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ANTARES VISION GROUP ACQUIRES ACSIS, A SAAS TRACK AND TRACE COMPANY ACTIVE MOSTLY IN THE CHEMICAL, FOOD AND MANUFACTURING SECTORS

Emidio Zorzella, AVG Chairman and Co-CEO: *"This acquisition will allow us to enter a new multi-billion-dollar market - Returnable Asset Management, enabling the upstream integration of our end-to-end digital solution, expanding our presence into new industry verticals and enlarging our customer base with large scale Fortune 1000 recognized companies"*.

Travagliato (Brescia), 14 February 2022 – Antares Vision Group, a leading global provider of hardware and software Track & Trace solutions and one of the major players in inspection systems and smart data management, announces today the acquisition of ACSIS Inc. ("**AC SIS**"), through its Indirectly wholly-owned subsidiary rfxcel, for an Enterprise Value of \$12 million, corresponding to 2021E 1.4x EV/Sales and 2.8x EV/Recurring Sales.

Founded in 1996, ACSIS delivers innovative software solutions and services to companies with complex warehouse, distribution and packaging challenges. The firm assists global companies with their data collection requirements for track and trace and inventory optimization through their supply chains as well as delivering seamless integration of the information to their ERP systems. The Company has been providing solutions and services to Fortune 1000 manufacturing companies with some of the most complex and highly regulated supply chains in the world for over 20 years; ACSIS has had zero churn among its top-ten customers. ACSIS customers include DuPont, Cintas, BIMBO, Hershey and Coca-Cola. ACSIS has a highly experienced and proven executive team, that AVG will fully retain.

"This acquisition will further strengthen our unique end-to-end solution for the digital supply chain and enable relevant revenue synergies of around \$2m in the first year", **commented Glenn Abood, rfxcel CEO**. "The ACSIS acquisition will provide new customers, and allow us to enter into new industry verticals, as well as into the relevant Returnable Asset Management market, thus further increasing our presence in the United States".

"For more than twenty years our incredibly talented team has been at the forefront of creating some of the most sophisticated supply chain visibility solutions for manufacturing companies around the world" **said Jeremy Coote, CEO of ACSIS**. "The combination of Antares Vision Group's world-class talent with ACSIS technology, domain expertise and commitment to innovating supply chain ecosystems will help ensure our success in an increasingly competitive industry".

With its deep domain expertise in data collection and serialization, in 2019 ACSIS launched a next-generation cloud-based supply-chain visibility platform; the ACSIS Cloud is a platform solution – spanning data collection to business process to real-time analytics – that uniquely enables personalized, private Supply Chain Edge Ecosystems. The ACSIS Cloud solves the following supply-chain visibility challenges:

- **Product Traceability:** item-level tracking using serialization, barcode, RFID and other sensors; edge data collection; visibility across multi-partner ecosystems to ensure regulatory compliance; improve public safety and enable sustainable supply chains.

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- **Returnable Asset Management:** tracks RTIs (Returnable Transport Items¹) across the extended supply-chain in real-time to deliver accurate inventory status; ensure compliance and efficiency; controls shrinkage and ensures proper maintenance and inspection of RTIs; predicts demand to support improved planning and customer service.
- **Partner Collaboration:** integrates with partners across operating ecosystems; real-time supply-chain and production visibility; creates more transparent and agile supply-chain; maintains common enterprise standards, consistent serialization data and uniform product labeling.

Strategic rationale

ACSIS acquisition represents an important opportunity for AVG as it:

- Allows AVG to integrate ACSIS products into its current product suite and simultaneously upsell AVG products to ACSIS' customers.
- Provides a solid "Beachhead", positioning AVG into chemicals, manufacturing and food & beverage verticals; today ACSIS has a total of 41 active customers, with a vast majority of those, large-scale and internationally recognized companies – Fortune 1000.
- Allows AVG to enter into Returnable Asset Management, which is a major multi-billion dollar market; "Serialization & Traceability" have important synergies with "Returnable Asset Management" and can create significant business values in multiple industry segments. According to MarketsandMarkets, the Asset Management System Market is projected to grow from \$16.8 billion in 2020 to \$27.4 billion by 2025, with a CAGR of 10.3%. The key factors fuelling the growth of the market include the optimum utilization of resources and reduced downtime of equipment.
- At the end of FY 2021, ACSIS' recurring sales are expected to be around \$4.4m, slightly more than 50% of total sales.
- Potential cross-selling opportunities are expected to be around \$2 million in the first year; therefore, immediately allowing ACSIS to improve current positive profitability in line with AVG margins.
- At the end of 2020, ACSIS had \$7.2 million in Net Operating Loss carryovers, which can reduce AVG's US Federal and State taxable income.

The acquisition will be fully financed by available cash. The transaction is expected to be completed by 1Q 2022. In 4Q 2021, AV Group fully refinanced its debt with an average duration of approximately 6.4 years and an average fixed cost (post-hedging) of approximately 2.0%

In connection with this acquisition, Antares Vision Group was advised by Skadden, Arps, Slate, Meagher & Flom (UK) LLP (legal advisor) and Armanino LLP (tax due diligence).

ABOUT ANTARES VISION GROUP

Antares Vision Group is an outstanding technology partner in digitalization and innovation for enterprises and institutions, guaranteeing the safety of products and people, business competitiveness and environmental protection.

¹ Returnable Transport Items refers to reusable assets that move items in the supply-chain, ranging from large scale shipping containers down to pallets, trays, totes, basket etc.



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Antares Vision Group is a technological enabler of supply chain transparency and of sustainable transition, to protect business competitiveness and the uniqueness of each country.

It provides a unique and comprehensive ecosystem of technologies to guarantee product quality (inspection systems and equipment) and end-to-end product traceability (from raw materials to production, from distribution to the consumer), with integrated data, production and supply chain management, also achieved through the application of artificial intelligence and the use of blockchains.

Antares Vision Group is active in the Life Science sector (pharmaceutical, biomedical devices and hospitals), in the beverage, food and cosmetics industries, and has potential in other sectors. The world leader in Track&Trace systems for pharmaceutical products, it provides the major global manufacturers (over 50% of the top 20 multinationals) and numerous government authorities with solutions to monitor their supply chains and validate product authenticity.

Listed since April 2019 on the Italian Stock Exchange in the AIM (Alternative Investment Market) segment, and from 14 May 2021 in the STAR segment of the MTA (Electronic equity market), Antares Vision Group recorded a turnover of Euro 162 million in 2020, operates in 60 countries, employs around 1000 people and has a consolidated network of over 40 international Partners.

Further information please visit www.antaresvision.com and www.antaresvisiongroup.com.

For further information

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