



# **ANTARES VISION GROUP**

## **CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023**

**Antares Vision S.p.A.**

Registered office: Via del Ferro 16, Travagliato (BS), Italy

Authorised share capital Euro 172,788.42 subscribed and paid up for Euro 172,788.42

Brescia Companies Register, Tax Code and VAT no. 02890871201

Chamber of Commerce REA no. 000000523277

# REPORT ON OPERATIONS

With this document, we submit the consolidated financial statements at 31 December 2023 (hereinafter also referred to as "**Consolidated financial statements**") of the group of companies ("**Antares Vision Group**" or the "**Group**") headed up by Antares Vision S.p.A. (the "**Parent Company**" or the "**Company**") and the Antares Vision S.p.A 2023 financial statements ("**financial statements**"), consisting of the statement of financial position, income statement, statement of other comprehensive income, statement of changes in shareholders' equity, cash flow statement and explanatory notes. In it we explain our business activities, show the financial position and cash flow and point out the more significant facts that characterised the operations of Antares Vision Group during 2023; we also provide you with information about the main events that took place after the end of the period. Please refer to the notes to the consolidated and separate financial statements for an analysis of the Company's main risks and how they are managed.

## Business activities

Antares Vision Group is an Italian multinational that enables the digitalization of products and supply chains through traceability, inspection for quality control and integrated data management. By enabling Trustparency®, a word invented to represent the combination of transparency and trust, the Group offers a unique and complete ecosystem of technologies able to simplify technological complexity and provide support for businesses that are expanding, showing them a path towards digital, personalized and data-driven innovation. With this objective in mind, Antares Vision Group has launched Diamind, which connects physical products with digital identities in a way that can easily be scaled up (from line level to plant level, to warehouse or company level, even the entire supply chain), ensuring traceability end to end (from raw materials to production, from distribution to the consumer and vice versa), also by using artificial intelligence and blockchain.

Antares Vision Group operates in life sciences (pharmaceutical products, medical and hospital devices), beverage, food, cosmetics, chemicals and packaging, and potentially in many other sectors.

Antares Vision Group confirms its leadership in the pharmaceutical market as a provider of track & trace solutions to the world's leading pharmaceutical companies (over half of the top 20 are customers of the Group), and as a provider of track & trace solutions for government authorities to fight against counterfeit medicines.

## Governance structure

### **Board of Directors**

The Shareholders' Meeting of Antares Vision S.p.A. on 22 February 2021 (with effect from the start of trading on the Euronext Star Milan market) appointed a nine-member Board of Directors. On 28 February 2024, having shared the proposal made by the Board of Directors to supplement the skills already present on the Board and strengthen the organisational structure of the Company, the Shareholders' Meeting resolved: (i) to expand the number of members of the Board from 9 to 10; (ii) to appoint Gianluca Mazzantini as a member of the Board until the expiry of the current Board who will remain in office until the date of approval of the financial statements at 31 December 2023. Also on 28 February 2024, the Board appointed Gianluca Mazzantini as Chief Executive Officer, granting him specific management powers. Following this appointment, Emidio Zorzella maintains the role of Chairman of Antares Vision S.p.A., with powers of representation and responsibility for high strategy, while Massimo Bonardi remains operational in the Group as Chief Technology Officer, maintaining his powers for Research and Development.

<b>Board of Directors</b>	
<b>Carica</b>	<b>Name and surname</b>
Chief Executive Officer (CEO)	Gianluca Mazzantini *
Chairman	Emidio Zorzella***
Directors with powers	Alioscia Berto*
Director	Fabio Forestelli**
Director	Martina Paola Alessandra Monico ***
Director	Alberto Grignolo ****
Director	Fiammetta Roccia****
Director	Cristina Spagna****
Director	Fabiola Mascardi****

*\*Executive*

*\*\*Executive with powers in the subsidiary FT System S.r.l.*

*\*\*\*Non-executive and non-independent*

*\*\*\*\*Non-executive and independent*

### **Board of Statutory Auditors**

The Shareholders' Meeting of Antares Vision S.p.A. held on 22 February 2021 (with effect from the starting date of trading on the Mercato Telematico Azionario) appointed a Board of Statutory Auditors consisting of three acting members and two alternate members, which will remain in office for three years, i.e. up to the date of approval of the financial statements at 31 December 2023.

On 14 December 2023, the Chairman of the Board of Statutory Auditors Enrico Broli resigned as Acting Auditor and as Chairman of the Board of Statutory Auditors for health reasons.

On 14 December 2023, the Alternate Auditor Paolo Belleri resigned from office for strictly personal and professional reasons.

Enrico Broli was replaced on the Board of Statutory Auditors by Ramona Corti, while the Chairmanship was assigned to Germano Giancarli and Raffaella Piraccini and Francesco Mazzoletti were appointed as Alternate Auditors.

<b>Board of Statutory Auditors</b>	
<b>Office</b>	<b>Name and surname</b>
Chairman	Germano Giancarli
Acting Auditor	Stefania Bettoni
Acting Auditor	Ramona Corti
Alternative Auditor	Raffaella Piraccini
Alternative Auditor	Francesco Mazzoleni

### **Board Committees**

On 22 February 2021, subject to the start of trading on the Euronext Star Milan market, the Board of Directors followed the recommendations of the Corporate Governance Code approved by Borsa Italiana S.p.A. and appointed a Control, Risks and Sustainability Committee consisting of three non-executive, independent directors, two of whom have adequate knowledge and experience in accounting, finance and risk management.

<b>Control, Risks and Sustainability Committee*</b>	
<b>Office</b>	<b>Name and Surname</b>
Chairman	Alberto Grignolo **
Member	Cristina Spagna
Member	Fabiola Mascardi**

*\*The functions and duties regarding related-party transactions (RPT) have also been assigned*

*\*\*Amministratore in possesso di un'adeguata conoscenza ed esperienza in materia contabile, finanziaria e di gestione dei rischi.*

On 22 February 2021, subject to the start of trading on Euronext Star Milan market, the Board of Directors followed the recommendations of the Corporate Governance Code approved by Borsa Italiana S.p.A. and appointed a Nominations and Remuneration Committee consisting of three non-executive, independent directors, one of whom has adequate knowledge and experience in finance and remuneration policies.

Nominations and Remuneration Comitee	
Office	Name and surname
Chairman	Cristina Spagna*
Member	Alberto Grignolo
Member	Fabiola Mascardi*

*\*\*Directors with adequate knowledge and experience in accounting, finance and risk management.*

#### Supervisory Board

The Supervisory Board was appointed on 29 March 2021 and will remain in office until the date of the Shareholders' Meeting called to approve the financial statements at 31 December 2023.

Supervisory Board	
Office	Name and surname
Presidente	Francesco Menini
Internal member	Martina Monico
Internal member	Silvia Baresi

#### Independent auditors

The Shareholders' Meeting of Antares Vision S.p.A. on 22 February 2021 (with effect from the start of trading on the Euronext Star Milan market) appointed EY S.p.A., with registered office in Via Meravigli 12, Milan, registered in the Ordinary Section of the Companies Register at the Milan Monza Brianza Lodi Chamber of Commerce, tax code and registration number 00434000584, REA of Milan 606158, and VAT no. 00891231003 and at no. 70945 of the Register of Legal Auditors at the Ministry of Economy and Finance pursuant to art. 6 *et seq.* of Legislative Decree no. 39/2010, as amended by Legislative Decree no. 135/2016, as the company appointed to audit the accounts for the financial years from 2021 to 2029.

## Scope of consolidation

At 31 December, the scope of consolidation is made up as follows:

SCOPE OF CONSOLIDATION 2023					
Name	Headquarters	Currency	Direct parent company	Direct investment	Indirect investment
Antares Vision Inc.	New York, USA	USD	Antares Vision S.p.A.	100.00%	
Antares Vision North America LLC	New Jersey, USA	USD	Antares Vision Inc. America	100.00%	100.00%
Imago Technologies GmbH	Friedberg, Germany	EUR	Antares Vision S.p.A.	100.00%	
Antares Vision do Brasil Ltda	Sao Paulo, Brazil	BRL	Antares Vision S.p.A.	99.99%	
T2 SOFTWARE	Sao Paulo, Brazil	BRL	Antares Vision do Brasil Ltda	51.00%	50.99%
Pharmatrack Sistemas Ltda	Sao Paulo, Brazil	BRL	T2 SOFTWARE	73.00%	37.23%
Antares Vision France Sas	Rilleux-Pape, France	EUR	Antares Vision S.p.A.	100.00%	
Antares Vision Ireland Ltd	Galway, Ireland	EUR	Antares Vision S.p.A.	100.00%	
Antares Vision Rus OOO	Moscow, Russia	RUB	Antares Vision S.p.A.	100.00%	
Antares Vision Asia Pacific Ltd	Hong Kong	HKD	Antares Vision S.p.A.	100.00%	
FT System Srl	Piacenza, Italy	EUR	Antares Vision S.p.A.	100.00%	
FT System North America LLC	Massachusetts, USA	USD	FT System Srl	100.00%	100.00%
FT Hexagon	Challes les Eaux, France	EUR	FT System Srl	100.00%	100.00%
Tradeticity Service d.o.o	Belgrade, Serbia	RSD	Tradeticity d.o.o	100.00%	82.80%
Antares Vision Germany	Friedberg, Germany	EUR	Antares Vision S.p.A.	100.00%	
Applied Vision Corporation	Ohio, USA	USD	Antares Vision Inc. America	100.00%	100.00%
AV Electronics Srl	Parma, Italy	EUR	FT System Srl	100.00%	100.00%
Pen-Tec S.r.l.	Parma, Italy	EUR	FT System Srl	100.00%	
rfoxcel LLC	Russia	RUB	rfoxcel Corporation	100.00%	100.00%
rfoxcel Limited	UK	GBP	rfoxcel Corporation	100.00%	100.00%
rfoxcel Corporation	Delaware, USA	USD	Antares Vision Inc. America	100.00%	100.00%
Antares Vision (Shenzhen) International Trading Co., Ltd	Shenzhen, China	CNY	Antares Vision Asia Pacific Ltd	100.00%	100.00%
Antares Vision India Private Limited	Mumbai, India	INR	Antares Vision S.p.A.	99.998%	
			FT System Srl	0.002%	100.00%
Innovative Marketing Digital Solutions UK Ltd	London, UK	GBP	Antares Vision S.p.A.	70.00%	
Markirovka As a Service	Moscow, Russia	RUB	Innovative Marketing Digital Solutions (IMDS) UK Ltd	100.00%	70.00%
ACSIS, Inc.	New Jersey, USA	USD	rfoxcel Corporation	100.00%	100.00%
Antares Vision (Thailand) Co., Ltd.	Bangkok, Thailand	THB	Antares Vision Asia Pacific Ltd	49.00%	49.00%
Packital srl	Fidenza, Italy	EUR	FT System Srl	100.00%	100.00%
Antares Vision Sagl	Lugano, Switzerland	CHF	Antares Vision S.p.A.	100.00%	100.00%
Wavision Srl	Turin, Italy	EUR	FT System Srl	60.00%	60.00%
Tradeticity d.o.o	Zagabria, Croatia	EUR	Antares Vision S.p.A.	82.80%	
Antares Vision Korea Limited (*)	Seul, South Korea	KRW	Antares Vision Asia Pacific Ltd	100.00%	100.00%
SmartPoint Technologies Private Limited (**)	Chennai, India	INR	rfoxcel Corporation	100.00%	100.00%
AVI Excellence Private (*)	Ahmedabad, India	INR	Antares Vision S.p.A.	99.998%	
			Antares Vision India Private Limited	0.002%	100.00%
Shezen Andaruixin Technology Co., Ltd (**)	Shenzhen, China	CNY	Antares Vision Shezen	100.00%	100.00%

(\*) Company founded in 2023

(\*\*) Company acquired in 2023

Please refer to the notes for a more detailed description of the changes in the scope of consolidation compared with 31 December 2022.

## Information on the shareholders and stock performance

The share capital at 31 December 2023 amounted to Euro 169,456.78, fully paid up, divided into 69,121,137 ordinary shares, 250,000 special shares and 1,189,590 performance shares, all without par value.

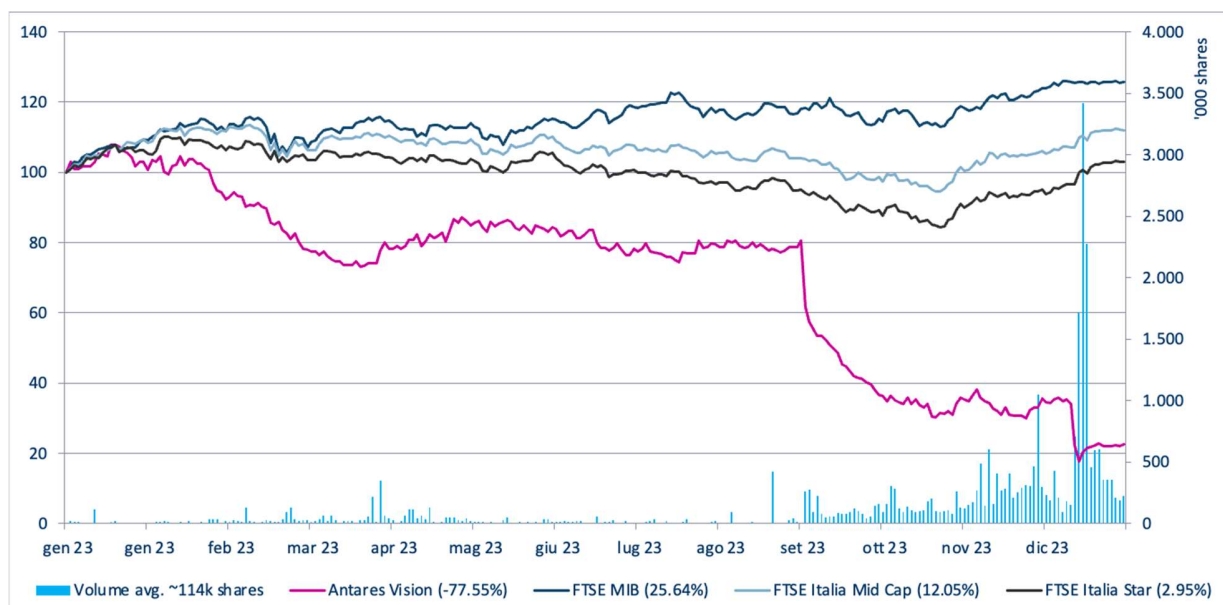
At the same date, the shareholder structure was as follows:

SHAREHOLDER STRUCTURE			
Shareholder	Number Ordinary Shares	% Share capital Ordinary	% Share capital in Voting Rights
Regolo S.p.A.	35,037,802	50.69%	62.53%
Sargas S.r.l.	6,547,598	9.47%	11.69%
Capital Research	5,580,608	8.07%	4.98%
Treasury Shares	33,916	0.05%	0.03%
Float Remaining	21,921,213	31.71%	20.78%
<b>Total</b>	<b>69,121,137</b>	<b>100.00%</b>	<b>100.00%</b>

Since 14 May 2021, Antares Vision S.p.A. has been listed on the Euronext Star Milan market, a segment of the main list of Borsa Italiana which includes the securities of medium-sized companies that adhere to stringent requirements in terms of governance, transparency and liquidity.

The ordinary shares of the Parent Company (ISIN IT000536660) are included in the following indices: FTSE All-Share Capped, FTSE Italia All-Share, FTSE Italia STAR and FTSE Italia Mid Cap.

The stock's performance with respect to the FTSE MIB is shown below.



Since June 2022, Antares Vision Group has been a member of Euronext Tech Leaders, the initiative launched in July 2022 for leading companies in the technology sector with a high growth potential. This initiative aims to expand Euronext's existing offering to strengthen the European Tech sector and accelerate the growth of the next generation of technology leaders: the companies taking part in the project will become members of an exclusive network and will benefit from a series of services dedicated to technology companies, not to mention greater visibility at an international level. Euronext's rich tech ecosystem brings together over 700 technology companies listed on the Euronext markets and a broad base of international investors who finance tech companies with significant growth profiles.

## Introduction

With reference to the audit mentioned in the press release of 13 December, we would point out that the consolidated financial statements at 31 December 2023 reflect the results of the accounting and legal checks carried out during the second half of 2023 and in the early months of 2024 in relation to the Government Software Hub business ("L5 Business") of the US subsidiary rfxcel Corp. From these checks - initiated independently by the Parent Company as part of its internal control processes - irregularities emerged relating to the accounting of rfxcel's revenues in the financial years 2021, 2022 and 2023, which were included in the consolidated financial statements of Antares. These irregularities - illustrated in greater detail in the notes - are classified as errors pursuant to IAS 8. It was therefore necessary to correct certain figures in the financial statements: in accordance with the principle contained in IAS 8, the adjustments were made retroactively, recalculating the comparative figures, as explained in the notes to the financial statements.

To summarise very briefly, the results of these checks have mainly revealed that certain members of the previous American management of rfxcel had untruthfully represented to Antares Vision the status of the contracts relating to the L5 Business. In particular, the internal investigation launched by the company revealed that rfxcel had issued invoices for services not actually carried out. Certain previous members of the subsidiary's American management had created documentation to certify the alleged execution of these services, with the consequent recording of approximately 50 million of revenue (in the period 2021-2023) which, based on the relevant accounting principles, should not have been accounted for. This conduct misled the parent company regarding the actual amount of rfxcel's revenue and the real stage of completion of the L5 Business, which was reflected in the consolidated financial statements.

The restatement of the 2022 figures meant having to review compliance with the covenants on the bank borrowings and bonds and it emerged that for all existing loans and bonds the covenants were not complied with in 2022. For this reason, as part of the restatement in accordance with IAS 8, the non-current debt subject to these covenants has all been reclassified as current liabilities.



Following the emergence of these facts, Antares Vision implemented a decisive reaction strategy which involved all the Group's control bodies, each in their area of competence, and which has so far entailed, inter alia:

- i. the immediate dismissal from the Group of the persons identified as responsible for such conduct,
- ii. the reorganisation of rfxcel's management,
- iii. timely information to the market on the probable impact of the irregularities on the Group's economic and financial situation.
- iv. the negotiation of certain amending agreements with the relevant banks which provide, inter alia, a waiver for non-compliance with the covenants in 2022 and 2023 and their remodulation starting from 2024. These agreements were signed on 27 May 2024.

#### **Inspection pursuant to article 115, paragraph 1, letter c) - Legislative Decree no. 58 of 24 February 1998**

On 5 March 2024, Consob, the National Commission for Companies and the Stock Exchange, began an inspection under article 115, paragraph 1, letter c) of Legislative Decree 24 February 1998, no. 58, regarding:

- the financial situation of Antares Vision Group;
- the items "goodwill", "other intangible assets", "trade receivables" and "revenue" recorded in the consolidated financial statements at 31 December 2022 and 30 June 2023;
- the state of implementation of the measures to adapt the organisational structure, the internal control system and the administrative-accounting system, with reference to the improvements recommended in the report of the Board of Statutory Auditors on the 2022 financial statements;
- the stage of completion of the review of the budgeting process, with particular reference to what is stated in the 2022 Sustainability Report regarding the integration of this process with ESG issues.

The inspection is still underway at the date of preparation of these consolidated financial statements. The Company's management is strongly committed to collaborating with the Supervisory Authority and is providing full support to facilitate the verification process and ensure an accurate assessment of the facts subject to the inspection.

#### **Organisational Evolution**

From an operating point of view, 2023 was characterised by a consolidation of the Group structure, which saw the creation of 4 Business Areas (LS&C, FMCG, SCT and Other) for which it was already possible to monitor their performance during the current year (for further details please refer to the section entitled "Segment reporting"). The positive effects of this reorganisation will be visible from 2024 onwards, with the aim of strengthening synergies within the Group and harmonising the organisation and technological integration of the solutions. The actions taken so far can be summarised as follows:

Internal organisation of the Group, with a project for the definition of the organizational and operational model through the definition of planning processes, budgeting and control and review of decision-making processes with particular attention to cross-functional coordination for the implementation of a matrix model; This project was undertaken to achieve the following strategic objectives:

- a) *to introduce more accurate and analytical tools for monitoring the Group's performance;*
- b) *to improve the ability to identify variances in performance, both operational and financial, and to take corrective action as soon as possible;*
- c) *to achieve better resource allocation and closer oversight of costs;*
- d) *to control the various measures envisaged in the business plan more effectively;*
- e) *to refocus Top Management on specific areas of expertise with specific incentive schemes;*
- f) *to improve risk and contingency management tools.*

This evolution of the control model represents a fundamental step for the adaptation of Antares Vision to changing market dynamics and will allow the Group not only to respond better to internal and external needs, but also to maximise value for shareholders through more targeted and effective management of the various business areas, namely:

- (i) *Life Sciences and Cosmetics, ("LS")*
- (ii) *Fast Moving Consumer Good ("FMCG"),*
- (iii) *Supply Chain Transparency ("SCT")*
- (iv) *Other.*

These four business areas (aligned with the CGUs defined according to IAS 36) therefore represent the groups of activities on the basis of which, starting in 2023, the procedures for checking the value of the goodwill shown in the Group's consolidated financial statements are carried out.

