.

Solely for the purposes of the product governance requirements contained within: (a) EU Directive 2014/65/EU on markets in financial instruments, as amended (“**MiFID II**”); (b) Articles 9 and 10 of Commission Delegated Directive (EU) 2017/593 supplementing MiFID II; and (c) local implementing measures (together, the “**MiFID II Product Governance Requirements**”), and disclaiming all and any liability, whether arising in tort, contract or otherwise, which any “manufacturer” (for the purposes of the MiFID II Product Governance Requirements) may otherwise have with respect thereto, the Shares have been subject to a product approval process, which has determined that such Shares are: (i) compatible with an end target market of retail investors and investors who meet the criteria of professional clients and eligible counterparties, each as defined in MiFID II; and (ii) eligible for distribution through all distribution channels as are permitted by MiFID II to such target market (the “**Target Market Assessment**”). Notwithstanding the Target Market Assessment, distributors should note that: the price of the Shares may decline, and investors could lose all or part of their investment; the Shares offer no guaranteed income and no capital protection; and an investment in the Shares is compatible only with investors who do not need a guaranteed income or capital protection, who (either alone or in conjunction with an appropriate financial or other adviser) are capable of evaluating the merits and risks of such an investment and who have sufficient resources to be able to bear any losses that may result therefrom. The Target Market Assessment is without prejudice to the requirements of any contractual, legal or regulatory selling restrictions in relation to the offering.

Furthermore, it is noted that, notwithstanding the Target Market Assessment, the Managers will only procure investors who meet the criteria of professional clients and eligible counterparties.

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For the avoidance of doubt, the Target Market Assessment does not constitute: (a) an assessment of suitability or appropriateness for the purposes of MiFID II; or (b) a recommendation to any investor or group of investors to invest in, or purchase, or take any other action whatsoever with respect to the Shares. Each distributor is responsible for undertaking its own target market assessment in respect of the Shares and determining appropriate distribution channels.

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