## Product Unit evolution

The following paragraphs explain some of the more important developments in the product lines offered by the Group, within the business areas outlined above.

**Inspection**: the range of inspection systems and machines for quality control, further strengthened by expanding and integrating the technological portfolio, has brought results in the LS&C and FMCG business area:

(i) **LS&C**

Automatic inspection solutions continue in the pharmaceutical sector, aimed at covering a greater variety of drugs being inspected (liquids, freeze-dried products, powders, solids and injectables) and new types of containers. We finalised an inspection machine for pre-filled syringes and created a Blow Fill Seal Cards visual inspection and leak control machine, which is innovative in terms of the new material used for the packaging and for the inspection control. The range of semi-automatic machines has been completed to guarantee a complete offer in the field of inspection machines (manual, semi-automatic, automatic), also with the use of artificial intelligence. In the field of vision systems, the path of innovation for blister filling control continues through the implementation of Blister Filling Control 3D and the use of artificial intelligence.

(ii) **FMCG**

The business relating to inspection controls for tethered caps continues. These caps are created to meet the European Directive 2019/904 which will come into force on 3 July 2024, making it mandatory to adopt a type of cap that remains attached to the container after opening. Partnership activities have been developed with the Global Beverage Accounts for the inspection part. To meet the needs of the brewing industry, the PCS Beer inspection solution was developed for the in-line detection, through laser spectroscopy, of leaks by measuring the total pressure in the headspace of each individual capped beer bottle. This technology overcomes the limits of the main technologies currently available on the market, such as acoustic ones.

The market penetration of food is giving good results with the All-in-One, a single machine capable of carrying out multiple quality checks; the industrialisation roadmap continues with the application of microwave technology to detect foreign bodies (i.e. physical contaminants) in packaged products, overcoming the limits of existing technologies (x-ray and metal detectors). The first applications were carried out on spreadable creams, while the diffusion and dissemination of the technologies and its potential also continues in the beverage and liquid food sectors (e.g. sauces, jams, etc.). In addition, we are continuing our expansion strategy with new foreign body inspection techniques for vertically falling products (Bulk X-Ray) and for leak control in MAP packages, exploiting the technologies already present in the Group with new applications. Among the collaborations aimed at spreading knowledge of solutions and technologies on the market, the one with the Order of Food Technologists continues.

We are continuing to work on the optimisation and efficiency-raising activities of the range of solutions for the inspection of glass containers and cans with a view to improving production, functionality, installation and use by the operator. In particular, 2023 saw a focus on improving the reliability and functionality of the Volcano® glass product inspection line with the aim of increasing business volumes. The period of the pandemic generated excess market capacity for two-piece can solutions, shifting the focus to three-piece food cans and aerosol cans, trends identified as growth opportunities. The automated inspection of decoration defects thanks to the DecoMatch® solution marks a further technological result achieved in this field. Moreover, the Genius® inspection solution for converted ends also offers flaw detection in any combination of colours, rivets or tabs through the use of multispectral light, which is a new capability.

Track & Trace: the harmonisation of the various solutions present in the Group continues, with the integration of functions and a shared roadmap for the next 3 years

(i) **LS&C**

The cosmetics sector has seen the acquisition of two top players as customers for the installation of pilot traceability solutions (potentially extendable on a larger scale) from Level 1 to Level 3 (as well as Level 4 as specified below) the integration process already outlined has then led to the consolidation of Digital Factory as a model for various solutions: monitoring the efficiency and productivity of production lines and plants, optimising maintenance with the use of artificial intelligence, measuring the impacts of sustainability, monitoring quality control trends, managing traceability data through the integration of primary data extracted from machines and systems for quality control (Inspection) and traceability machines (Track & Trace) and from interoperability with IoT and existing solutions. The range of functions has been expanded with the development of the Smart Clearance solution to manage the cleaning of production lines ("line clearance") and the correct planning of maintenance. This Digital Factory solution is clearly extendable to the FMCG sector.

(ii) **FMCG**

The food & beverage sectors have seen the implementation of track & trace solutions to meet regulations applied in certain countries. For Rigid Containers, Track & Trace is considered a development opportunity, addressed directly with targeted customers. Furthermore, as previously mentioned, the Digital Factory solution represents a further development opportunity.

**Software:** investments in new solutions continue to support the growth and profitability of the Group.

**(iii) SCT**

The expansion of the fleet of installed machines is a significant strategic condition for the implementation also of track & trace software solutions. This is happening both in the pharmaceutical sector where one of the main global groups has adopted the Group's Level 4 SW platform, and in the cosmetics sector where two top players, as mentioned previously, have adopted the complete traceability solution including Level 4.

Development of the end-to-end track & trace platform continues (from the raw material, to the transformation processes, to distribution, all the way to the end-consumer), with new supply chain projects, in the Agri-food sector and in Fashion. Supply Chain Transparency solutions (through ACSIS Inc.) have seen an increase in the management of returnable assets applied in emerging sectors such as the chemical industry. In fact, in September 2023 the Company released version 3.1 of its solution for the management of returnable assets, part of the DIAMIND Supply Chain. The new version includes an updated analysis and business intelligence engine and an improved platform for the traceability of products and variable information linked to them along the supply chain; thanks to Machine Learning and Artificial Intelligence, the automated engine generates useful information for making informed decisions, based on the data.

**Services:** this product line benefits from significant growth rates for the two operating sectors LS&C and FMCG.

**(i) LS&C**

As a result of the expansion of the installed fleet of machines (especially Track & Trace), and thanks to greater market penetration, after-sales assistance activities are benefiting from constant double-digit growth.

**(ii) FMCG**

The same trend just described is also being repeated for the FMCG business area, linked above all to inspection machines. Furthermore, part of the rigid containers business is in this context, which sees the subsidiary Applied Vision providing long-term rental services for its inspection machines.

**Digital Healthcare Department:** this area includes innovative products and services for the digitalisation of healthcare processes to improve efficiency, safety and traceability for the well-being of patients and healthcare workers. This product line falls within the Other business area.

(iv) **Other**

The first release has been available of MMP – Medication Management Platform, a hardware and software platform dedicated to hospital micrologistics, which allows you to track drugs and medical devices from their entry into the hospital to their administration to the patient. The platform includes hardware devices such as therapy carts and cabinets equipped with robotic systems that introduce levels of automation that are unparalleled in the market and are destined to set a new benchmark for healthcare markets and high-end hospital facilities. In addition to the cutting-edge "robotic" systems, the platform includes storage systems and therapy trolleys where access to drugs and medical devices is enabled by controlled access and facilitated by luminous indications that guide the operator towards the point where they have to pick up or put away drugs and devices. The benefits of the platform, available for the public and private healthcare sector, are:

- it allows operators to focus their energies on the patient rather than wasting time handling medications: orders, receiving, storage, setting up of carts, etc.
- it guarantees complete traceability of the process, eliminating dispensing errors, loss of medicines, waste due to expiring medicines, administration of batches subject to withdrawal or expired, stock-out, etc.
- it creates an automated, efficient and virtually error-free environment
- it provides full visibility of the process, allowing staff to make timely and informed decisions to administer the right dose, to the right patient, at the right time.

2024 saw the first supply completed in a hospital in Southern Italy.

## ALTERNATIVE PERFORMANCE MEASURES

Antares Vision Group uses certain alternative performance measures ("APMs") to monitor equity and financial trends and its operating performance. The APMs have been drawn up in compliance with ESMA/2015/1415 guidelines.

For a correct interpretation of these APMs please note the following:

- these indicators are based solely on historical data of Antares Vision Group and do not provide any indication of future trends;
- the APMs are not required by IFRS and, even though they are derived from the consolidated financial statements of Antares Vision Group, they have not been audited;
- the APMs should not be considered as being in lieu of the indicators required by IFRS;
- these APMs must be interpreted jointly with Antares Vision Group's financial information contained in the consolidated financial statements and accompanying notes;
- the definitions of the indicators used by Antares Vision Group, as they do not originate from the accounting principles of reference, may not be consistent with those adopted by other groups and hence may not be comparable;
- the APMs used by Antares Vision Group have been drawn up with continuity, defined and set out consistently for all periods covered by financial information included in this report on operations.

The APMs have been selected and set out in the report on operations because Antares Vision Group believes that:

- the Gross Profit, Value Added, EBITDA and EBIT (also adjusted), together with other profitability indicators, make it possible to show the changes in operating performance and provide useful information on Antares Vision Group's ability to sustain its indebtedness; these indicators are also commonly used by analysts and investors to assess company performance;
- net financial indebtedness, together with other indicators of the composition of assets and liabilities and of financial elasticity, lead to a better assessment of Antares Vision Group's overall financial strength and its ability to maintain a situation of structural equilibrium over time;
- the net trade working capital, net working capital and net invested capital make it easier to assess the Company's ability to meet short-term commercial obligations through current trade assets, as well as the consistency between the structure of its sources and applications of funds in terms of timing.

## Main consolidated income statement figures

The consolidated income statement at 31 December 2023 is set out below, reclassified according to the criteria adopted for management accounting purposes and compared with the figures at 31 December 2022 restated and 31 December 2021 restated (in thousands of Euro). Note that 2023 and 2022 are not totally comparable because of:

- the inclusion in the scope of consolidation of ACSIS, acquired on 18 February 2022 through rfxcel, and therefore present in the comparative figures for only 10 months;
- the inclusion in the scope of consolidation of Smart Point, acquired in April 2022 through rfxcel, and

therefore not included in the comparative figures;

- the inclusion in the scope of consolidation of Shenzhen Andaruixin Technology Co., following the increase in the shareholding from 40% to 100%.



Antares Vision Consolidated income statement ('000 €)	2023	2022 Restated	2021 Restated	% Difference 2023 vs. 2022 restated	% Difference 2022 vs. 2021 restated
Revenue	213,936	200,738	169,334	6.6%	18.5%
Capitalisation of development costs	9,547	8,600	8,307	11.0%	3.5%
Operating grants and other income	1,679	989	2,088	69.8%	-52.6%
Tax credit	1,040	793	515	31.1%	53.9%
<b>Value of production</b>	<b>226,202</b>	<b>211,121</b>	<b>180,245</b>	<b>7.1%</b>	<b>17.1%</b>
Changes in inventories of raw materials and finished goods	1,668	-7,636	4,998	n.m.	n.m.
Purchases of materials	61,616	62,487	40,402	-1.4%	54.7%
Changes in inventories of work in progress	-7,421	-1,665	-3,284	>100%	-49.3%
<b>Cost of sales</b>	<b>55,863</b>	<b>53,186</b>	<b>42,116</b>	<b>5.0%</b>	<b>26.3%</b>
<i>% of sales</i>	26.1%	26.5%	24.9%		
Commissions	4,097	3,271	3,566	25.3%	-8.3%
Installation costs	1,622	1,354	1,155	19.8%	17.2%
<b>Gross Profit</b>	<b>164,620</b>	<b>153,310</b>	<b>133,408</b>	<b>7.4%</b>	<b>14.9%</b>
<i>% of sales</i>	76.9%	76.4%	78.8%	0.8%	-3.1%
Leases and rentals	1,751	1,607	1,234	8.9%	30.2%
Operating costs	478	266	321	80.1%	-17.3%
Service costs	44,210	41,270	28,969	7.1%	42.5%
<b>Value added</b>	<b>118,181</b>	<b>110,167</b>	<b>102,883</b>	<b>7.3%</b>	<b>7.1%</b>
<i>% of sales</i>	55.2%	54.9%	60.8%		
Labour	104,889	92,307	69,029	13.6%	33.7%
Employees	97,361	84,126	62,618	15.7%	34.3%
Collaborators	7,528	8,181	6,411	-8.0%	27.6%
<b>Adjusted EBITDA</b>	<b>13,292</b>	<b>17,859</b>	<b>33,855</b>	<b>-25.6%</b>	<b>-47.2%</b>
<i>% of sales</i>	6.2%	8.9%	20.0%		
Write-down of receivables	3,715	1,864	4,948	99.3%	-62.3%
Amortisation and depreciation	12,412	10,459	6,924	18.7%	51.0%
Intangible assets	8,514	6,523	4,011	30.5%	62.7%
Property, plant and equipment	3,898	3,936	2,914	-1.0%	35.1%
<b>Adjusted EBIT</b>	<b>-2,835</b>	<b>5,536</b>	<b>21,982</b>	<b>n.m.</b>	<b>-74.8%</b>
<i>% of sales</i>	-1.3%	2.8%	13.0%		
Financial (income) and charges	5,180	-3,233	4,125	n.m.	>100%
Net interest, fees and commissions	5,420	3,947	2,745	37.3%	43.8%
Foreign exchange gains and losses	1,377	-659	-1,511	n.m.	-56.4%
Write-ups	51	-782	-383	n.m.	103.9%
Warrants at market value	-1,668	-5,739	3,275	-70.9%	n.m.
(Extraordinary income and expenses)	12,920	2,438	12,136	>100%	-79.9%
Write-down/(Write-up) of investments in associates	4,133	231	85	>100%	>100%

PPA amortisation	8,224	8,314	5,916	-1.1%	40.5%
Goodwill impairment	67,093			n.m.	n.m.
<b>Profit before taxes (EBT)</b>	<b>-100,386</b>	<b>-2,213</b>	<b>-280</b>	<b>&gt;100%</b>	<b>&gt;100%</b>
<b>% of sales</b>	<b>-46.9%</b>	<b>-1.1%</b>	<b>-0.2%</b>		
Income taxes	-502	-1,638	4,538	-69.4%	n.m.
Profit/(loss) attributable to minority interests	-237	-72	-49	>100%	47.1%
<b>Profit/(loss) for the year</b>	<b>-99,647</b>	<b>-503</b>	<b>-4,769</b>	<b>&gt;100%</b>	<b>-89.5%</b>
<b>% of sales</b>	<b>-46.6%</b>	<b>-0.3%</b>	<b>-2.8%</b>		

<b>Gross profit, net of capitalisations and tax credits</b>	<b>152,354</b>	<b>142,927</b>	<b>122,497</b>	<b>6.6%</b>	<b>16.7%</b>
<b>Profit margin on sales (%)</b>	<b>71.2%</b>	<b>71.2%</b>	<b>72.3%</b>		

<b>Profit before taxes (EBT)</b>	<b>-100,386</b>	<b>-2,213</b>	<b>-280</b>	<b>&gt;100%</b>	<b>&gt;100%</b>
PPA amortisation	8,224	8,314	5,916		
Goodwill impairment	67,093	0	0		
Extraordinary income and expenses	12,920	2,438	12,136		
Write-down/(Write-up) of investments in associates	4,133	231	85		
Unrealised foreign exchange gains and losses	1,377	-659	-1,511		
Warrants at market value	-1,668	-5,739	3,275		
<b>Adjusted EBT</b>	<b>-8,306</b>	<b>2,371</b>	<b>19,621</b>	<b>n.m.</b>	<b>-87.9%</b>
Income taxes on adjusted EBT	-502	1,178	9,153		
Profit/(loss) attributable to minority interests	-237	-72	-49		
<b>Adjusted profit/(loss) for the year</b>	<b>-7,567</b>	<b>1,265</b>	<b>10,517</b>	<b>n.m.</b>	<b>-88.0%</b>

The figures presented (as well as being shown with the PPA amortisation and goodwill impairment below Adjusted EBIT) are net of some extraordinary items (Euro 12.9 million), reclassified below EBIT, mainly consisting of: i) costs that Antares Vision Group incurred for the reorganisation entrusted to external consultancies (Euro 2.1 million), ii) extraordinary legal fees for the investigation and withdrawal from the Russian market (Euro 1.2 million) iii) extraordinary inventory write-downs (Euro 5.0 million), iv) write-downs of assets in Antares Vision Rus following the decision to abandon direct presence on the Russian market (Euro 2.0 million), v) write-downs of intangible assets relating to the L5 Business (Euro 1.3 million), vi) extraordinary costs linked to the Smart Point acquisition (Euro 0.5 million) and vii) other extraordinary charges (Euro 0.8 million).

The extraordinary write-downs of inventories are the result of a new business strategy introduced in 2024 by the new management team. This strategy mainly aims at two objectives: firstly, to standardise the products offered to customers; secondly, to drastically reduce stocks. As a result, the more customised inventories, including those

of finished products, semi-finished products and raw materials, were valued at their estimated realisable value, considering them obsolete with respect to the Company's new strategic direction.

Sales revenue differs from Revenue in the tables provided in the notes, as they include certain accounts reclassified to Other income, as shown in the following table:

<b>Antares Vision Consolidated PL ('000 €)</b>	<b>2023</b>	<b>2022 Restated</b>	<b>2021 Restated</b>
<b>Sales Revenues</b>	<b>213,936</b>	<b>200,738</b>	<b>169,334</b>
Other revenues	1,613	248	272
Other	2,304	-824	-261
<b>Revenues (IFRS)</b>	<b>210,019</b>	<b>201,314</b>	<b>169,323</b>

The Group's **consolidated net revenue** came to Euro 213.9 million, up by 6.6% or 6.4% if measured organically compared with the same period in 2022. The company acquired (Smart Point) contributed +0.1% to growth, while the exchange rate trend had a negative impact of -2.3%.

In terms of the evolution of revenue by geographical area, the highest contribution, both in absolute terms (Euro 106.6 million in 2023 versus Euro 98.1 million in 2022) and in terms of growth (+8.6%), came from Europe, driven by Italy (+12.4%). This area, after the events linked to rfxcel, appears to be the most important, with revenue equal to 49.8% of the total (48.9% in 2022).

#### Revenue by geographical area – 2023 vs. 2022 restated (Euro mn)

<b>Revenue by geographical area</b>	<b>2023</b>	<b>%</b>	<b>2022 Restated</b>	<b>%</b>	<b>Δ '23 vs '22</b>	<b>Δ %</b>
Italy	37.8	17.7%	33.6	16.7%	4.2	12.4%
Europe	68.8	32.2%	64.5	32.2%	4.3	6.6%
North & South America	84.7	39.6%	79.1	39.4%	5.7	7.2%
Asia and Oceania	14.0	6.5%	15.4	7.7%	-1.4	-9.1%
Africa and the Middle East	8.6	4.0%	8.1	4.1%	0.5	6.0%
<b>TOTAL</b>	<b>213.9</b>	<b>100.0%</b>	<b>200.7</b>	<b>100.0%</b>	<b>13.2</b>	<b>6.6%</b>

In 2023, North America is the area with the strongest growth (+14.4%), which more than compensates for the decrease in turnover in South America and Central America (down by 21.0% and 21.7% respectively) following the suspension of traceability legislation in Brazil. Overall, the Americas represent almost 40% of Group turnover.

Africa & the Middle East (+6.0% Y/Y) also turned in good signs of growth, while Asia & Oceania (-9.1% Y/Y) are down on last year's performance, where growth in the Middle East (+18.3%) has failed to offset the decline in Asia (-14.4%).

The table below shows sales by Business Area, which reflect the new organisation structured into 4 CGUs (please refer to the notes for further details).

### **Revenue by Business Area – 2023 vs. 2022 Restated (Euro mn)**

<b>Business Area</b>	<b>2023</b>	<b>%</b>	<b>2022 Restated</b>	<b>%</b>	<b>Δ '23 vs '22</b>	<b>Δ %</b>
LS&C	99.3	46.5%	92.7	46.2%	6.6	7.1%
FMCG	70.6	33.0%	68.6	34.2%	2.0	2.8%
SCT	30.0	14.0%	30.0	14.9%	0.0	0.1%
OTHER	14.0	6.6%	9.4	4.7%	4.6	48.7%
<b>TOTAL</b>	<b>213.9</b>	<b>100.0%</b>	<b>200.7</b>	<b>100.0%</b>	<b>13.2</b>	<b>6.6%</b>

The Life Sciences & Cosmetics Area ("**LS&C**") is confirmed as the most important sector, both in absolute terms (46.5% of total turnover) and in terms of growth (+7.1%). This positive result is attributable to a good performance by inspection machines and systems (+8.7%) and to after-sales services (+22.6%), whereas Track & Trace equipment for traceability and serialisation (T&T) is more or less stable (-0.6%). Despite the good performance in terms of turnover, equally positive results cannot be found in terms of margins (for further information, please refer to the section on Segment Reporting).

The Fast Moving Consumer Goods Area ("**FMCG**") posted growth of 2.8%, thanks to the combined effect of an excellent performance by services (+40.3%) and a decline in inspection systems (-6.8%). The latter figure was negatively influenced by the decrease in sales in the field of rigid containers, which are experiencing a period of overcapacity among their customers, who have consequently reduced investments.

The Supply Chain Transparency Area ("**SCT**"), which includes all Level 4 software solutions ("**L4**") and Level 5 ("**L5**"), is stable despite a reduction in solutions offered in the FMCG sector (-14.5%). This decline has been offset by the good performance of the LS&C sector (+6.8%).

Lastly, the Other Area is showing significant growth of 48.7%, driven by the subsidiary Imago Technologies (manufacturer of electronic components, +13.8%) and by operations in Russia (+64.4%). As mentioned in other sections of this document, the latter will be subject to gradual downsizing, until the final liquidation of the companies held in Russia.

2023 closes with a **value of production** (Euro 226.2 million) up by 7.1% compared with last year (Euro 211.1 million). This result demonstrates how Antares Vision Group has managed to continue on its growth path, despite the numerous challenges, thanks to its business vision and in line with consumption trends.

The **Cost of Goods Sold (COGS)** stands at Euro 55.9 million, an increase of 5.0% compared with the figure at 31 December 2022, when it amounted to Euro 53.2 million, falling as a percentage of sales by 40 basis points thanks to the increase in the after-sales service component as mentioned previously.

Consequently, the **Gross Operating Margin** and **Value Added** respectively come to Euro 164.6 million (Euro 153.3 million at 31 December 2022, +7.4%) and Euro 118.2 million (Euro 110.2 million, +7.1%) which determines an improvement in these margin of Value Added of 30 basis points.

The **Adjusted Gross Operating Profit (EBITDA)** is equal to Euro 13.3 million compared with Euro 17.9 million in the previous period (-25.6%), equal to 6.2% of sales (8.9% at 31 December 2022). This result is affected by the increase in labour costs of +13.6%, accounting for Euro 104.9 million in 2023 compared with Euro 92.3 million in 2022. The **Adjusted Operating Result (EBIT)** is negative for Euro 2.8 million compared with a positive amount of Euro 5.5 million in the comparative period. This result reflects higher amortisation and depreciation following capitalisation of development costs and rights of use for the various company locations, as well as higher provisions of a prudential nature for credit risks and product warranty fund.

The following table shows the reconciliation between Operating Profit (Loss) and Adjusted EBITDA and Adjusted EBIT:

Antares Vision CE Consolidated ('000 €)	FY 2023	FY 2022 Redetermined	FY 2021 Redetermined
<b>Operating Income</b>	<b>-91,356</b>	<b>-5,740</b>	<b>3,984</b>
Professional charges	4,462	1,579	9,145
Extraordinary inventory write-down	4,996		
Other	917	984	460
<b>Extraordinary Costs</b>	<b>10,375</b>	<b>2,563</b>	<b>9,605</b>
Depreciation and amortization PPA	8,224	8,314	5,916
Goodwill impairment	67,093	0	0
Extraordinary write-downs	2,221	399	2,237
Other adjustments	608	0	239
<b>Total Adjustments</b>	<b>88,521</b>	<b>11,276</b>	<b>17,998</b>
<b>Normalized operating income (Adjusted EBIT)</b>	<b>-2,835</b>	<b>5,536</b>	<b>21,982</b>
Receivables write-downs	3,715	1,864	4,948
Depreciation and amortization	12,412	10,459	6,924
<b>Normalized EBITDA (Adjusted EBITDA)</b>	<b>13,292</b>	<b>17,859</b>	<b>33,855</b>

The financial element (negative for Euro 5.2 million) is influenced for Euro 5.4 million by interest and financial charges on loans, for Euro 1.4 million by the negative balance of exchange gains and losses, offset by Euro 1.7 million from recognition of the income deriving from the fair value measurement of the warrants.

All of this, together with extraordinary items (Euro 12.9 million) and the effect of the PPA (Euro 8.2 million), the write-down of investments (Euro 4.1 million) and the impairment adjustment to goodwill (Euro 4.1 million including the exchange rate effect, for which reference should be made to the specific section of these financial statements), resulted in a loss of Euro 99.6 million, net of the tax effect and the share of the loss attributable to third parties.

So to provide a clearer view of the net profit, steps have been taken to normalise it:

- the effect of the PPAs and the write-of Goodwill,
- the extraordinary items,
- exchange differences
- the effect of the warrants,

leading to an **Adjusted Net Loss** of Euro 7.6 million, versus a positive figure of Euro 1.3 million in 2022.

## Main consolidated balance sheet figures

The statement of financial position is set out below, reclassified by sources and applications at 31 December 2023, 31 December 2022 restated and 31 December 2021 restated (in thousands of Euro):

Antares Vision Group Consolidated statement of financial position (€/000 €)	31/12/2023	31/12/2022 Restated	31/12/2021 Restated	% Difference 2023 vs 2022 restated	% Difference 2022 restated vs 2021 restated
Property	32,919	31,182	23,552	5.6%	32.4%
Financial assets	8,553	9,707	7,342	-11.9%	32.2%
Property, plant and equipment, net	3,504	3,571	2,986	-1.9%	19.6%
Intangible fixed assets, net	169,759	238,057	214,072	-28.7%	11.2%
<b>Total fixed assets</b>	<b>214,734</b>	<b>282,517</b>	<b>247,952</b>	<b>-24.0%</b>	<b>13.9%</b>
<i>% of net invested capital</i>	<i>78.9%</i>	<i>82.9%</i>	<i>87.9%</i>		
Raw materials	26,078	33,814	26,317	-22.9%	28.5%
Work in progress	8,876	7,546	6,411	17.6%	17.7%
Finished products	13,773	6,943	4,848	98.4%	43.2%
<b>Total inventories</b>	<b>48,727</b>	<b>48,303</b>	<b>37,575</b>	<b>0.9%</b>	<b>28.6%</b>
Trade receivables	71,628	73,074	47,448	-2.0%	54.0%
Trade payables	-25,340	-23,140	-18,675	9.5%	23.9%
Advances from customers	-26,043	-30,347	-20,496	-14.2%	48.1%
<b>Net trade working capital</b>	<b>68,973</b>	<b>67,890</b>	<b>45,853</b>	<b>1.6%</b>	<b>48.1%</b>
<i>% of net invested capital</i>	<i>25.4%</i>	<i>19.9%</i>	<i>16.3%</i>		
Other assets	26,127	31,567	22,949	-17.2%	37.6%

Other liabilities	-26,628	-32,300	-25,177	-17.6%	28.3%
<b>Net working capital</b>	<b>68,472</b>	<b>67,157</b>	<b>43,626</b>	<b>2.0%</b>	<b>53.9%</b>
<i>% of net invested capital</i>	25.2%	19.7%	15.5%		
Severance indemnities	-9,516	-7,799	-8,634	22.0%	-9.7%
Provision for risks and charges	-1,690	-1,231	-965	37.3%	27.6%
<b>Net invested capital</b>	<b>272,001</b>	<b>340,645</b>	<b>281,979</b>	<b>-20.2%</b>	<b>20.8%</b>
<i>% of net invested capital</i>	100.0%	100.0%	100.0%		
Shareholders' equity	167,717	273,489	254,482	-38.7%	7.5%
<b>Shareholders' equity</b>	<b>167,717</b>	<b>273,489</b>	<b>254,482</b>	<b>-38.7%</b>	<b>7.5%</b>
<i>% of net invested capital</i>	61.7%	80.3%	90.2%		
<b>Adjusted Net Financial Position</b>	<b>104,284</b>	<b>67,156</b>	<b>27,497</b>	<b>55.3%</b>	<b>144.2%</b>
<i>% of net invested capital</i>	38.3%	19.7%	9.8%		
<b>Total sources of funds</b>	<b>272,001</b>	<b>340,645</b>	<b>281,979</b>	<b>-20.2%</b>	<b>20.8%</b>
<i>% of net invested capital</i>	100.0%	100.0%	100.0%		

**Total fixed assets** (Euro 214.7 million) shows a decrease of 24.0% compared with 31 December 2022 mainly influenced by, among other things:

- additions to property, plant and equipment for Euro 7,400 thousand;
- the impairment adjustment to goodwill of Euro 66.3 million (for which please refer to the specific section of this document);
- the inclusion in the scope of consolidation of Smart Point, which took place in April 2023 through rfxcel. The total price amounted to Euro 7.1 million, of which Euro 5.0 million was paid at the closing with the rest to be paid within 18 months. The difference between the price and the net equity of the company acquired was Euro 6.2 million and, following the Purchasing Price Allocation, at 31 December 2023 it was entirely allocated to goodwill (please refer to the specific section for further information);
- the exchange effect on goodwill already recognised at 31 December 2023, negative for Euro 3,309 thousand;
- additions to intangible assets for Euro 11,808 thousand offset for Euro 2,183 thousand by the negative exchange effect and, partially, the increase in accumulated amortisation due to the amortisation charge for the period;

- the acquisition of 15% of Isinnova by the Parent Company, which led to the recording of a stake of Euro 1,500 thousand;
- the acquisition of 38.18% of Light Scarl by the Parent Company, which led to the recording of a stake of Euro 76 thousand
- write-downs of associates for Euro 4,133 thousand, mainly related to Orobix.

**Net working capital** shows a slight increase, lower than the growth in sales, also as a result of a higher proportion of write-downs.

Shareholders' equity amounts to Euro 167.7 million, down by 38.7% compared with 31 December 2022, influenced by the negative result for the period of Euro 99.6 million. Please refer to the statement of changes in shareholders' equity, included in the notes, for a more detailed discussion of the changes that have affected shareholders' equity.

## Main consolidated financial figures

The following is the consolidated net financial position at 31 December 2023 compared with 31 December 2022 (in thousands of Euro). The statement reflects the provisions of the ESMA32-382-1138 guideline on disclosure obligations, aimed at greater uniformity of disclosure obligations at European level.



Antares Vision Group		31/12/2023	31/12/2022 Restated
Net financial position ('000 €)			
Cash at banks		43,295	61,013
Cash on hand		70	84
Cash and banks	A	43,365	61,097
Cash equivalents	B	-	-
Other financial assets	C	13,248	26,827
<b>Cash and cash equivalents and financial assets</b>	<b>D=A+B+C</b>	<b>56,613</b>	<b>87,924</b>
Current lease liabilities		-3,650	-3,508
Financial liability of warrants (fair value measurement (1))		-79	0
Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	E	-3,729	-3,508
Current portion of non-current financial debt	F	-147,338	-132,531
<b>Current financial debt</b>	<b>G=E+F</b>	<b>-151,067</b>	<b>-136,039</b>
<b>Net current financial debt</b>	<b>Hrs=G-D</b>	<b>-94,454</b>	<b>-48,115</b>
Non-current loans and borrowings		-58	0
Non-current lease liabilities		-12,884	-13,175
Financial liability of warrants (fair value measurement)		0	-1,747
Other payables of a financial nature (2)		-1,753	-11,087
Non-current financial payables	I	-14,695	-26,009
Debt instruments including negative derivative instruments	J	0	-162
Other non-current payables	K		
<b>Non-current financial debt</b>	<b>L=I+J+K</b>	<b>-14,695</b>	<b>-26,171</b>
<b>Net financial position</b>	<b>M=L+Hrs</b>	<b>-109,149</b>	<b>-74,286</b>

(1) At 31 December 2023, the financial liability represented by the warrants was reclassified as current as they fell due in less than 12 months.

(2) This item includes the share of the price for the acquisition of Smart Point to be paid within 12 and 18 months (881 thousand euro at 31 December 2023) and the sums not yet redeemed by the previous shareholders of rfxcel following the sale of the company in favour of Antares Vision Group (872 thousand euro at 31 December 2023 and 11,087 thousand euro at 31 December 2022).

It is also considered appropriate to provide the financial position net of the effect of derivatives ("**Adjusted net financial position**").

Antares Vision Group		
Adjusted Net Financial Position ('000 €)	31/12/23	31/12/2022 Restated
<b>Net financial position</b>	<b>-109,149</b>	<b>-74,286</b>
Derivatives receivable (4)	4,865	7,130
<b>Adjusted Net Financial Position</b>	<b>-104,284</b>	<b>-67,156</b>

(4) ESMA guideline 32-382-1138 does not provide for the inclusion of derivatives receivable in the net financial position, contrary to what happens for derivatives payable.

The **Net financial position** is negative for Euro 109,149 thousand compared with a negative balance of Euro 74,286 thousand at 31 December 2022. The **Adjusted net financial position**, i.e. including derivatives receivable is negative for Euro 104.3 thousand (negative for Euro 67.2 thousand at 31 December 2022). Note that the net financial position includes the market value of the warrants (which will never correspond to an actual cash outflow) equal to Euro 79 thousand in 2023 and Euro 1,747 thousand in 2022.

The change in the Adjusted Net Financial Position compared with the same period last year is mainly influenced by:

- a positive Adjusted EBITDA of Euro 13.3 million<sup>1</sup>;
- a change in net working capital, which increased by Euro 1.3 million, for the reasons explained above, to which have to be added other positive changes in provisions of Euro 2.2 million;
- additions to tangible and intangible fixed assets of Euro 19.2 million, as detailed in the previous section;
- the acquisitions of Smart Point for Euro 7.1 million and of Isinnova for Euro 1.5 million;
- interest and exchange gains and losses for Euro 5.2 million;
- extraordinary items for Euro 12.9 million.

Among the events that took place during the period which have a neutral effect on the net financial position, the following are worth noting:

- payment to the Parent Company of a Euro 2021 million bank loan by a leading credit institution (subscribed in September 2021). This forms part of the broader debt refinancing strategy launched in the second half of 2021, when the bank loan in question was negotiated with the possibility of it being disbursed at a later date. Antares Vision Group is required to comply with financial covenants in line with market practice and there is full compliance at the date of preparation of this document;

<sup>1</sup> As explained in greater detail in the comments on the main consolidated income statement figures, items of an extraordinary nature are reclassified below EBIT. At 31 December 2023 they amounted to Euro 17.1 million, as detailed in the previous section entitled "Main consolidated income statement figures".

- payment to the Parent Company of a subsidised loan of Euro 1.1 million and a bank loan of Euro 0.1 million relating to the fourth progress payment according to the stage of completion of the Smart Ward Platform R&D project ("SWP");
- the repayment of Euro 6.1 million of principal amounts of outstanding bank loans.

## Main income statement figures of the Parent Company

The Parent Company's income statement at 31 December 2023 is set out below, reclassified according to the criteria adopted for management accounting purposes with comparative figures at 31 December 2022:

Antares Vision S.p.A. INCOME STATEMENT ('000 €)	2023	2022	Difference % 2023 vs. 2022
Revenue	92,215	78,125	18.0%
Capitalisation of development costs	4,198	4,781	-12.2%
Operating grants and other income	1,262	820	53.8%
Tax credit	1,040	793	31.1%
<b>Value of production</b>	<b>98,714</b>	<b>84,519</b>	<b>16.8%</b>
Changes in inventories of raw materials and finished goods	8,579	-4,219	n.m.
Purchases of materials	29,688	25,995	14.2%
Changes in inventories of work in progress	-7,663	-549	>100%
<b>Cost of sales</b>	<b>30,605</b>	<b>21,227</b>	<b>44.2%</b>
<i>% of sales</i>	33.2%	27.2%	
Commissions	2,728	2,248	21.4%
Installation costs	1,622	1,354	19.8%
<b>Gross Profit</b>	<b>63,760</b>	<b>59,691</b>	<b>6.8%</b>
<i>% of sales</i>	69.1%	76.4%	
Leases and rentals	396	469	-15.5%
Operating costs	166	153	8.4%
Service costs	21,338	27,017	-21.0%
<b>Value added</b>	<b>41,860</b>	<b>32,051</b>	<b>30.6%</b>
<i>% of sales</i>	45.4%	41.0%	
Labour	38,403	33,416	14.9%
Employees	34,488	29,070	18.6%
Collaborators	3,914	4,347	-9.9%
<b>Adjusted EBITDA</b>	<b>3,457</b>	<b>-1,365</b>	<b>n.m.</b>
<i>% of sales</i>	3.7%	-1.7%	
Write-down of receivables	7,336	812	>100%
Amortisation and depreciation	5,758	4,934	16.7%

Intangible assets	5,106	4,025	26.9%
Property, plant and equipment	652	909	-28.3%
<b>Adjusted EBIT</b>	<b>-9,636</b>	<b>-7,111</b>	<b>35.5%</b>
<i>% of sales</i>	<i>-10.4%</i>	<i>-9.1%</i>	
Financial income and charges	6,679	-3,231	n.m.
Net interest, fees and commissions	8,023	3,339	>100%
Foreign exchange gains and losses	273	-48	n.m.
Write-ups	51	-782	n.m.
Warrants at market value	-1,668	-5,739	-70.9%
Extraordinary income and expenses	6,822	772	>100%
Write-down/(Write-up) of investments in associates	2,969	0	n.m.
Write-down of investments in subsidiaries	18,175	0	0.0%
PPA amortisation	38	0	n.m.
<b>Profit before taxes (EBT)</b>	<b>-44,319</b>	<b>-4,652</b>	<b>&gt;100%</b>
<i>% of sales</i>	<i>-48.1%</i>	<i>-6.0%</i>	
Income tax	-775	-856	-9.6%
<b>Profit/(loss) for the year</b>	<b>-43,544</b>	<b>-3,796</b>	<b>&gt;100%</b>
<i>% of sales</i>	<i>-47.2%</i>	<i>-4.9%</i>	

<b>Gross profit, net of capitalisations and tax credits</b>	<b>57,261</b>	<b>53,033</b>	<b>8.0%</b>
<i>% of sales</i>	<i>62.1%</i>	<i>67.9%</i>	

<b>Profit before taxes (EBT)</b>	<b>-44,319</b>	<b>-4,652</b>	<b>&gt;100%</b>
Extraordinary income and expenses	6,822	772	
Write-down/(Write-up) of investments in associates	2,969	0	
Write-down of investments in subsidiaries	18,175	0	
Unrealised foreign exchange gains and losses	273	-48	
PPA amortisation	38	0	
Warrants at market value	-1,668	-5,739	
<b>Adjusted EBT</b>	<b>-17,710</b>	<b>-9,668</b>	<b>83.2%</b>
Income taxes on adjusted EBT	-775	-2,030	
<b>Adjusted profit/(loss) for the year</b>	<b>-16,935</b>	<b>-7,638</b>	<b>&gt;100%</b>

The figures presented (as well as being shown with the PPA amortisation below Adjusted EBIT) are net of some extraordinary items (Euro 9.8 million), reclassified below EBIT, mainly consisting of: i) costs that Antares Vision Group incurred for the reorganisation entrusted to external consultancies (Euro 2.1 million), ii) extraordinary legal fees for the investigation and withdrawal from the Russian market (Euro 1.2 million) iii) extraordinary inventory

write-downs (Euro 3.4 million), iv) the write-down of the value of investments in associates to their net equity, mainly Orobix Srl (Euro 3.0 million).

The extraordinary write-downs of inventories are the result of a new business strategy introduced in 2024 by the new management team. This strategy mainly aims at two objectives: firstly, to standardise the products offered to customers; secondly, to drastically reduce stocks. As a result, the more customised inventories, including those of finished products, semi-finished products and raw materials, were valued at their estimated realisable value, considering them obsolete with respect to the Company's new strategic direction.

Sales revenue differs from Revenue in the tables provided in the notes, as they include certain accounts reclassified to Other income, as shown in the following table:

Antares Vision S.p.A. PL ('000,€)	Year 2023	Year 2022 Restated
<b>Sales Revenues</b>	<b>92,215</b>	<b>78,125</b>
Other Revenues	1	19
Other	-263	136
<b>Revenues (IFRS)</b>	<b>92,477</b>	<b>77,971</b>

In 2023, the Parent Company achieved **Net revenue** of Euro 92.2 million, up 18.0% on the same period of 2022. The growth in revenues is linked to an increase in sales volumes and the billing to subsidiaries of Headquarter Services rendered by Antares Vision S.p.A. which acts as the Group's operational holding company.

The Parent Company's sales are almost exclusively in the LS&C Business Area (around 95%), with the rest generated in the SCT Business Area. Excluding the portion of turnover derived from the billing of Headquarter Services, the operating business showed growth of 13%, both in LS&C equipment (+12%) and in LS&C Services (+21%). Sales in the SCT Area, on the other hand, show a decline of 22%.

In terms of the evolution of revenue by geographical area, the greatest contribution, both in absolute terms (Euro 61.3 million in 2023 versus Euro 50.1 million in 2022) and in terms of growth (+22.3%), came from Europe, with Italy growing by 11.9%.

#### **Revenue by Geographical Area – 2023 vs. 2022 restated (Euro mn)**

Revenue by geographical area	2023	%	2022	%	Δ '23 vs '22	Δ %
Italy	21.0	22.8%	18.7	24.0%	2.2	11.9%
Europe	40.3	43.7%	31.4	40.2%	8.9	28.5%
North & South America	21.3	23.1%	18.3	23.4%	3.0	16.7%
Asia and Oceania	4.7	5.1%	5.6	7.2%	-1.0	-17.0%

AFRICA AND THE MIDDLE EAST	4.9	5.4%	4.1	5.3%	0.8	20.3%
<b>TOTAL</b>	<b>92.2</b>	<b>100.0%</b>	<b>78.1</b>	<b>100.0%</b>	<b>14.1</b>	<b>18.0%</b>

The Americas, net of Headquarter cost billing, recorded growth of 8.7% (16.7%, including cost re-billing) driven by exports to South America (56.9%), while North America is essentially stable (+1.7%). Overall, the Americas represent almost 23.1% of the Parent Company's turnover.

Africa & the Middle East (+20.3% Y/Y) also turned in good signs of growth, while Asia & Oceania (-17.0% Y/Y) are down on last year's performance, where growth in the Middle East (+53.3%) has failed to offset the decline in Asia (-26.2%).

2023 closes with a **value of production** (Euro 98.7 million) up by 16.8% compared with last year (Euro 211.1 million). A result that demonstrates how Antares Vision Group has managed to continue on its growth path, despite the numerous challenges, thanks to its business vision and in line with consumption trends.

**Cost of goods sold (COGS)** stands at Euro 30.6 million, an increase of 44.2% compared with the figure at 31 December 2022 when it amounted to Euro 21.2 million, with an increase in the impact on turnover of 6.0%.

Consequently, the **Gross Operating Margin** and **Value Added** respectively come to Euro 63.8 million (Euro 59.7 million at 31 December 2022, +6.8%) and Euro 41.9 million (Euro 32.1 million, +30.6%) which determines an improvement in the Value Added of 4.4%. The improvement in profit margins derives from the decline in service costs, especially intercompany.

The **Adjusted EBITDA** comes to Euro 3.5 million compared with Euro -1.4 million in the previous period, equal to 3.7% of sales (-1.7% at 31 December 2022). This result is affected by the increase in labour costs of +14.9%, accounting for Euro 38.4 million in 2023 compared with Euro 33.4 million in 2022. The **Adjusted EBIT** is negative for Euro -9.6 million compared with Euro -7.1 million in the comparative period. This result reflects higher amortisation and depreciation following capitalisation of development costs and rights of use for the various company locations, as well as higher provisions of a prudential nature for credit risks both against third parties and subsidiaries, in addition to product warranty fund.

The following table shows the reconciliation between Operating Profit (Loss) and Adjusted EBITDA and Adjusted EBIT:

Antares Vision S.p.A. CE ('000 €)	FY 2023	FY 2022	Delta % FY 2023 vs. FY 2022
<b>Operating income</b>	<b>-16,631</b>	<b>-8,263</b>	<b>&gt;100%</b>
Professional charges	3,376	751	
Extraordinary inventory write-down	3,446		
Other	0	21	
<b>Extraordinary expenses</b>	<b>6,822</b>	<b>772</b>	<b>&gt;100%</b>
PPA amortization	38	0	n.m.
Other adjustments	135	380	
<b>Total Adjustments</b>	<b>6,995</b>	<b>1,152</b>	
<b>Normalized Operating Income (Adjusted EBIT)</b>	<b>-9,636</b>	<b>-7,111</b>	<b>35.5%</b>
Write-downs of receivables	7,336	812	
Depreciation and amortization	5,758	4,934	
<b>Normalized gross operating margin (Adjusted EBITDA)</b>	<b>3,457</b>	<b>-1,365</b>	

The financial element (negative for Euro 6.7 million) is influenced for Euro 5.3 million by interest and financial charges on loans, for Euro 2.7 million by write-downs of financial receivables from subsidiaries, for Euro 0.3 million by the negative balance of exchange gains and losses, offset by Euro 1.7 million from recognition of the income deriving from the fair value measurement of the warrants.

All of this, together with extraordinary items (Euro 6.8 million) and effect of the Euro 3.0 million write-down of investments in associates, of the write-down of investments in subsidiaries (Euro 18.2 million) following the test on their recoverable amount, led to a net loss of Euro 43.5 million.

So to provide a clearer view of the net profit, steps have been taken to normalise it:

- the effect of write-downs of investments,
- the extraordinary items,
- exchange differences
- the effect of the warrants,

leading to a negative **Adjusted Net Result** of Euro -16.9 million, versus a negative figure of Euro -7.6 million in the 2022.

## Main financial figures of the Parent Company

The statement of financial position is set out below, reclassified by sources and applications as at 31 December 2023 and 31 December 2022 (in thousands of Euro):

Antares Vision S.p.A. BS ('000 €)	31/12/2023	31/12/2022 Restated	% Difference 2023 vs 2022 restated
Property	21,975	18,568	18.3%
Investments	220,015	254,057	-13.4%
Property, plant and equipment, net	581	489	18.6%
Intangible fixed assets, net	29,899	15,345	94.8%
<b>Total fixed assets</b>	<b>272,470</b>	<b>288,460</b>	<b>-5.5%</b>
<i>% of net invested capital</i>	<i>84.8%</i>	<i>86.9%</i>	
Raw materials	10,067	19,598	-48.6%
Work in progress	3,686	2,862	28.8%
Finished products	11,931	3,275	264.3%
<b>Total inventories</b>	<b>25,684</b>	<b>25,735</b>	<b>-0.2%</b>
Trade receivables	64,258	58,078	10.6%
Trade payables	-22,624	-24,588	-8.0%
Advances from customers	-7,199	-7,853	-8.3%
<b>Net trade working capital</b>	<b>60,119</b>	<b>51,372</b>	<b>17.0%</b>
<i>% of net invested capital</i>	<i>18.7%</i>	<i>15.5%</i>	
Other assets	11,276	12,078	-6.6%
Other liabilities	-15,828	-14,515	9.0%
<b>Net working capital</b>	<b>55,567</b>	<b>48,934</b>	<b>13.6%</b>
<i>% of net invested capital</i>	<i>17.3%</i>	<i>14.7%</i>	
TFR	-6,153	-4,928	24.9%
Provision for risks and charges	-626	-509	22.9%
<b>Net invested capital</b>	<b>321,258</b>	<b>331,957</b>	<b>-3.2%</b>
<i>% of net invested capital</i>	<i>100.0%</i>	<i>100.0%</i>	
Shareholders' equity	211,436	253,541	-16.6%
<b>Shareholders' equity</b>	<b>211,436</b>	<b>253,541</b>	<b>-16.6%</b>
<i>% of net invested capital</i>	<i>65.8%</i>	<i>76.4%</i>	
<b>Adjusted Net Financial Position</b>	<b>109,822</b>	<b>78,416</b>	<b>40.1%</b>
<i>% of net invested capital</i>	<i>34.2%</i>	<i>23.6%</i>	
<b>Total sources of funds</b>	<b>321,258</b>	<b>331,957</b>	<b>-3.2%</b>
<i>% of net invested capital</i>	<i>100.0%</i>	<i>100.0%</i>	



The Parent Company's balance sheet in general is influenced by the merger with Convel in 2023.

**Total fixed assets** (Euro 272.5 thousand) show a decrease of 5.5% compared with 31 December 2022, mainly influenced by:

- increases (including those resulting from the merger with Convel) in tangible assets for an amount of Euro 5,690 thousand;
- the impairment adjustment to investments in associate and subsidiaries of Euro 21,144 thousand mainly due to the write-down of Orobix and the impairment test (for which please refer to the specific section of this document), to which has to be added Euro 15,771 thousand on cancellation of the carrying amount of Convel as a result of the merger;
- increases (including those resulting from the merger with Convel) in intangible assets for an amount of Euro 6,845 thousand;
- the recognition, again in net intangible assets, of the goodwill deriving from the Convel merger for Euro 12,322 thousand;
- the acquisition of 15% of Isinnova , which led to the recording of a stake of Euro 1,500 thousand;
- the acquisition of 38.18% of Light Scarl , which led to the recording of a stake of Euro 76 thousand

**Net trade working capital** is showing growth of 17.0%, a higher rate than the increase in turnover. As a whole, **net working capital** has gone up by 13.6%.

Shareholders' equity amounts to Euro 211.4 million, down by 16.6% compared with 31 December 2022, influenced by the result for the period (not adjusted for extraordinary items) negative for Euro 43.5 million. Please refer to the statement of changes in shareholders' equity, included in the notes, for a more detailed discussion of the changes that have affected shareholders' equity.

## Main financial figures of the Parent Company

The following is the Parent Company's net financial position at 31 December 2023 compared with 31 December 2022 (in thousands of Euro). The statement reflects the provisions of the ESMA32-382-1138 guideline on disclosure obligations, aimed at greater uniformity of disclosure obligations at European level.

<b>Antares Vision S.p.A.</b>		<b>31/12/2023</b>	<b>31/12/2022</b>
<b>Net financial position ('000,€)</b>			<b>Restated</b>
Cash at banks		16,755	11,001
Cash on hand		27	44
Cash and banks (3)	A	16,783	11,045
Other financial assets	B	12,237	26,827
<b>Cash and cash equivalents and financial assets</b>	<b>C=A+B</b>	<b>29,019</b>	<b>37,872</b>
Current lease liabilities		-1,697	-1,495
Financial liability of warrants (fair value measurement (1))		-79	0
Current financial debt (including debt instruments, but excluding the current portion of non-current financial debt)	D	-1,776	-1,495
Current portion of non-current financial debt	E	-155,936	-130,804
<b>Current financial debt</b>	<b>F=D+E</b>	<b>-157,712</b>	<b>-132,299</b>
<b>Net current financial debt</b>	<b>G=F-C</b>	<b>-128,693</b>	<b>-94,427</b>
Non-current lease liabilities		-8,647	-9,254
Financial liability of warrants (fair value measurement)		0	-1,747
Non-current financial payables	Hrs	-8,647	-11,001
Debt instruments including negative derivative instruments	I	0	-162
<b>Non-current financial debt</b>	<b>K=Hrs+I</b>	<b>-8,647</b>	<b>-11,164</b>
<b>Net financial position</b>	<b>L=G+K</b>	<b>-137,340</b>	<b>-105,591</b>

(1) At 31 December 2023, the financial liability represented by the warrants was reclassified as current as they fell due in less than 12 months.

It is also considered appropriate to show the financial position including non-current financial receivables and derivatives receivable, not permitted by ESMA guidelines 32-382-1138, ~~but without the fair value of the warrants as this is a non-monetary item which will not correspond to an actual cash outflow~~ ("Adjusted Net Financial Position").

Antares Vision S.p.A.	31/12/23	31/12/2022
Adjusted Net Financial Position ('000 €)		Restated
<b>Net financial position</b>	<b>-137,340</b>	<b>-105,590</b>
Derivatives receivable (2)	4,865	7,130
<b>Adjusted Net Financial Position</b>	<b>-132,475</b>	<b>-98,460</b>
Other intragroup current financial assets	22,653	20,044
<b>Adjusted Net Financial Position including intragroup financial assets</b>	<b>-109,822</b>	<b>-78,416</b>

(2) ESMA guideline 32-382-1138 does not provide for the inclusion of derivatives receivable in the net financial position, contrary to what happens for derivatives payable.

The **Net financial position** is negative for Euro 137,340 thousand compared with a negative balance of Euro 105,591 thousand at 31 December 2022. The **Adjusted net financial position**, i.e. including derivatives receivable, is negative for Euro 132,475 million (negative for Euro 98,460 million at 31 December 2022). Note that the net financial position includes the market value of the warrants (which will never correspond to an actual cash outflow) equal to Euro 79 thousand in 2023 and Euro 1,747 thousand in 2022.

The change in the adjusted net financial position compared with the same period last year is mainly influenced by:

- a positive Adjusted EBITDA of Euro 3.5 million<sup>2</sup>;
- a change in net working capital, which increased by Euro 6.6 million, to which have to be added other positive changes in provisions of Euro 1.3 million;
- additions to tangible and intangible fixed assets of Euro 12.5 million, as detailed in the previous section;
- the financial component for Euro 6.7 million;
- extraordinary items for Euro 6.8 million.

Among the events that took place during the period which have a neutral effect on the net financial position, the following are worth noting:

- the disbursement of a Euro 20 million bank loan (taken out in September 2021) by a leading credit institution. This forms part of the broader debt refinancing strategy launched in the second half of 2021, when the bank loan in question was negotiated with the possibility of it being disbursed at a later date. Antares Vision Group is required to comply with financial covenants in line with market practice and there is full compliance at the date of preparation of this document;

<sup>2</sup> As explained in greater detail in the comments on the main consolidated income statement figures, items of an extraordinary nature are reclassified below EBIT. At 31 December 2023 they amounted to Euro 9.8 million, as detailed in the previous section entitled "Main consolidated income statement figures".

- payment of a subsidised loan of Euro 1.1 million and a bank loan of Euro 0.1 million relating to the fourth progress payment according to the stage of completion of the Smart Ward Platform R&D project ("**SWP**");
- the repayment of Euro 6.1 million of principal amounts of outstanding bank loans.

## Significant events

### **Merger by absorption of Convel S.r.l. by Antares Vision S.p.A.**

The merger by absorption (the "**Merger**") of the subsidiary Convel S.r.l., a company specialising in automated inspection in the pharmaceutical industry ("**Convel**" or the "merged Company"), by Antares Vision S.p.A. took effect on 1 January 2023. The merger plan was approved by the two Boards of Directors on 20 June 2022 pursuant to art. 2505, second paragraph, of the Italian Civil Code.

The reason for the merger was the need to concentrate in the Parent Company the activities carried on separately by Convel, also with a view to rationalising the Group. These activities form part of the corporate purpose of Antares Vision S.p.A. and are already performed by it. The reason for the merger was the need to concentrate in the Parent Company the activities carried on separately by Convel, also with a view to rationalising the Group. These activities form part of the corporate purpose of Antares Vision S.p.A. and are already performed by it. (a) to consolidate production and commercial activities in the field of inspection machines for the pharmaceutical sector; (b) to optimise the management of resources and intra-group economic-financial flows deriving from the activities currently carried on by the individual companies; (c) to allow greater flexibility of internal processes; (d) to hold down operating costs by achieving economies of scale and maximising synergies in the various activities to avoid duplicating or overlapping certain corporate and administrative functions. The merged Company was wholly owned directly by Antares Vision S.p.A., so by applying the simplified merger procedure pursuant to art. 2505 of the Civil Code, it was not necessary to prepare the explanatory report of the administrative bodies of the company taking part in the Merger (art. 2501-quinques Civil Code), nor the experts' report on the adequacy of the exchange ratio (art. 2501-sexies Civil Code). Furthermore, as no Antares Vision S.p.A. shares are due to the shareholders of Convel, it was not necessary to determine an exchange ratio or the procedures for assigning the shares, nor the date from which these shares will participate in the profits. The Merger process comes to an end with the cancellation of the share capital of the merged Company.

Starting from the effective date of the Merger, i.e. from 1 January 2023, Antares Vision took over all of the legal relationships - debit and credit - in the name of Convel. There are no particular advantages in favour of the directors of the companies participating in the merger.

As better described in the notes, for the purposes of preparing the consolidated financial statements, the Merger did not lead to any accounting effects or treatments other than those that would have taken place without a merger.

#### **Birth of AV Electronics as a result of the merger by absorption of Ingg. Vescovini by Tecnel**

On 1 January 2023, Ingg. Vescovini (“**Ingg. Vescovini**”) S.r.l. was absorbed by Tecnel S.r.l. (“Tecnel”), which at the same time changed its name to AV Electronics S.r.l. It is based in Parma and will have the purpose of designing and supplying customised electronic hardware and software components to support the innovative developments of Antares Vision Group's technological ecosystem, mainly in inspection solutions for quality control and traceability, and to meet specific needs in the packaging sector, with highly innovative electronics.

#### **Establishment of Antares Vision (Korea) Co. Ltd.**

A new branch was established in South Korea in January 2023 and became fully operational on 1 March 2023. Under the name of Antares Vision (Korea) Co. Ltd. (“**AV Korea**”), it is wholly owned by Antares Vision Asia Pacific and will make it possible to dominate the Asian market even more through a direct presence in the area, exploiting the area's strong growth potential.

#### **Acquisition of Isinnova**

On 20 March 2023, the Parent Company took over a 15% stake in Isinnova S.r.l., the Brescia-based technological start-up of Cristian Fracassi which enables and makes technological innovation accessible with projects such as life-saving oxygen masks during the Covid-19 emergency or low-cost prostheses for Ukraine. The total amount paid for this stake is Euro 1,500 thousand. Founded in 2014, Isinnova offers itself as a research and development centre and supplier of innovation services, defining itself as a "Knowledge-Intensive Business Service". It also plays the role of intermediary, to transfer ideas and technologies from one sector in which they are created to another that has a technical requirement or a problem to be solved.

#### **Acquisition of Smart Point Technologies**

On 26 April 2023, Antares Vision Group acquired, through rfxcel, 100% of Smart Point Technologies Ltd (Smart Point), an Indian software development company that creates complex and innovative solutions. The total price amounted to Euro 7.1 million, of which Euro 5.0 million was paid at the closing with the rest to be paid within 18 months. Smart Point, which was founded in 2010 by three entrepreneurs with its HQ in Chennai, offers a wide range of software solutions and services made available to rfxcel's customers in over 30 countries. With over 12 years of experience in software development and assistance, the Company has gained expertise especially in the pharmaceutical Track & Trace sector and the solutions developed on behalf of rfxcel are directly available to the main pharmaceutical companies all over the world, which are Antares Vision Group's end-customers. In 2023 Smart Point had 154 employees in India and Germany, and in the 8 months that it has belonged to the Group it has generated a turnover of Euro 2.7 million (of which approximately 93% generated with rfxcel), with an EBITDA of

approximately Euro 0.5 million. The acquisition of Smart Point has made it possible to internalise highly qualified resources with specific skills and abilities, whose know-how is a precious asset for Antares Vision Group, which continues to invest in technological development to support its growth and guide the process of innovation and digitalization of products and supply chains.

#### **New production hub in India**

AVI EXCELLENCE PRIVATE LIMITED was founded on 21 August 2023, with the aim of further developing the local market and guaranteeing direct coverage of the territory, also by creating a production site.

#### **Acquisition of 60% of Shenzhen Antaruixin Co. Ltd**

Following the termination of the joint venture agreement, in August 2023 AV (Shenzhen) International Trading Co., Ltd (“AV Shenzhen”), in turn 100% controlled by Antares Vision Asia Pacific, acquired 60% of Shenzhen Andaruixin Co. Ltd, previously held 40%.

#### **rfxcel Corp.: start of audit and appointment of new CEO**

On 13 December 2023, Antares Vision communicated that it had started an audit on the recoverability of its receivables relating to the supply of Government Hubs (“L5 Business”), used to support government authorities in ensuring the implementation of new regulations on drug traceability in the United States, Africa, Asia and the Middle East. The audit – initiated by the company as part of its internal control system – focused on rfxcel Corp., a 100% American subsidiary, and became necessary following the increasing delays in the collection of receivables from the L5 Business, with the aim of estimating their recoverability. On 18 December 2023, Jeremy Coote was appointed as the new Chief Executive Officer of rfxcel and Stephanie Seibel as Head of Administrative and Treasurer. Jeremy Coote took over from Glenn Abood, who at the time of his resignation, based on the information available to the Company, was the owner of 668,198 shares of Antares Vision.

To summarise very briefly, and as highlighted in the introduction, the results of these checks have mainly revealed that certain members of the previous American management of rfxcel had untruthfully represented to Antares Vision the status of the contracts relating to the L5 business. Invoices had been issued for services not carried out, creating documentation to certify the alleged execution of such services and recording revenue of more than Euro 50 million (in the period 2021-2023) which should not have been accounted for, based on the relevant accounting principles. This conduct misled the Parent Company regarding the actual amount of rfxcel's revenue and the stage of completion of the L5 Business, which was reflected in the consolidated financial statements. These irregularities are classified as errors pursuant to IAS 8. It was therefore necessary to correct certain figures in the financial statements: in accordance with the principle contained in IAS 8, the adjustments were made retroactively, recalculating the comparative figures, as explained in the notes to the financial statements.

### **Request for information pursuant to art. 115 of Legislative Decree no. 58/98**

On 18 December 2023, Consob (the National Commission for Companies and the Stock Exchange) sent the Company a request for information pursuant to art. 115 of Legislative Decree no. 58/98; the purpose was to request information about the audit carried out on the subsidiary rfxcel referred to in the previous point.

The Company's management provided what was requested by the deadline of 20 December 2023 (for certain information) and 15 January 2024 (for other information). The Company has also kept open a communication channel and is collaborating closely with the Authority, in order to support it in ascertaining the facts being verified and, in this context, continues to share information and documents that to help them in their supervisory activities.

## Information concerning the environment and personnel

Antares Vision Group is a natural enabler of a sustainable transition and a circular economy. In line with its mission, it contributes through technology to guaranteeing end-to-end transparency of information, promoting the safety of people and of every product consumed, the traceability and typicality of the supply chains, the reduction of environmental impact and the development of marginal areas.

As a further commitment to achieve, maintain and share concrete and transparent sustainability objectives, Antares Vision Group prepares a Consolidated Non-Financial Report on an annual basis, subject to review by an independent auditing firm, pursuant to Legislative Decree 254/2016.

### **Sustainability and actions aimed at mitigating climate changes**

The issues of climate change and its impacts are a priority in all economic, political and social areas, as well as a necessary driver in business and investment decisions.

Consequently, the market needs new metrics, new performance indicators and transparent information with respect to the economic-financial repercussions of the risks involved in climate change. In this sense, climatic impact becomes an integral element of annual reports oriented towards comprehensive corporate reporting, i.e. a convergence between financial and non-financial information.

The European Securities and Markets Authority (ESMA) has observed that it is essential that all issuers consider climate-related topics in their communications to the market, ensuring consistency of information disclosed in the directors' report, the non-financial report, financial statements and, where applicable, a prospectus. In particular, ESMA highlights that, if material, climate change risk must be considered when preparing financial statements and during the audit, assuming a longer time horizon than is usually considered for financial risk. ESMA also mentions that, in addition to the information required by the individual IFRS, according to paragraph 112 (c) of IAS 1, information on climate risk, if material, has to be provided in the notes to the financial statements.

In this context, Antares Vision Group is not particularly exposed to the risks associated with climate change, given the nature of its business, nor does it operate in sectors that are particularly vulnerable to climate and

environmental risks<sup>3</sup>. Antares Vision has not carried out any analysis to quantify its exposure to risks related to climate change and, in any case, in recent years it has not been subject to extreme events related to climate change.

In April 2021, the European Commission published a proposal for a Corporate Sustainability Reporting Directive (CSRD) which would amend existing reporting requirements, supplementing the recommendations of the Task Force on Climate-related Financial Disclosures (TCFD) of the Financial Stability Board and allowing greater disclosure and alignment of information at a European level.

The TCFD guidelines suggest the classification of climatic and environmental risks into two macro categories:

- physical risk indicates the financial impact of climate change, including more frequent extreme weather events and gradual climate changes, as well as environmental degradation, i.e. air, water and soil pollution, water stress, biodiversity loss and deforestation. Physical risk is therefore classified as "acute" if caused by extreme events such as droughts, floods and storms, and "chronic" if caused by progressive changes such as increased temperatures, rising sea levels, water stress, loss of biodiversity, change in land use, habitat destruction and scarcity of resources. For example, this kind of risk can lead directly to physical damage or a drop in productivity, or indirectly to subsequent events such as an interruption of production chains.
- transition risk relates to the process of transition towards a low-emission and more environmentally sustainable economy. This type of risk could translate into:
  - legal risks, i.e. risks deriving from legislative or policy impositions aimed at triggering the change (such as the so-called carbon tax and plastic tax);
  - technology risks, i.e. risks related to necessary technological innovations leading to technical obsolescence and a need for more capital to invest in R&D and in renovating and converting the structure into technologies that are compatible with the transition;
  - market risks, i.e. risks related to changes in the propensity for green consumption with a consequent decrease in demand for products that are not compatible with the transition;

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<sup>3</sup> Economic activities considered to be characterised by acute physical risks are those exposed to earthquake or flood zones because their production plants or strategic suppliers are located there. Economic activities exposed to transition risks are, for example, those operating in the single-use food plastic sector, companies operating in the energy sector with low investments in renewables or in support of the energy transition, automotive companies entirely focused on vehicles with internal combustion engines.



- reputation risks, i.e. risks involving the relationship of trust between consumer and business, which becomes an element of differentiation in the consumer's decision-making.

These risk factors inevitably have an impact on economic activities, potentially undermining their business model in the medium to long term.

Antares Vision Group's business involves production processes with a low impact on the territory in terms of consumption of natural resources, production of industrial waste and the emission of polluting substances. In certain cases of exceptional climatic events, or in the presence of serious breakdowns or malfunctioning in the plants, Antares Vision Group's industrial production could cause damage to third parties, accidents and/or environmental damage, in addition to a slowdown in activities, exposing the Group to obligations involving compensation and/or reclamation, as well as to liability, possibly even of a criminal nature. Antares Vision Group strives to prevent this type of risk by adopting measures deemed adequate by its management and in line with industry practices.

Antares Vision Group is actively engaged in pursuing a sustainable business model both as a technological enabler, in guaranteeing the quality and safety, efficiency and sustainability of products and supply chains, and in pursuing the objectives of the United Nations 2030 Agenda and of the Sustainable Development Goals (SDGs). When drafting its first Sustainability Report (Non-Financial Report), Antares Vision Group carried out a consistency analysis of its business model, strategic objectives and projects implemented and planned, which led to the identification of those SDGs that are considered priorities as a reflection of Antares Vision Group's contribution and commitment, together with the underlying targets and actions.

The strategic guidelines of Antares Vision Group are consistent with the objective of providing a contribution to sustainable development by making the production systems of essential goods such as those of the food chain and pharmaceuticals more efficient. This is also consistent with the macro-trends and scenarios of the sector, which are subject to regulatory changes aimed at improving people's lives and reducing the impact of consuming natural resources.

The positive environmental impacts of the business model and solutions developed by Antares Vision Group, in particular Digital Factory and Supply Chain Transparency, concern the efficient use of natural resources, the adoption of the principles of a circular economy in the use of materials and the monitoring of supply chains and the total life cycle of the products.

The same solutions offered in the food and pharmaceutical sectors are available and applicable to any consumer product in order to guarantee quality, safety, originality and hence sustainability, thanks to the indissoluble link between healthy people, healthy societies and a healthy planet.

Lastly, in the context of growth and reinforcement of its competitive positioning, investments in R&D are inherent to its business and the various acquisitions, already carried out or potential, at national and international level, allow Antares Vision Group not only to expand its portfolio of technologies and solutions, but also to access human resources and specific skills, so as to strengthen its profile, also with a view to mitigating technology risk.

## Commitment to the environment

Antares Vision Group periodically sets objectives for environmental improvement based on solid principles, such as:

- use in a responsible, efficient and effective way the raw materials and resources necessary for the functioning and implementation of production processes;
- optimize production processes for the progressive reduction of waste;
- conceive of and design the products and their packaging considering their entire life cycle;
- reduce energy consumption;
- reduce emissions of pollutants into the atmosphere, always paying attention to the organisation of transfers and shipments;
- reduce the use of hazardous chemicals in production cycles, or replace them with others that are safer and have a lower impact on the environment;
- where possible, replace materials that have a high environmental impact with other environmentally friendly materials;
- responsibly manage waste and apply the principles of the circular economy;
- guarantee the continuous control of direct and indirect environmental aspects through careful use of the facilities.

Each co-worker of Antares Vision Group, is involved in ensuring compliance with the requirements indicated and has to constantly improve their work and that of their colleagues, with a view to reducing the environmental impact. For this reason, in addition to what is required by current regulations, green campaigns have been launched since 2019 with the claim "Join the Green Side of Antares Vision Group", for which the Travagliato HQ is acting as the Group's driving force.



### Elimination of the sale of plastic bottles from all dispensers and installed drinking fountains.

In 2019 Antares Vision Group decided to join the world campaign #PlasticFree, the #I am Environment initiative promoted by the Ministry of Environment and to anticipate the European ban on all single-use plastic products such as cutlery, dishes, straws, stirring sticks and containers. The first steps were to replace bottle dispensers with water fountains, install new coffee machines that pour liquids into paper cups and allow reusable personal containers, and distribute Antares Vision Group flasks. Antares Vision Group has also encouraged local restaurants to serve take-away food in containers made of eco-sustainable materials rather than plastic.

#### Paperless campaign to include all machine user manuals to be designed for digital consultation

In terms of printed documents, the quality office has replaced the packaging of the documentation provided with the machines with an eco-sustainable version and the format of the new user manuals will be designed specifically for digital consultation in such a way as to discourage over time the demand for the paper version by customers.

#### Implementation of Separate Waste Collection

During the years of the pandemic, a new area for separate waste collection was prepared at HQ and a best recycling practice was established for the offices, due to be launched in January 2024. In general, we have identified margins for improvement that can be achieved by adopting suitable measures within the Group which should achieve a level of separate waste collection of 95% (according to the figures at 31 December 2022, the Group is currently at a level of 60%). Furthermore, in collaboration with affiliated restaurateurs, Antares Vision Group has promoted the replacement of containers for take-out food with containers of eco-sustainable materials.

#### Ecological printing

In 2021, new printers with an eco ink system were introduced at the Parent Company and FT System. These have been gradually implemented with a Follow Me device, which uses personal badges to control the number of documents that are being printed.

#### Energy from renewable sources and vehicles with low environmental impact

The Parent Company has completely abandoned the use of natural gas in favour of electricity and in 2023 signed a supply contract with a guarantee of origin for all of the Italian sites (Travagliato, Aprilia, Sorbolo and Vicenza). Furthermore, in 2023 the Group introduced a company car policy which envisages the distribution of low environmental impact vehicles to employees to reduce emissions from the use of fuels.

#### Alliance for Biodiversity

In the summer of 2023, the Parent Company launched the pioneer project "Alliance for Biodiversity", for which one of the grassy plots surrounding the Travagliato headquarters will be mowed less frequently, so as to allow the flowers to flourish and form a habitat suitable for pollinating insects.

Animal pollination is the fundamental basis for the ecology of species and the functioning of ecosystems, the conservation of habitat and the provision of a wide range of important and vital human services and benefits, including the production of food, fibre, timber and other tangible products. Over 75% of the main agricultural crops and about 90% of wild flowering plants use bees, wasps, butterflies, ladybirds, spiders, reptiles, birds and mammals and pollinators in general to transfer pollen from one flower to another, allowing them to reproduce. In summary, pollination, especially entomophilous pollination (i.e. carried out by insects), is the basis not only of biodiversity, but also of our existence and our economies.

## Personnel

At 31 December 2023, the Antares Vision Group had 1,401 employees, which compares with 1,186 at 31 December 2022 (+18.1%, +3.8% on a like-for-like basis). This trend can be seen in the following table which shows the number of employees per individual company, with a separate indication of the entities that joined the Group during the period in question and excluding entities without employees.

Company	Apprentices	Production workers	Office workers	Middle managers	Executives	Total at 31/12/2023	Total at 31/12/2022
Antares Vision SpA (*)	31	0	434	35	10	510	472
Imago Technologies GmbH			27			27	25
Antares Vision do Brasil Ltda			63			63	61
T2 SOFTWARE			7			7	10
Antares Vision North America			51			51	44
Antares Vision France			25			25	26
Antares Vision Ireland			2			2	2
Antares Vision Russia			62			62	55
FT System	5	26	105	5	3	144	144
FT Hexagone			7			7	7
FT System North America LLC			21			21	20
Antares Vision Asia Pacific Ltd			9			9	6
Antares Vision GmbH			7			7	8
Tradeticity			4			4	4
Tradeticity Services			23			23	28
Convel (*)			0			0	19
Applied Vision			67			67	72
rfoxcel Corporation			57			57	52
rfoxcel Ltd			4			4	5
rfoxcel LLC			5			5	5
Pen-Tec	0	5	4	1		10	11
AVElectronics (**)	1	5	6			12	5
Antares Vision India			45			45	33
Markirovska As a Service			9			9	11
Acsis			32			32	26
Inngg. Vescovini (**)			0			0	6
Packital srl			20			20	23
Wavision			1			1	1
Antares Vision (Thailand)			7			7	5
<b>TOTAL ON A LIKE-FOR-LIKE BASIS</b>	<b>37</b>	<b>36</b>	<b>1,104</b>	<b>41</b>	<b>13</b>	<b>1,231</b>	<b>1,186</b>
Antares Vision Korea Limited			3			3	

Smart Point Technologies Private Limited			154			154
Shezen Andaruixin Technologie			13			13
TOTAL	37	36	1,274	41	13	1,401

(\*) Convel was absorbed by Antares Vision S.p.A. with effect from 1 January 2023.

(\*\*) With effect from 1 January 2023, Ingg. Vescovini was absorbed by Tecnel, which at the same time changed its name to AV Electronics.

During the first half of 2024, the Parent Company launched a plan to reduce the workforce by 54 people. For further information, please refer to the chapter on Subsequent Events.

Being well aware that human capital increasingly represents a competitive advantage, the Shareholders' Meeting of the Parent Company has approved two stock option plans (the "**First Stock Option Plan**" and the "<sup>4</sup> **Second Stock Option Plan**", together the "**Plans**") to be implemented through the free assignment of a maximum number of options (the "**Options**") for the subscription and/or paid assignment of Ordinary Shares to executive directors, top management and key employees whose performances, given their roles and functions, are more likely to influence the company's results in accordance with the guidelines already approved by the Shareholders' Meeting of 20 May 2020.

The Plans aim to establish a level of remuneration that are in line with national and international best practices, increasing the already strong retention of resources considered key by Antares Vision, by programming medium-long term objectives aimed at improving performance with a view to a progressive and ever greater creation of value, which can translate into a direct benefit for the shareholders.

*With reference to the First Stock Option Plan:*

- during the 2020 financial year, the first tranche corresponding to 108,000 options was assigned to executive directors and 225,000 options to top management and key employees. Of the latter, a total of 79,078 options were cancelled due to the lack of some of the vesting conditions envisaged in the plan.
- during the first half of 2021, the second tranche was assigned in favour of top management and key employees, corresponding to 333,000 options, of which 55,303 were cancelled due to the lack of some of the vesting conditions envisaged in the plan. It should be remembered that at the time of assignment, the executive directors waived the options assigned to them as part of the second vesting cycle for a total of 108,000 options in favour of the employees of the Group.
- the third tranche was assigned during the second half of 2022 in favour of top management and key employees, corresponding to 369,000 options, of which 19,560 were cancelled due to the lack of some of the vesting conditions envisaged in the plan. It should be remembered that, at the time of the assignment,

<sup>4</sup> The First Stock Option Plan was approved by the Shareholders' Meeting of Antares Vision S.p.A. held on 20 May 2020. The Second Stock Option Plan was approved by the Shareholders' Meeting of Antares Vision S.p.A. held on 24 March 2021.

the executive directors waived the options assigned to them as part of the third vesting cycle.

- During 2023, 17,550 options have been cancelled due to the lack of some of the vesting conditions envisaged in the plan.

With reference to the Second Stock Option Plan:

- the first tranche was assigned during the first half of 2021 with 425,000 options going to employees and directors who have been delegated powers, consultants and similar persons of the Parent Company and the Group. Of these, 118,463 options have been cancelled due to the lack of some of the vesting conditions envisaged in the plan.
- the second tranche was assigned during the second half of 2022 with 466,000 options going to employees and directors who have been delegated powers, consultants and similar persons of the Parent Company and the Group. Of these, 46,000 options have been cancelled due to the lack of some of the vesting conditions envisaged in the plan.
- During 2023, 1,346,930 options were cancelled due to the lack of some of the vesting conditions envisaged in the plan.

During 2023, the Plans had an effect on the consolidated income statement of Euro 1,021 thousand.

Antares Vision Group also pays considerable attention to the observance of laws and regulations on the protection of safety in the workplace and advance assessment of all possible sources of risk for workers' health.

In order to ensure the greatest possible transparency and fairness in its actions, it has decided to summarise the lines of conduct and shared values in the Model 231, which is available for consultation by employees.

The Parent Company has ISO 45001:2018 Certification, which attests compliance with the requirements for safety and health at work management systems by all its divisions and production activities. Furthermore, following the entry into force of Legislative Decree 81/2008 that superseded Legislative Decree 626/94, external consultants have been hired to carry out the surveys required by law, also by carrying out periodic analyses of the workplaces and instrumental measurements, whose results confirm full compliance with the legal standards.

The Parent Company also entered into an agreement with its employees which provides for remote working for a maximum of 2 days per week (8 days per month) in accordance with art. 18 *et seq.* of Law 81/2017, putting the emphasis on organisational flexibility and helping employees to maintain a balance between life and work, while at the same time favouring an increase in productivity.

The corporate welfare project is continuing, with a dedicated platform, which includes initiatives to promote the well-being and quality of life of employees and their families.

## Research and development

During 2023, Antares Vision Group continued its research and development activity and the related costs incurred were mostly charged to the income statement. In addition to the investments of previous years, during 2023 development costs were capitalised for Euro 4,070,325, once the expected future economic benefits had been verified. to which have to be added amortisation for the period of Euro 6,028,959 and a negative exchange effect of Euro 426.136. During the year, development costs relating to the L5 Business and other discontinued development projects were written down for a total of Euro 905,324, net of accumulated amortisation.

Additional investments for a total of Euro 5,991,250 have been recorded under Fixed assets in course of formation and advances as they relate to projects not yet completed at the end of the year, so amortisation has not yet commenced, plus a negative exchange effect of Euro 17,395. Development costs relating to rfxcel were then written down for Euro 141,939 as they related to the L5 Business and advances for development costs relating to Applied Vision for Euro 330,111 as after careful analysis management decided that the projects were no longer in line with the Company's development plan.

Below there is a description of the most important projects, divided by company. Management believes that these projects will have a successful outcome in terms of turnover and cost savings that will have a positive impact on the results of Antares Vision Group.

### **Antares Vision S.p.A.**

The Parent Company concentrated on the following projects:

- Agritech Project with which Antares Vision Group intends to evolve and extend its Inspection, Track & Trace and Big Data Analytics technologies to create an ecosystem of products and services for the agro-food market and build a platform capable of guaranteeing traceability, quality and safety of the entire supply chain. The top quality segments of the food market are highly interested in being able to use such a platform to address growing consumer awareness of the issues of food quality and sustainability. The platform in the works is consistent with the circular economy models that are currently being debated, to maintain high standards of living while fully respecting the environment.
- Digital Factory, with which Antares Vision Group continues its effort to help companies improve production efficiency and quality, monitor planning and facilitate decision-making. Taking advantage of numerous features that make the software very effective in managing and extracting data, Digital Factory is a project which, also through the use of Artificial Intelligence, aims to make Antares Vision Group's Smart Data solutions able to be fully scaled up at various levels, from the single machine up to the entire company plant; it can also be integrated with other management software. Digital Factory will actively contribute to optimizing the business model through a continuous flow of data which makes communication within the organisation faster and more effective, guaranteeing savings in terms of time and costs and greater

efficiency in the allocation of resources, as well as an improvement in quality, speeding up the diagnosis of problems and suggesting solutions to resolve them.

DCP – Digital Care Platform, which aims to develop a model of connected healthcare, centred on the patient, through the creation of a single and integrated platform capable of collecting data not only on patient care, but also on their lifestyle, behaviour and therapeutic adherence. The platform will be configured as a Virtual Care Solution which, with the help of artificial intelligence, will allow health and welfare organizations to provide high-quality and cost-effective care services on a remote basis.

### **FT System (FOOD & BEVERAGE)**

The Parent Company has combined its projects with those of FT System, the most recent of which are the first results of the synergies created following FT System's inclusion in the Group. The following is a brief description of the most representative projects.

- RoboQCS (Quality Control System) aims to create a glass container quality verification system (weight-volume, measurement of the capping torque, concentration of gas in the headspace) placed on the inspection line, through a robot that picks up the containers and performs quality tests on them in a fully automated, non-destructive manner; the containers can then be placed back on the production line as they are intact and fit to be marketed. A RoboQCS application has also been developed on quality controls for PET lines on accumulation pallets rather than on single-row lines.
- LDS (Leak Detection System), which will be the subject of development and improvement during 2023 for systems that analyse food containers to solve the problem of micro-holes that can compromise the quality and safety of packaged foods. In this regard, the Company has explored new sensor solutions in parallel with the integration of vision systems with LDS and All in One. Resources have been invested in researching innovative solutions for the detection of micro-holes in line, overcoming current technological limits and guaranteeing a greater level of food safety.
- FOOD – Food container analysis systems: During 2023, R&D was carried out to improve food container analysis systems, with particular attention to the sealing of heat-sealed containers. These activities led to the filing of several patents and the completion of technologies for the non-destructive analysis of gas, improving food safety and production efficiency.
- Exploration of new sectors: Studies have been initiated to expand analysis systems to include the tea and coffee sectors. This has involved introducing innovative technologies and adapting existing infrastructure.



- IE 4000 and IE700, systems for checking labels and codes on bottles and packages which in 2023 saw further development, with a simultaneous simplification of use to encourage a quicker change of label format and self-learning of the labels' position;
- Laser spectroscopy, a technology that has seen further developments and implementations in 2023, in particular for the evaluation of leaks from containers and the measurement of the internal concentration of gases in the headspace of glass and plastic bottles. The main objective of the project is to perfect the pressure measurement system in CSD (Carbonated Soft Drinks).
- Tethered caps, a project which saw the optimisation and adaptation of the bottle cap inspection system for alignment with the new EU directive 2019/904 that will come into force on 3 July 2024, introducing tethered caps (which remain attached to the container after opening); in this regard, in 2023 the "Application Angle" project saw new developments aimed at increasing the performance of the solution designed by FT System for the management of tethered caps, improving the efficiency and effectiveness of production operations;
- Microwave technology (microwaves), a project aimed at introducing this innovation into the food and beverage inspection sector, also with the collaboration of AV Electronics and Wavision. Overall, the project aims to provide advanced solutions for identifying foreign bodies in food and beverages, ensuring greater safety and quality of packaged products through the use of microwave technology;
- AV GROUP T&T: this aims to set up inspection systems that they can manage and/or provide information relating to codes (barcode, datamatrix, QR Code) read on containers (bottles, cartons, cash registers, etc.) for product Track & Trace).
- Neural OCR: this project will make it possible to create a prototype of a Neural OCR system based on artificial intelligence with important steps forward in the field of verification of the codes required by law (expiry date, lot code, etc.)
- Empties, with the aim of creating an empty container inspection system based on artificial intelligence.
- HMI and Control System, with the aim of creating electronic control and user interface systems for container and closure inspection systems based on artificial vision.
- JUG Inspection with the aim of identifying and implementing a solution to verify the reusability of large containers of drinking water called jugs. The reusability of a jug depends on whether it is watertight and has no internal contamination.

### **Applied Vision (RIGID CONTAINERS)**

Applied Vision concentrated on the following projects:

- Volcano Check (Polaris), a new system used for the detection of small cracks (controls) in glass bottles and jars without rotation of the goods and minimal handling of the container. Rotating and/or handling of merchandise has many disadvantages to the overall throughput of the production line, causing high rates of container deterioration and slower speed of goods through the line. On the contrary, Volcano Check will be able to significantly reduce time and costs, ensuring greater efficiency on the production line.
- Pulsary: the Electronics and Firmware teams have updated the design with new technologies, eliminating expensive terminal blocks and connectors of this important component for solutions dedicated to glass containers, as well as having introduced equipment for 100% functionality testing before the product leaves the supplier. This also helped resolve quality issues that often caused recalls of finished products.
- DecoMatch Closed Loop Software: historically, controlling ink decoration has always been a manual process. Most customers now use the automatic ink control system, which has replaced manual adjustments. The development of DecoMatch has added functionality to perform standardised evaluations of individual ink colours on a can and provide precise colour feedback to the automatic ink system. In this way, the operator's subjectivity is eliminated and the time required to perform an evaluation-adjustment-reassessment cycle is drastically reduced.

### **rfxcel (SUPPLY CHAIN TRANSPARENCY)**

rfxcel's end-to-end traceability-focused development projects provide comprehensive visibility into every cornerstone of the supply chain, from the initial manufacturer, importers, wholesalers and distributors to pharmacies, clinics and hospitals, down to individual patients. These are:

- rTS - rfxcel Traceability System, a system initially developed for pharmaceutical applications, now being adapted for new sectors, such as food & beverage and the consumer goods market, which are very much interested in guaranteeing complete visibility of their products' supply chain. The advantages are innumerable: tracing the origin and authenticity of the products, guaranteeing their safety and allowing efficient management of stocks or recalls. The development activity saw the creation of new modules and functions aimed at increasing sales volume, ensuring the retention of existing customers and the acquisition of new ones, as well as a reduction in costs.
- Accurate Immunization Management System-Luprolink, an inventory management system intended for the Life Sciences sector for the automatic management of stocks and administration of Lupron (leuprolide acetate in the Abbvie formulation). The system includes several components that can be combined to activate the necessary functionality on a customised basis. The system manages the data acquisition and inventory

management phases (with the possibility of adding new supplies to the stock, transferring and removing any damaged kits); recording patient administration data (can be integrated with EHR); management and tracking of order history and automatic reordering; analytics with the history of all activities; inventory audits, reconciliation and cancellations. During 2023, the system was updated with new modules for all system components.

## REGULATIONS

Below are the most important updates regarding legislative regulations which will presumably favour the adoption and therefore the penetration of the solutions offered by the Antares Vision Group among existing and new customers.

### **Pharmaceutical**

#### **USA**

##### **DSCSA**

The Drug Supply Chain Security Act (DSCSA) will go into effect in November 2024. This is a 10-year plan to transform the pharmaceutical supply chain in the United States by building an interoperable electronic system to identify and track certain prescription drugs as they are distributed in the United States. This will improve the FDA's ability to protect consumers from drugs that may be counterfeit, stolen, contaminated, or otherwise harmful, and will enable the detection and removal of potentially dangerous drugs from the supply chain to protect U.S. consumers.

The legislation is aimed at manufacturers, wholesalers, distributors, repackagers and logistics workers.

##### **Beverage**

#### **UE**

With Directive 2019/904, from 3 July 2024 the production obligation of so-called tethered caps will come into force, i.e. caps that must remain attached to all beverage containers with a capacity of up to three litres.

##### **Packaging**

#### **UE**

EPR, Extended Producer Responsibility: by 31 December 2024 the European Commission will have to define the rules of extended producer responsibility systems for the textile industry. In general, extended producer responsibility applies to all levels of packaging to be recycled. The OECD defines extended producer responsibility (EPR) as an environmental policy approach in which a producer's responsibility is extended to the post-consumer

phase of a product's life cycle. EPR integrates signals relating to the environmental characteristics of products and production processes along the entire production chain.

### **Medical Devices – Identification System**

#### **UE**

The unique device identification system (UDI system) foreseen in Regulation (EU) 2017/745 on medical devices and by Regulation (EU) 2017/746 on *in vitro* diagnostic medical devices (IVD) allows identification and facilitates device traceability.

The system assigns a basic UDI-DI which identifies a group of devices and represents the main key information of the Eudamed database, as well as the relevant documentation such as certificates and the declaration of conformity; it produces a UDI (unique device identifier) consisting of a UDI device identifier (UDI-DI) and a production UDI identifier (UDI-PI); it affixes the UDI carrier on the device label and on all external levels of packaging; it records and maintains the UDI.

The UDI system applies to all devices other than custom-made devices and those under clinical investigation or a performance study.

#### **Food**

#### **UE**

In December 2023, the European Parliament adopted a proposal to update the rules on the composition, naming, labelling and presentation of certain "breakfast" products. In the text that has been adopted, EMPs are proposing that the country where the honey was harvested should be mentioned on the label. For fruit juices, jams, jellies, marmalades and sweetened chestnut purées, the country of origin of the fruit must also be indicated on the front label. If the honey or fruit used comes from multiple countries, all countries of origin must be indicated on the label in decreasing order based on the proportion they represent in the end-product.

To limit fraud, a traceability system will be established along the honey supply chain, which will allow the origin of the product to be traced.

The proposal also aims to introduce the 'contains only natural sugars' label for fruit juices, where those whose naturally occurring sugars have been removed can be labelled as 'reduced sugar fruit juice'.

### **Product Sustainability**

In 2015, the European Commission adopted its first action plan for the circular economy - one of the main building blocks of the European Green Deal, which over the years has been enriched with regulations for each production sector. The EU has recently added to these measures the Ecodesign for Sustainable Products Regulation (ESPR), which expands the range of goods included in the previous directive (Eco Design 2009/125). It will come into force in 2024. The objective is to establish new rules on the sustainable production of products on the European market (excluding food, medicines, feed) by increasing the characteristics of durability, reusability, repairability, recyclability and energy efficiency.

The ESPR approach involves an obligation to respect the eco-design requirements on all those who design consumer goods, to study products with characteristics that do not limit their lifespan, to make spare parts available for an adequate period and make available software updates for electronic products. Furthermore, each object must be designed so as to be easy to repair, also making repair guidelines available.

Lastly, to further encourage the circular economy, the Digital Product Passport (DPP) will officially come into force for consumer products, which will help guarantee easy access to the composition and disposal sheet of the object once it has reached the end of its useful life. The DPP will be mandatory from 2027 in certain key sectors.

## Own shares and shares in Parent Companies

On 28 April 2023, the Shareholders' Meeting of the Parent Company renewed the authorisation for the purchase and disposal of treasury shares for a period of 18 months from the date of the resolution, subject to revocation of the authorisation approved by the Shareholders' Meeting of 22 April 2022.

The purpose of the buyback plan is to use any treasury shares:

- as an efficient way to invest any excess liquidity generated by the core business;
- to implement incentive plans in whatever form they are structured, or to make bonus issues to shareholders or fulfil obligations deriving from warrants, convertible financial instruments that involve mandatory conversion or which are exchangeable for shares (based on existing transactions or transactions still to be resolved or implemented);
- in operations connected with the core business or of projects consistent with the strategic lines that the Antares Vision Group intends to pursue, which could be suitable for share exchanges in order to integrate operations with potential strategic partners;
- to intervene, in compliance with current regulations, also through intermediaries, to limit anomalous movements in prices and to regularise the trend in trading and prices at times of momentary distortions caused by excessive volatility or insufficient liquidity.

The main features of the plan are the following:

- purchases can be made on one or more occasions within 18 months from the date of the resolution, up to a maximum amount of treasury shares which, taking into account the shares held from time to time by the Parent Company and its subsidiaries, is not more than 2% of the Parent Company's share capital and, in any case, in compliance with the legal limits<sup>5</sup>, at a unit price not lower than a minimum of 10% and no

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<sup>5</sup> As well as being, in any case, in compliance with the conditions governed by the pro tempore regulations in force that lay down the conditions for trading in treasury shares, in terms of purchase prices and daily volumes, and in compliance with Regulation (EU) 596/2014, the related EU and national legislation for implementation and the market practices in force at the time as established by the competent Supervisory Authorities in compliance with art. 13 of Regulation (EU) 596/2014.

higher than a maximum of 10% with respect to the reference price that the security posted on the trading day prior to each individual transaction;

- purchases can be made on regulated markets according to operating methods established in the organisation and management regulations of the markets and agreed with Borsa Italiana S.p.A., which in any case allow respect for equal treatment of shareholders, as well as in compliance with any other applicable legislation, or in different ways, where permitted by art. 132, paragraph 3, of the aforementioned Legislative Decree 58 of 24 February 1998, or by other legal or regulatory provisions applicable from time to time at the time of the transaction, in any of the following ways: (i) public purchase or exchange offer, pursuant to art. 144-bis, paragraph 1a), of Consob Regulation 11971/1999 *ibidem*, following a resolution of the Board of Directors in compliance with current legislation; (ii) purchases carried out in ways that do not allow the direct matching of purchase proposals with certain sales proposals, in compliance with the provisions of Article 132 of the TUF and Article 144-bis, paragraph 1, letter b), of the Issuers' Regulation, or (iii) with any other method envisaged by the law, as assessed from time to time in relation to the best implementation of the shareholders' delegation in this sense;
- purchases, even in several tranches, must be made within the limits of the distributable profits and/or available reserves resulting from the latest financial statements approved by the Parent Company at the time of the transaction, establishing a reserve for treasury shares and, in any case, proceeding with the necessary accounting entries in the manner and within the limits of the law;
- only fully paid-up shares may be purchased;
- the administrative body, pursuant to art. 2357-ter of the Italian Civil Code, may dispose at any time, in whole or in part, on one or more occasions, even before having exhausted the purchases, of the treasury shares purchased on the basis of this resolution or in any case in the portfolio of the Parent Company, through their alienation on the market, in blocks or otherwise outside the market, accelerated book building, or the transfer of any real and/or personal rights relating to them (including, but not limited to, securities lending), with the power to establish, in compliance with the provisions of law and regulations<sup>6</sup> the terms, methods and conditions of the deed of disposal of treasury shares deemed most appropriate in the interest of Antares Vision Group. It is understood that such transactions may take place at the price or value or, in any case, according to criteria and conditions, which will result congruous and in line with the transaction, also taking into account the trend of the market and share prices and/or the development

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<sup>6</sup>In any case, according to the operating methods envisaged in Regulation (EU) no. 596/2014, of the related EU and national legislation for implementation and of the market practices in force at the time as established by the competent Supervisory Authorities in compliance with art. 13 of Regulation (EU) no. 596/2014.

prospects of the issuer or the economic convenience of completing the transaction in relation to the market scenario or the transaction (including integration) to be carried out having regard to the actual implementation methods used.

Lastly, the Shareholders' Meeting explicitly clarified that, in application of the so-called "whitewash" referred to in art. 44-bis, paragraph 2, Consob Regulation 11971/1999, the treasury shares purchased in execution of the authorisation resolution will not be excluded from the ordinary share capital (i.e. they will be included in it) if, as a result of the purchase of treasury shares, it is determined that a shareholder exceeds the thresholds for the purposes of art. 106 of the Consolidated Law on Finance.

It should be noted that at the date of preparation of this document, Antares Vision Group held 33,916 treasury shares equal to 0.05% of the share capital for a total of Euro 342 thousand.

## Information related to risks and uncertainties pursuant to art. 2428, para. 3, item 6-bis, of the Italian Civil Code

As regards a detailed description of the main risks and uncertainties to which the Group is exposed, please refer to the specific section of the notes.

## BUSINESS OUTLOOK

On 4 March 2024, the Board of Directors of Antares Vision Group approved the strategic guidelines and objectives of the 2024-2026 Business Plan.

Over the next three years, we will continue our commitment to the strategy of growth and reinforcement of Antares Vision Group, through the organic development of the Group's activities and the launch of important projects, also thanks to the new skills deriving from the acquisitions finalised in recent years. The aim will be to further consolidate the leadership of Antares Vision Group in strategic markets and in new adjacent sectors, which will lay the foundations for the development of recurring revenues and higher margins. Antares Vision Group will continue to make decisions with a view to sustainable growth, both by promoting integration, the search for synergies and efficiencies within the Group, and by enhancing human capital and their innovation skills.

The creation of an integrated and scalable ecosystem of solutions offers the Group a unique competitive advantage; together with the new organisational model and the cost and structure efficiency, it will allow for new synergies, additional cross-selling opportunities and penetration into new markets. Antares Vision Group will therefore continue to invest in technological innovation and Research & Development, trusting in the future evolution of the sectors in which it operates.

Over the next three years, the Group will continue to pursue its growth strategy, aimed at consolidating its leadership in the markets of reference. The guidelines can be summarised in three strategic pillars.

**Growth drivers:**

- Consolidation of the market position, exploiting the growth trends of reference markets;
- Accelerating growth in services, increasing penetration of existing customers with an improved offer;
- Refocusing the inspection machine business, through greater expansion into the North American market;
- Acceleration of delivery times for T&T products, through the standardisation of products and simplification and acceleration of internal processes;
- New growth initiatives, continuing to invest in SW development and technological innovation and exploring new "use cases".

**Cost discipline and improving profit margins:**

- Optimisation of pricing strategies to protect the value of products;
- Cost reduction, through centralisation of purchasing, the reduction of expenses for external services and greater efficiency in the organisational structure;
- Greater saturation of internal staff, concentrating the activity on remunerated and profitable orders;
- Containment of the growth in fixed costs, through a new operational performance control model and a new organisational model, in order to promote cost control.

**Improve cash flow:**

- Optimisation of working capital, acting on all of its elements;
- Organisational focus on cash generation, through the implementation of adequate incentive schemes;
- More balanced distribution of sales over the year, improving and accelerating planning and production.

Note that in formulating its expectations, management carried out assessments based on the general principle of prudence.



Travagliato, 27 May 2024

The Board of Directors

Gianluca Mazzantini

Emidio Zorzella

Alberto Grignolo

Cristina Spagna

Massimo Bonardi

Martina Monico

Fiammetta Roccia

Alioscia Berto

Fabio Forestelli

Fabiola Mascardi

*The signed document has been filed at the registered office of the Parent Company*

## Declaration pursuant to art. 81-ter of Consob regulation no. 11971 of 14 May 1999 and subsequent amendments and additions.

The undersigned Emidio Zorzella, as Chairman of the Board of Directors and Chief Executive Officer and Alioscia Berto, as the Manager responsible for preparing the accounting and corporate documents of Antares Vision S.p.A., taking into account the provisions of art. 154-bis, paragraphs 3 and 4, of Legislative Decree no. 58, confirm:

- the adequacy in relation to the characteristics of the company and
- effective application of the administrative and accounting procedures for the preparation of Consolidated and Separate Financial Statements during 2023

No significant aspects emerged in this regard.

They also confirm that:

- The financial statements:
  - a) have been prepared in compliance with the applicable international accounting standards recognised in the European Community pursuant Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
  - b) agree with the balances shown in the books of account and accounting entries;
  - c) provide a true and fair view of the assets and liabilities, results and financial position of the issuer.
- the report on operations includes a reliable analysis of the management trend and result, as well as of the situation of the issuer and of the group of companies included in the consolidation, together with a description of the main risks and uncertainties to which they are exposed.
- the consolidated financial statements:
  - d) have been prepared in compliance with the applicable international accounting standards recognised in the European Community pursuant to Regulation (EC) no. 1606/2002 of the European Parliament and of the Council of 19 July 2002;
  - e) agree with the balances shown in the books of account and accounting entries;
  - f) provide a true and fair view of the assets and liabilities, results and financial position of the issuer and of the group of companies included in the consolidation.

Travagliato (BS), 27 May 2024

Chairman

Manager in charge of preparing the accounting and corporate documents

Emidio Zorzella

Alioscia Berto

*The signed document has been filed at the registered office of the Parent Company*



# ANTARES VISION GROUP

## CONSOLIDATED FINANCIAL STATEMENTS AT 31 DECEMBER 2023

**Antares Vision S.p.A.**

Registered office: Via del Ferro 16, Travagliato (BS), Italy

Authorised share capital Euro 172.788,42 subscribed and paid up for Euro 172.788,42

Brescia Companies Register, Tax Code and VAT no. 02890871201

Chamber of Commerce REA no. 000000523277

# CONSOLIDATED FINANCIAL SCHEDULES

Statement of financial position	Notes	31/12/2023	31/12/2022 Restated (*)	01/01/2022 Restated (*)
<b>Assets</b>				
<b>Non-current assets</b>				
Property, plant and equipment and right-of-use assets	1	36,406,117	34,752,661	26,538,179
Goodwill	2	96,821,373	160,198,596	145,859,266
Other intangible assets	3	86,682,771	93,972,268	83,489,469
Investments in associates, joint ventures and other companies	4	8,553,256	9,707,358	7,341,702
Non-current financial assets	5	5,083,990	7,398,767	235,277
Deferred tax assets	6	9,985,714	12,554,038	9,891,110
Other non-current assets	7	6,261,896	6,261,896	1,491,893
<b>Total non-current assets</b>		<b>249,795,117</b>	<b>324,845,584</b>	<b>274,846,896</b>
<b>Current assets</b>				
Inventories	8	48,564,717	49,959,689	38,182,503
Trade receivables	9	73,537,997	73,078,440	47,449,416
<i>of which with related parties</i>		2,098,132	4,252,745	1,384,823
Other receivables	10	7,936,237	10,821,837	10,730,527
Other current financial assets	11	13,241,708	26,826,890	40,145,623
Cash and banks	12	43,364,784	61,096,981	78,332,432
<b>Total current assets</b>		<b>186,645,443</b>	<b>221,783,837</b>	<b>214,840,501</b>
<b>Total assets</b>		<b>436,440,560</b>	<b>546,629,421</b>	<b>489,687,397</b>
<b>Shareholders' equity and liabilities</b>				
<b>Shareholders' equity</b>				
Share capital	13	169,457	169,457	169,451
Other reserves	13	267,117,244	276,845,738	259,781,187
FTA reserve	13	-15,250,613	-15,250,613	-15,250,613
Retained earnings	13	15,420,937	9,991,021	14,479,590
Profit/(loss) for the period	13	-99,647,074	1,634,183	-4,768,996
<b>Total shareholders' equity</b>	<b>13</b>	<b>167,809,951</b>	<b>273,389,786</b>	<b>254,410,619</b>
Capital and reserves attributable to minority interests	13	143,580	170,691	119,960
Profit/(loss) attributable to minority interests	13	-236,844	-71,698	-48,730
<b>Totale Patrimonio netto di Terzi</b>	<b>13</b>	<b>-93,264</b>	<b>98,993</b>	<b>71,230</b>
<b>Total shareholders' equity</b>	<b>13</b>	<b>167,716,687</b>	<b>273,488,779</b>	<b>254,481,849</b>
<b>Total shareholders' equity</b>				
Non-current loans and borrowings	14	58,219	1,774,233	128,150,520
Non-current lease liabilities	15	12,884,193	13,175,064	9,376,093
Other non-current financial liabilities	16	880,757	162,383	566,764
Retirement benefit obligations	17	9,515,619	7,799,034	8,633,983
Deferred tax liabilities	18	16,488,270	21,142,434	17,583,213
Other non-current liabilities	19	216,939	82,382	329,207
<b>Total non-current liabilities</b>		<b>40,043,997</b>	<b>44,135,530</b>	<b>164,639,780</b>
<b>Current liabilities</b>				
Current loans and borrowings	20	147,396,779	132,844,952	5,989,815
Current lease liabilities	21	3,650,046	3,508,203	1,683,212
Other current financial liabilities	22	872,202	11,086,926	459,780
Current provisions for risks and charges	23	1,689,970	1,230,814	964,618
Trade payables	24	25,339,586	23,140,137	18,674,613
<i>of which with related parties</i>		2,670,491	1,914,938	669,420
Advance payments	25	26,043,101	30,341,422	20,244,520
Other payables	26	23,688,192	26,852,657	22,549,210
<b>Total current liabilities</b>		<b>228,679,876</b>	<b>229,005,112</b>	<b>70,565,768</b>
<b>Total shareholders' equity and liabilities</b>		<b>436,440,560</b>	<b>546,629,421</b>	<b>489,687,397</b>

(\*)Please refer to the chapter "Restatement for errors and changes in accounting standards (IAS 8)" for further information regarding the adjustments made ex.IAS 8

Income statement	Notes	2023	2022 Restated (*)
Revenue	27	210.019.144	201.314.234
of which with related parties		559.561	2.058.827
Other income	28	7.277.409	1.204.556
Changes in finished and semi-finished	29	3.825.023	1.137.390
Raw materials and consumables	30	-66.927.141	-55.975.586
of which with related parties		-6.462.925	-2.273.455
Personnel costs	31	-98.070.561	-84.178.097
Amortisation and depreciation	32	-25.592.175	-19.969.977
Impairment of non-current assets	33	-67.093.434	
Capitalised development costs	34	9.547.102	8.600.421
Sales and marketing costs	35	-8.641.149	-8.408.451
of which with related parties			0
Service costs	36	-50.477.364	-46.485.167
of which with related parties		-1.344.446	-536.402
Other operating expenses	37	-5.223.036	-2.978.906
<b>Operating profit/(loss)</b>		<b>-91.356.182</b>	<b>-5.739.583</b>
Financial charges	38	-7.401.285	-4.317.323
Financial income	39	3.675.131	7.121.315
Foreign exchange gains and losses	40	-1.376.570	822.857
Income (charges) on investments	41	-3.347.695	-101.747
<b>Profit from continuing operations before tax</b>		<b>-99.806.601</b>	<b>-2.214.481</b>
<b>Income taxes</b>	<b>42</b>	<b>-77.317</b>	<b>3.776.966</b>
<b>Net profit/(loss) from continuing</b>		<b>-99.883.918</b>	<b>1.562.485</b>
Profit/(loss) attributable to minority interests		-236.844	-71.698
<b>Total comprehensive profit/(loss) after tax</b>		<b>-99.647.074</b>	<b>1.634.183</b>
<b>Earnings per share</b>			
- Basic, profit attributable to the ordinary shareholders of the Parent Company	43	-1,44	0,02
- Diluted, profit attributable to the ordinary shareholders of the Parent Company	43	-1,47	-0,06
<b>Statement of other comprehensive income</b>			
<b>Profit/(loss)</b>		<b>-99.883.918</b>	<b>1.562.485</b>
<i>Other components of comprehensive income that will subsequently be reclassified to profit/(loss):</i>			
Differences on translation of foreign financial statements		-5.690.629	9.282.991
Loss/profit from cash flow edging		-1.164.350	6.881.449
Tax Effect		279.444	-1.651.548
<b>Total other components of comprehensive income that will subsequently be reclassified to profit/(loss) after tax</b>		<b>-6.575.535</b>	<b>14.512.892</b>
<i>Other components of comprehensive income that will not subsequently be reclassified to profit/(loss) after tax</i>			
Revaluation of defined-benefit plans		-497.272	2.685.613
Tax effect		119.345	-644.547
<b>Total other components of comprehensive income that will not subsequently be reclassified to profit/(loss) after tax</b>		<b>-377.927</b>	<b>2.041.066</b>
<b>Total other comprehensive income after tax</b>		<b>-6.953.463</b>	<b>16.553.958</b>
<b>Total other comprehensive income after tax</b>		<b>-106.837.381</b>	<b>18.116.443</b>
<b>Attributable to:</b>			
Shareholders of the Parent Company		-106.774.594	17.998.675
Minority shareholders		-62.787	117.769

(\*)Please refer to the chapter "Restatement for errors and changes in accounting standards (IAS 8)" for further information regarding the adjustments made ex.IAS 8.

Cash flow statement (indirect method)	2023	2022 Restated (*)
<b>Profit/(loss for the period)</b>	<b>-99,883,918</b>	<b>1,562,485</b>
Income tax	77,317	-3,776,966
Financial income	-3,675,131	-7,121,315
Financial charges	7,401,285	4,316,937
Depreciation and impairment loss on property, plant and equipment	4,334,546	3,935,767
Amortisation and impairment loss on intangible assets	16,852,621	19,578,058
Equity investment write-down	3,521,254	0
Goodwill write-down	66,300,000	0
TFR payments and transfer	-225,166	-401,788
Other non-monetary movements	7,823,063	-5,928,261
Income tax paid	-5,257,845	-3,159,816
(Increase)/decrease in inventories	-3,348,062	-10,838,842
(Increase)/decrease in trade receivables	-4,649,884	-24,677,721
(Increase)/decrease in other non-financial assets	2,956,299	429,522
(Increase)/decrease in trade payables	3,106,405	2,495,823
Increase/(decrease) in other non-financial liabilities	-2,121,742	13,115,391
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>-6,788,958</b>	<b>-10,470,726</b>
<b>Investing activities:</b>		
Purchases of property, plant and equipment, net of disposals	-6,776,440	-3,555,359
Purchases of intangible assets, net of disposals	-10,425,955	-14,045,121
Purchases of investments in associates, joint ventures and other companies	-2,367,151	-2,750,000
Purchases of current financial assets	14,929,236	13,102,667
Business combinations, net of cash and banks acquired	-5,346,509	-14,891,095
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>-9,986,819</b>	<b>-22,138,908</b>
<b>Financing activities:</b>		
New loans and borrowings	21,248,102	13,318,350
Repayments of loans and borrowings and interest paid	-13,069,078	-7,351,769
Increase/(decrease) in other non-financial liabilities	-11,245,163	8,419,896
Other increases in capital (including share premium)	0	257
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>-3,066,139</b>	<b>14,386,734</b>
<b>VARIAZIONE NETTA DELLE DISPONIBILITA' LIQUIDE (*)</b>	<b>-19,841,916</b>	<b>-18,222,900</b>
<b>EXCHANGE DIFFERENCE ON CASH AND BANKS</b>	<b>2,109,719</b>	<b>987,449</b>
Cash and banks at beginning of period	61,096,981	78,332,432
Cash and banks at end of period	43,364,784	61,096,981

*\*Restatement for errors and changes in accounting standards (IAS 8)\* for further information regarding the adjustments made ex.IAS 8.*



**Statement of changes in consolidated equity**

Shareholders' equity	31/12/2022 Restated *	Allocation of prior year's profit/(loss)	Issue and exercise of warrants	Stock Options	Other comprehensive Income	Other changes	Profit/(loss)	31/12/2023
Share capital	169.457							169.457
Other Reserves	276.845.738	-3.795.733		1.020.701	-6.953.462			267.117.244
Share premium reserve	209.467.141							209.467.141
Legal reserve	98.798							98.798
Extraordinary reserve	49.681.559	-3.795.733						45.885.826
Reserve for transaction of current year's equity	14.959.149				-5.690.629			9.268.520
OCI reserve	6.113.685				-1.262.833			4.850.852
Stock option plan reserve	1.396.537			1.020.701				2.417.238
Other reserves	-4.871.131							-4.871.131
FTA reserve	-15.250.613							-15.250.613
Retained earnings	9.991.021	5.429.916						15.420.937
Profit/(loss) attributable to minority interests	1.634.183	-1.634.183					-99.647.074	-99.647.074
<b>Total shareholders' equity</b>	<b>273.389.786</b>	<b>0</b>	<b>0</b>	<b>1.020.701</b>	<b>-6.953.462</b>	<b>0</b>	<b>-99.647.074</b>	<b>167.809.951</b>
Capital and reserves attributable to minority interests	170.691	-71.698				44.587		143.580
Profit/(loss) attributable to minority interests	-71.698	71.698					-236.844	-236.844
<b>Total minority interests</b>	<b>98.993</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>44.587</b>	<b>-236.844</b>	<b>-93.264</b>
<b>Total shareholders' equity</b>	<b>273.488.779</b>	<b>0</b>	<b>0</b>	<b>1.020.701</b>	<b>-6.953.462</b>	<b>44.587</b>	<b>-99.883.918</b>	<b>167.716.687</b>

Shareholders' equity	31/12/2021 Restated *	Allocation of prior year's profit/(loss)	Issue and exercise of warrants	Stock Options	Other comprehensive Income	Other changes	Profit/(loss)	31/12/2022 Restated (*)
Share capital	169.451		6					169.457
Other Reserves	259.781.187	-280.427	251	790.770	16.553.957			276.845.738
Share premium reserve	209.466.890		251					209.467.141
Legal reserve	98.798							98.798
Extraordinary reserve	49.961.986	-280.427						49.681.559
Reserve for transaction of current year's equity	5.676.158				9.282.991			14.959.149
OCI reserve	-1.157.281				7.270.966			6.113.685
Stock option plan reserve	605.767			790.770				1.396.537
Other reserves	-4.871.131							-4.871.131
FTA reserve	-15.250.613							-15.250.613
Retained earnings	14.479.590	-4.488.569						9.991.021
Profit/(loss) attributable to minority interests	-4.768.996	4.768.996					1.634.183	1.634.183
<b>Total shareholders' equity</b>	<b>254.410.619</b>	<b>0</b>	<b>257</b>	<b>790.770</b>	<b>16.553.957</b>	<b>0</b>	<b>1.634.183</b>	<b>273.389.786</b>
Capital and reserves attributable to minority interests	119.960	-48.730				99.461		170.691
Profit/(loss) attributable to minority interests	-48.730	48.730					-71.698	-71.698
<b>Total minority interests</b>	<b>71.230</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>0</b>	<b>99.461</b>	<b>-71.698</b>	<b>98.993</b>
<b>Total shareholders' equity</b>	<b>254.481.849</b>	<b>0</b>	<b>257</b>	<b>790.770</b>	<b>16.553.957</b>	<b>99.461</b>	<b>1.562.485</b>	<b>273.488.779</b>

(\*) Please refer to the chapter "Restatement for errors and changes in accounting standards (IAS 8)" for further information regarding the adjustments made ex IAS 8.

# EXPLANATORY NOTES TO THE CONSOLIDATED FINANCIAL STATEMENTS

## CORPORATE INFORMATION

The core business of Antares Vision and its subsidiaries (referred to jointly as “**Antares Vision Group**” or the “**Group**”) is the production, installation and maintenance of inspection systems for quality control (“**Inspection**”), tracking solutions to fight counterfeiting and control of the supply chain (“**Track & Trace**”) and Smart Data Management in all the most demanding industrial sectors, from pharmaceuticals to biomedical devices, from food & beverage to cosmetics and luxury goods.

The Parent Company, Antares Vision S.p.A. (also referred to as the “**Parent Company**”) is incorporated and based in Italy, with registered office in Via del Ferro 16, Travagliato, Province of Brescia (BS).

On 14 May 2021, trading in the Parent Company's ordinary shares and warrants began on the STAR segment of the Euronext Milan (called Mercato Telematico Azionario or MTA when the Company was admitted to trading), organised and managed by Borsa Italiana S.p.A., by translisting from the Euronext Growth (previously known as the Alternative Investment Market or AIM) where it had been listed since 18 April 2019.

Lastly, it should be noted that the Shareholders' Meeting of Antares Vision S.p.A. on 22 February 2021 (with effect from the start date of trading on the Mercato Telematico Azionario, now called Euronext Milan) appointed EY S.p.A., with registered office in Via Meravigli 12, Milan, registered in the Ordinary Section of the Companies Register at the Milan Monza Brianza Lodi Chamber of Commerce, tax code and registration number 00434000584, VAT number 00891231003 and at no. 70945 of the Register of Legal Auditors at the Ministry of Economy and Finance pursuant to art. 6 et seq. of Legislative Decree no. 39/2010, as amended by Legislative Decree no. 135/2016, as the company appointed to audit the accounts for the financial years from 2021 to 2029.

## Significant events

### Legal and accounting audits in the American subsidiary rfxcel

As communicated to the market on 13 December 2023, starting from the second half of 2023, the management team has started an audit of the Government Software Hub business (“**Business L5**”), dedicated to supporting government authorities in implementing new drug traceability regulations in the United States, Africa, Asia and the Middle East.

This audit, which focused on the American branch rfxcel Corp., became necessary following the increasing delays in the collection of receivables of the L5 Business and was started with the aim of estimating the recoverability of such receivables, also in relation to the collection forecasts made by rfxcel's previous management.

The results of this audit, carried out with the assistance of law firm Goodwin Procter LLP and the accounting firm Charles River Associates, confirmed that part of rfxcel's revenues in 2021, 2022 and 2023, which appeared in the consolidated financial statements of Antares Vision, were accounted for in a manner that does not comply with the accounting principles, and are therefore considered errors to be corrected in accordance with IAS 8.

To summarise very briefly, the results of these checks have mainly revealed that certain members of the previous American management of rfxcel had untruthfully represented to Antares Vision the status of the contracts relating to the L5 Business. In particular, the internal investigation launched by the company revealed that rfxcel had issued invoices for services not actually carried out. Certain previous members of the subsidiary's American management had created documentation to certify the alleged execution of these services, with the consequent recording of approximately 50 million of revenue (in the period 2021-2023) which, based on the relevant accounting principles, should not have been accounted for. This conduct misled the parent company regarding the actual amount of rfxcel's revenue and the real stage of completion of the L5 Business.

Following an in-depth analysis of the internal accounting checks, again relating to the US rfxcel branch, the need emerged also to rectify certain revenues from customers who had nothing to do with the L5 Business. The figures subject to correction largely date back to the period prior to the acquisition of rfxcel by the Antares Vision Group. As a result of this audit, errors were found which fall into the definition of IAS 8 and which, for the purposes of adequate disclosure, required the preparation of restated consolidated financial statements for 2022 (also indicating the effects on the accounting balances relating to the 2021) as part of these 2023 consolidated financial statements. The effects of this restatement are represented in detail in the appropriate sections of this document. As a result of the above, with a view to discontinuity with the previous management of the American subsidiary, the parent company Antares Vision implemented a decisive reaction strategy which involved all of the Group's control bodies, each in their own area of competence, and which has so far entailed, inter alia:

- i. The immediate dismissal from the Group of the persons identified as responsible for such conduct,
- ii. The reorganisation of rfxcel's management,
- iii. Timely information to the market on the probable impact of the irregularities on the Group's economic and financial situation.
- iv. The negotiation of certain amending agreements with the relevant banks which provide, among other things, a waiver for non-compliance with the covenants in 2022 and 2023 and their remodulation starting from 2024. These agreements were signed on 27 May 2024

#### **Medium/long term loans and borrowings: remodulation of financial covenants**

On 15 January 2024 Antares Vision announced that work was underway for the preparation of the consolidated budget for 2024, for which top management had decided to adopt (in light of the legal and accounting checks referred to above) a prudential approach regarding rfxcel's L5 Business revenue. This revenue was not considered

in the budget, except where there was a high probability of collection (estimated on the basis of available information and careful checks with customers).

Regardless of the results of the audit, the Company's Board of Directors also estimated that by adopting for the second half of 2023 the same prudent approach used in the 2024 budget when accounting of rfxcel's L5 revenue, an impact would be generated on Group EBITDA that would not make it possible to achieve - for all medium-long term loans and bonds - the minimum threshold of approximately Euro 29 million of EBITDA necessary to guarantee compliance with the covenants, calibrated on the NFP/EBITDA ratio at 31 December 2023. Consequently, after approval of the consolidated financial statements at 31 December 2023, based on the contractual terms, the banks could have requested early repayment of the loans for failure to comply with the covenants.

For this reason, in order to support the Company in the renegotiation of the bond and financial debt, Antares Vision appointed Mediobanca S.p.A. as Financial Advisor to carry out an analysis of the financial situation of the Antares Vision Group and provide the necessary support in identifying a strategy for its reorganisation and optimisation. The failure to comply with the covenants was confirmed on 23 April 2024 with the communication of the unaudited preliminary figures for 2023 which attested consolidated revenue of between Euro 215-220 million, Adjusted EBITDA<sup>7</sup> of between Euro 13 and 15 million and a Net Financial Position at 31 December 2023 of approximately Euro 103 million. On 30 April 2024 Antares Vision communicated that a general agreement had been reached with the banks regarding certain amending agreements which provide inter alia for a waiver for failure to comply with the 2022 and 2023 covenants and their remodulation from 2024; the agreement was signed on 27 May 2024.

#### **Strengthening of management and Stock Grants**

During the first few months of 2024, Antares Vision strengthened its management team by appointing new senior managers.

Gianluca Mazzantini assumed the position of General Manager from 23 January 2024 and was subsequently appointed CEO of the Company, after being co-opted onto the Board of Directors by resolution of the Shareholders' Meeting held on 28 February 2024.

On the same date, the Shareholders' Meeting resolved to adopt a share incentive plan ("**Plan**") in favour of Gianluca Mazzantini, through an increase in capital excluding option rights pursuant to art. 2442 paragraph 8 of the Italian Civil Code, for a maximum nominal amount of Euro 3,331.64, through the issue of up to 1,382,422 ordinary shares of the Company, reserved for subscription (which took place on 8 March 2024) to Gianluca Mazzantini as beneficiary of the Plan.

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<sup>7</sup> Adjusted EBITDA calculated, as per Company practice, excluding non-recurring costs.

Also on 28 February 2024, Antares Vision announced the hiring of Carlo Corollo as the new Chief HR Officer and the signing of binding agreements with Stefano De Rosa as Group Chief Financial Officer and Head of Finance, Controlling, Administration and Investor Relations and with Alessandro Cazzaniga as Group Head of Controlling.

**Inspection pursuant to article 115, paragraph 1, letter c) - Legislative Decree no. 58 of 24 February 1998**

On 5 March 2024, Consob, the National Commission for Companies and the Stock Exchange, began an inspection under article 115, paragraph 1, letter c) of Legislative Decree 24 February 1998, no. 58, regarding:

- The financial situation of Antares Vision Group,
- The items "goodwill", "other intangible assets", "trade receivables" and "revenue" recorded in the consolidated financial statements at 31 December 2022 and 30 June 2023,
- The state of implementation of the measures to adapt the organisational structure, the internal control system and the administrative-accounting system, with reference to the improvements recommended in the report of the Board of Statutory Auditors on the 2022 financial statements,
- The stage of completion of the review of the budgeting process, with particular reference to what is stated in the 2022 Sustainability Report regarding the integration of this process with ESG issues.

The inspection is still underway at the date of preparation of these consolidated financial statements. The Company's management is strongly committed to collaborating with the Supervisory Authority and is providing full support to facilitate the verification process and ensure an accurate assessment of the facts subject to the inspection.

**Scaling down of activities at Antares Vision Rus O.O.O and rfxcel LLC**

On 11 September 2023, Antares Vision announced that the growing complications on the Russian market had convinced the management team and the Board of Directors to start negotiations for the sale of the business in Russia to local management. The non-binding term sheet signed at the time provided for the sale of Antares Vision Rus OOO and, at the same time, (i) the signing of a distribution agreement and (ii) the signing of an option for the repurchase of the company in the event that the Russian crisis was resolved positively some time in the future. The term sheet also provided that all financial and commercial receivables due to Antares Vision Group would be paid before the sale.

However, on 14 May 2024, Antares Vision announced to the market that the proposed management buy-out no longer represented a viable option, mainly because of the further tightening of sanctions against Russia. The management team therefore decided to pursue a gradual downsizing of the operations of the subsidiaries Antares Vision Rus and Markirovka as a Service until their final liquidation. They therefore gave instructions to local managing director to proceed with the gradual cessation of activities, the payment of liabilities and the dismissal

of personnel, using the assets and cash held by the subsidiaries.

The same decision was made for rfxcel LLC, a Russian company controlled by rfxcel Corp., entrusting this task to a local lawyer.

This decision resulted in the complete write-down in the separate financial statements of Antares Vision S.p.A. and rfccl Corp. of the trade and financial receivables due to them by their subsidiaries, as well as, at a consolidated level, the write-down of the assets towards third parties up to the extent of the liabilities towards third parties as shown in the balance sheet of Antares Vision Rus. The write-downs carried out amount to 2.0 million euro.

[Antares Vision will continue to operate in Russia through direct exports of products intended only for the pharmaceutical market, for which it is possible to obtain specific exemptions and authorizations granted by the National Authority - UAMA.

## Going-concern assumption

The year ended 31 December 2023 shows a loss of 99,884 thousand euro, essentially generated by the impact of financial costs (3,726 thousand euro), the write-downs carried out during the year as a result of the as emerged from the impairment process (67,093 thousand euros, including the exchange rate effect), from the write-downs of inventories and receivables (7,398 thousand euros), as well as from the dynamics of operating costs (mainly personnel costs) which increased excessively compared to business growth, and, finally, from significant costs for non-recurring services related to the reorganization process (3,251 thousand euros).

impairment testing on investee companies (67,093 thousand euro), the write-downs of inventories and receivables (7,398 thousand euro), as well as the dynamics of operating costs (mainly personnel costs) which increased excessively compared with the growth of the business and, lastly, significant costs for non-recurring services linked to the reorganization (3,251 thousand euro).

Furthermore, due to the failure to comply with the covenants at 31 December 2023, bank borrowings have all been reclassified to current liabilities, both for the current year and for 2022, as, following the restatement, the covenants are not complied with in 2022 either. This resulted in the short-term reclassification of 130,803,559 euro for 2023 and 124,142,830 euro for 2022.

Given this situation, the Directors considered the following elements when preparing these consolidated financial statements:

- On 27 May 2024, Antares Vision Group completed the negotiation of certain amending agreements with the relevant banks which provide, *inter alia*, for a waiver for failure to comply with the 2022 and 2023 covenants and their remodulation starting in 2024.
- During the first few months of 2024, Antares Vision strengthened its management team by appointing new senior managers. Gianluca Mazzantini assumed the position of General Manager and was

subsequently appointed CEO of the Company, after being co-opted onto the Board of Directors by resolution of the Shareholders' Meeting held on 28 February 2024. Furthermore, Carlo Corollo has been hired as the new Chief HR Officer, Stefano De Rosa as Group Chief Financial Officer and Head of Finance, Controlling, Administration and Investor Relations and Alessandro Cazzaniga as Group Head of Controlling.

- On 4 March 2024, the Board of Directors of Antares Vision Group approved the strategic guidelines and objectives of the 2024-2026 Business Plan, designed to: i) ensure sustainable growth over time, ii) guarantee rigorous cost control (including personnel costs, see paragraph "Social Plan"), aimed at improving the Company's profit margins, iii) improve cash flow. For further details on the guidelines of the Strategic Plan, please refer to the section of these financial statements entitled Business Outlook
- The prospects in terms of cash flow for the next 12 months are positive and consistent with the evolution of the Business Plan, which envisages the generation of positive and progressively rising operating cash flow from 2024 and free cash flow from 2025 (with a consequent improvement in the Net Financial Position by gradually reducing bank borrowings). This will allow the Company and the Group to handle its cash requirement in total autonomy, also considering the Group's substantial liquidity and financial assets, namely 56.6 million euro at 31 December 2023.
- The results of the first quarter of 2024 are in line with the business plan and reflect growth in consolidated turnover of 7.2% compared with the first quarter of 2023 and in the order backlog, with operating cash flow breaking even.

Considering these elements, and despite the presence of uncertainties deriving from the macroeconomic and geopolitical scenario - those typical of the sector and of any forecasting activity, which could influence the results that will actually be achieved - the Directors believe, also in light of the Business Plan's expectations, that the Company will have sufficient financial and capital resources to allow the financial statements for the year ended 31 December 2023 to be prepared on a going-concern basis.

## Declaration of compliance with international accounting standards

The consolidated financial statements have been drawn up in compliance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB), as interpreted by the International Financial Reporting Committee (IFRIC) and implemented by the European Union (EU).

These consolidated financial statements were prepared in compliance with European Single Electronic Format (ESEF), as established in Directive 2013/50/EU, amending Directive 2004/109/EC. The Directive establishes that, starting from 1 January 2021, all Consolidated Annual Financial Reports of listed companies shall be drawn up in

a single electronic reporting format to facilitate the accessibility, analysis and comparability of consolidated financial statements drawn up in accordance with IFRS. The European Securities and Markets Authority (ESMA) has been assigned to prepare the technical regulations for specifying that format.

The consolidated financial statements consist of the statement of financial position, income statement, statement of other comprehensive income, statement of changes in shareholders' equity and the statement of cash flows, as well as these explanatory notes, together with the directors' report on operations.

It includes the figures of Antares Vision S.p.A. and of its subsidiaries.

The consolidated financial statements have been drawn up on the basis of the historical cost principle, except for financial derivative instruments, financial assets represented by shares or bonds in portfolio and potential proceeds which are recognised at fair value. The reporting currency is the Euro. Unless indicated otherwise, amounts are expressed in Euros.

### **Financial statements**

Antares Vision Group has adopted the following financial statements:

- a statement of financial position that shows current and non-current assets and current and non-current liabilities separately;
- an income statement that classifies costs based on their nature;
- a statement of other comprehensive income, that shows revenue and cost items that are not recognised in the profit or loss for the period as requested or permitted by IFRS;
- a statement of cash flows that shows the cash flows from operations, financing and investing activities using the indirect method;
- a statement of changes in shareholders' equity.

An asset is current when:

- it is assumed that it will be realised, or that it is being held for sale or consumption, during the normal operating cycle;
- it is held mainly for trading purposes;
- it is assumed that it will be realised within twelve months from the period end; or
- it consists of cash or cash equivalents, unless it is forbidden to trade or use it to settle a liability for at least twelve months from the period end.

All other assets are classified as non-current.

A liability is current when:

- it is expected to be settled within its normal operating cycle;



- it is held mainly for trading purposes;
- it has to be settled within twelve months from the period end; or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months from the period end.

The contractual terms of the liability, which could entail its extinction by issuing equity instruments at the counterparty's discretion, do not affect its classification.

Antares Vision Group classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified under non-current assets and liabilities.

Using these statements permits the best possible representation of the assets and liabilities, results and financial position of Antares Vision Group.

Lastly, with reference to the Consob Resolution no. 15519 of 27 July 2006, any transactions and balances with related parties are shown on the face of the financial statements.

Non-material changes have been made to the financial statement formats to improve readability and comparability.

#### **Principles of consolidation**

The consolidated financial statements include the financial statements of Antares Vision S.p.A. and its subsidiaries at 31 December 2023.

Antares Vision Group controls a subsidiary if, and only if, Antares Vision Group has:

- power over the investee (i.e. valid rights that currently give it the ability to control the key business activities of the investee);
- exposure or entitlement to variable returns, deriving from its relationship with the investee;
- the ability to exercise its power over the investee to affect the amount of its returns.

Generally speaking, it is assumed that a majority of the voting rights gives control. To support this assumption or when Antares Vision Group holds less than a majority of the voting (or equivalent) rights, Antares Vision Group considers all significant facts and circumstances to establish whether or not it controls the investee, including:

- contractual agreements with other holders of voting rights (including shareholders' agreements);
- rights arising from contractual agreements;
- voting rights and potential voting rights of Antares Vision Group.

Antares Vision Group reconsiders whether or not it has control of a subsidiary if facts and circumstances indicate that there have been changes in one or more of the three significant elements for the definition of control.

Consolidation of a subsidiary begins when Antares Vision Group gains control and ceases when Antares Vision Group loses control.

The assets, liabilities, revenue and costs of a subsidiary acquired or disposed of during the period are included in the consolidated financial statements from the date on which Antares Vision Group obtains control until the date on which Antares Vision Group no longer exercises control over the company.

The profit (loss) for the period and each of the other components of the Statement of Other Comprehensive Income are allocated to the shareholders of the parent company and to minority interests, even if this means that the minority interests have a negative balance. When necessary, appropriate adjustments are made to the financial statements of the subsidiaries in order to ensure compliance with Antares Vision Group's accounting policies. All assets and liabilities, shareholders' equity, revenue, costs and intra-group cash flows relating to transactions between Antares Vision Group entities are completely eliminated on consolidation.

### **Scope of consolidation**

In addition to the Parent Company Antares Vision S.p.A., the entities included in the scope of consolidation at 31 December 2023 are as follows:

SCOPE OF CONSOLIDATION						
Name	Headquarters	Currency	Direct parent company	Direct investment	Shareholders' equity (in euro)	Profit/(loss) in euro
Antares Vision Inc.	New York, USA	USD	Antares Vision S.p.A.	100.00%	158,509,595	(2,880,340)
Antares Vision North America LLC	New Jersey, USA	USD	Antares Vision Inc. America	100.00%	6,751,167	1,827,569
Imago Technologies GmbH	Friedberg, Germania	EUR	Antares Vision S.p.A.	100.00%	8,374,097	1,093,140
Antares Vision do Brasil Ltda	San Paolo, Brasile	BRL	Antares Vision S.p.A.	99.99%	(3,058,913)	(2,683,335)
T2 SOFTWARE	San Paolo, Brasile	BRL	Antares Vision do Brasil Ltda	51.00%	11,297	(368,245)
Pharmatrack Sistemas LTDA	San Paolo, Brasile	BRL	T2 SOFTWARE	73.00%	74,969	(1,328)
Antares Vision France Sas	Rilleux-Pape, Francia	EUR	Antares Vision S.p.A.	100.00%	(1,103,974)	(1,934,908)
Antares Vision Ireland Ltd	Galloway, Irlanda	EUR	Antares Vision S.p.A.	100.00%	44,828	15,869
Antares Vision Rus OOO	Mosca, Russia	RUB	Antares Vision S.p.A.	100.00%	(840,909)	(87,667)
Antares Vision Asia Pacific Ltd	Hong Kong	HKD	Antares Vision S.p.A.	100.00%	(2,365,008)	(2,257,820)
FT System Srl	Piacenza, Italia	EUR	Antares Vision S.p.A.	100.00%	24,360,046	2,267,816
FT System North America LLC	Massachussetts, USA	USD	FT System Srl	100.00%	1,335,249	489,911
FT Hexagon	Challes les Eaux, Francia	EUR	FT System Srl	100.00%	463,999	104,870
Tradeticity Service d.o.o	Belgrado, Serbia	RSD	Tradeticity d.o.o	100.00%	(94,536)	96,138
Antares Vision Germany	Friedberg, Germania	EUR	Antares Vision S.p.A.	100.00%	34,352	(178,391)
Applied Vision Corporation	Ohio, USA	USD	Antares Vision Inc. America	100.00%	53,751,090	1,914,862
AV Electronics Srl	Parma, Italia	EUR	FT System Srl	100.00%	3,188,668	243,951
Pen-Tec S.r.l.	Parma, Italia	EUR	FT System Srl	100.00%	1,771,633	138,267

Rfxcel LLC	Russia	RUB	Rfxcel Corporation	100.00%		
Rfxcel Limited	UK	GBP	Rfxcel Corporation	100.00%	3,763,114	(5,206,765)
Rfxcel Corporation	Delaware, USA	USD	Antares Vision Inc. America	100.00%		
Antares Vision (Shenzhen) International Trading Co. Ltd	Shenzhen, China	CNY	Antares Vision Asia Pacific Ltd	100.00%	500,724	(1,442)
Antares Vision India Private Limited	Mumbai, India	INR	Antares Vision S.p.A.	99.998%	361,694	64,832
			FT System Srl	0.002%		
Innovative Marketing Digital Solutions Uk Ltd	Londra, UK	GBP	Antares Vision S.p.A.	70.00%	(25,999)	(8,840)
Markirovka As a Service	Russia	RUB	Innovative Marketing Digital Solutions (IMDS) Uk Ltd	100.00%	(375,012)	(186,176)
ACSIS, Inc.	USA	USD	Rfxcel Corporation	100.00%	(1,818,103)	(947,827)
ANTARES VISION (THAILAND) CO., LTD.	Thailandia	THB	Antares Vision Asia Pacific Ltd	49.00%	191,266	70,969
Packital srl	Italia	EUR	FT System Srl	100.00%	414,813	(333,949)
Antares Vision Sagl		CHF	Antares Vision S.p.A.	100.00%	(176,076)	(177,374)
Wavision Srl		EUR	FT System Srl	60.00%	25,132	(11,206)
*** Tradeticity d.o.o	Zagabria, Croatia	EUR	Antares Vision S.p.A.	82.80%	276,683	78,980
* Antares Vision Korea Limited	Corea Del Sud	KRW	Antares Vision Asia Pacific Ltd	100.00%	128,598	59,208
** SmartPoint Technologies Private Limited	India	INR	Rfxcel Corporation	100.00%	1,310,149	453,592
* AVI Excellence Private	India	INR	Antares Vision S.p.A.	99.998%	652,359	(27,385)
			Antares Vision India Private Limited	0.002%		
Shezen Andaruixin Technology Co., Ltd	China	CNY	Antares Vision Asia Pacific Ltd	100.00%	(259,785)	(138,383)

(\* ) Company founded in 2023

(\*\* ) Company acquired in 2023

(\*\*\*) As of January 1, 2023, Croatia has abandoned the national currency (Kuna, HRK) by adopting the Euro

The scope of consolidation at 31 December 2023 has changed compared with what it was at 31 December 2022 as a result of the following events.

**Merger by absorption of Convel S.r.l. by Antares Vision S.p.A.**

The merger by absorption (the "Merger") of the subsidiary Convel S.r.l., a company specialising in automated inspection in the pharmaceutical industry ("Convel" or the "merged Company"), by Antares Vision S.p.A. took effect on 1 January 2023. The merger plan was approved by the two Boards of Directors on 20 June 2022 pursuant to art. 2505, second paragraph of the Italian Civil Code.

The reason for the merger was the need to concentrate in the Parent Company the activities carried on separately by Convel, also with a view to rationalising the Group. These activities form part of the corporate purpose of Antares Vision S.p.A. and are already performed by it. The objectives that the Group intends to achieve through the corporate reorganisation contained in the merger plan are: (a) to consolidate production and commercial activities in the field of inspection machines for the pharmaceutical sector; (b) to optimise the management of resources and intra-group economic-financial flows deriving from the activities currently carried on by the

individual companies; (c) to allow greater flexibility of internal processes; (d) to hold down operating costs by achieving economies of scale and maximising synergies in the various activities to avoid duplicating or overlapping certain corporate and administrative functions. The merged Company was wholly owned directly by Antares Vision S.p.A., so by applying the simplified merger procedure pursuant to art. 2505 of the Civil Code, it was not necessary to prepare the explanatory report of the administrative bodies of the company taking part in the Merger (art. 2501-quinques Civil Code), nor the experts' report on the adequacy of the exchange ratio (art. 2501-sexies Civil Code). Furthermore, as no Antares Vision S.p.A. shares are due to the shareholders of Convel, it was not necessary to determine an exchange ratio or the procedures for assigning the shares, nor the date from which these shares will participate in the profits. The Merger process comes to an end with the cancellation of the share capital of the merged Company.

Starting from the effective date of the Merger, i.e. from 1 January 2023, Antares Vision took over all of the legal relationships - debit and credit - in the name of Convel. There are no particular advantages in favour of the directors of the companies participating in the merger.

For the purposes of preparing the consolidated financial statements, this transaction did not lead to any accounting effect other than what would have taken place without a merger.

#### *Birth of AV Electronics as a result of the merger by absorption of Ingg.Vescovini by Tecnel*

On 1 January 2023, Ingg. Vescovini ("Ingg. Vescovini") S.r.l. was absorbed by Tecnel S.r.l. ("Tecnel"), which at the same time changed its name to AV Electronics S.r.l. It is based in Parma and will have the purpose of designing and supplying customised electronic hardware and software components to support the innovative developments of Antares Vision Group's technological ecosystem, mainly in inspection solutions for quality control and traceability, and to meet specific needs in the packaging sector, with highly innovative electronics. For the purposes of preparing the consolidated financial statements, this transaction did not lead to any accounting effect other than what would have taken place without a merger.

#### *Establishment of Antares Vision (Korea) Co. Ltd.*

A new branch was established in South Korea in January 2023 and became fully operational on 1 March 2023. Under the name of Antares Vision (Korea) Co. Ltd. ("**AV Korea**"), it is wholly owned by Antares Vision Asia Pacific and will make it possible to dominate the Asian market even more through a direct presence in the area, exploiting the area's strong growth potential.

#### *Acquisition of Smart Point Technologies*

On 26 April 2023, Antares Vision Group acquired, through rfxcel, 100% of Smart Point Technologies Ltd (Smart Point), an Indian software development company that creates complex and innovative solutions. The total outlay amounted to Euro 7.1 million, of which Euro 5.0 million was paid at the closing with the rest to be paid within 18 months. Smart Point, which was founded in 2010 by three entrepreneurs with its HQ in Chennai, offers a wide range of software solutions and services to customers in over 30 countries. With over 12 years of experience in software development and assistance, the Company has gained expertise especially in the pharmaceutical Track

& Trace sector, through the solutions developed by rfxcel, and works directly with the main pharmaceutical companies around the world, which are also the end customers of Antares Vision Group. In 2023, Smart Point had 154 employees in India and Germany and it generated a turnover of Euro 2.7 million in the 8 months that it belonged to the Group (of which approximately 93% generated with rfxcel), with an EBITDA of approximately Euro 0.5 million. The acquisition of Smart Point has made it possible to internalise highly qualified resources with specific skills and abilities, whose know-how is a precious asset for Antares Vision Group, which continues to invest in technological development to support its growth and guide the process of innovation and digitalization of products and supply chains.

The Purchase Price Allocation (“PPA”) was completed during 2024 before the completion of these financial statements and involved the allocation to goodwill of the entire difference between the price and the net equity of the acquired company, equal to Euro 6,232 thousand. For more details, please refer to specifically to “Information on business combinations”.

#### Acquisition of Shezen Andaruixin Technology Co., Ltd

On 25 August 2023, Antares Vision Group acquired, through Antares Vision (Shenzhen) International Trading Co. Ltd (in turn controlled by Antares Vision Asia Pacific Ltd), 60% of Sheen Andaruixin Technology Co, Ltd, (for Euro 259 thousand) of which Antares Vision Group already held 40%. The acquisition is part of the broader strategy of having direct control over the Group's reference markets. The acquired company had negative equity, so after the acquisition and in the first consolidation phase, the difference between the total cost for 100% of the shareholding and the net equity of Euro 824 thousand was charged to the income statement.

#### Investments in associates, joint ventures and other companies

On 31 December 2023, the investments in associates, joint ventures and other companies are as follows:

INVESTMENTS IN ASSOCIATES, JOINT VENTURE AND OTHER COMPANIES			
Name	Operating headquarters	Equity investment %	Classification
OROBIX SRL	BERGAMO, ITALIA	37.5%	Collegata
SIEMPHARMA SRL	APRILIA (LT), ITALIA	45.0%	Joint Venture
RURALL S.P.A.	MILANO, ITALIA	25.0%	Collegata
SHENZHEN ANTARUIXIN LLC	SHENZHEN, CINA	40.0%	Joint Venture
PYGSA (*)	VALENCIA, SPAGNA	30.0%	Collegata
OPTWO	BRESCIA, ITALIA	24.9%	Collegata
NEURALA	BOSTON (USA)	0.4%	Altre imprese
ISINNOVA	BRESCIA, ITALIA	15.0%	Altre imprese
LIGHT	BRESCIA, ITALIA	38.2%	Altre imprese
FONDAZIONI (**)	n.a.	n.a.	Altre imprese
ALTRE PARTECIPAZIONI	n.a.	n.a.	Altre imprese

(\*) Company acquired in 2023

\*\* there are the investments in the National Research Centre for Agricultural Technologies - Agritech and the National Centre for development of Gene Therapy and Drugs using RNA- based Technology

(\*) Company founded in 2023

(\*\*) Company acquired in 2023

(\*\*\*) As of January 1, 2023, Croatia has abandoned the national currency (Kuna, HRK) by adopting the Euro

Please refer to Note 4 for a more detailed discussion of these investments.

### **Subsidiaries with significant minority interests**

There are no subsidiaries with significant minority interests for which disclosure must be provided based on IFRS 12.

### **Translation of financial statements in foreign currencies**

The assets and liabilities of Group companies that have a functional currency other than the Euro are translated into Euro at the exchange rate ruling on the reporting date, while the revenue and expenses in each statement of other comprehensive income or separate income statement are translated at the average exchange rates of the year. Exchange rate differences arising on translation of foreign currency financial statements are recognised in the statement of other comprehensive income and booked to "Other reserves" under shareholders' equity. On disposal of a foreign operation, the portion of the statement of other comprehensive income relating to the foreign operation is recognised in the income statement.

Goodwill arising from the acquisition of a foreign operation and adjustments to the fair value of the carrying amounts of assets and liabilities arising from the acquisition of that foreign operation are recorded as assets and liabilities of the foreign operation and are therefore expressed in the functional currency of the foreign operation and translated at the year-end exchange rate.

The exchange rates used to translate into Euro the financial statements of foreign subsidiaries prepared in local currency are shown in the following table:

<b>EXCHANGE RATES</b>				
<b>Currency</b>	<b>Actual Exchange rate at 31/12/2023</b>	<b>Average Exchange rate at 31/12/2023</b>	<b>Actual Exchange rate at 31/12/2022</b>	<b>Average Exchange rate at 31/12/2022</b>
EURO	1	1	1	1
US Dollar	1.105	1.0813	1.0666	1.053
Brasilian Real	5.3618	5.401	5.6386	5.4399
Russian Rouble	98.6043	92.4885	78.9716	73.566
Indian Rupee	91.9045	89.3001	88.171	82.6864
Hong Kong Dollar	8.6314	8.465	8.3163	8.2451
Croatian Kuna *	n.a.	n.a.	7.5345	7.5349
Serbian Dinar	116.9841	117.2509	117.3246	117.4186
Chinese Yuan	7.8509	7.66	7.3582	7.0788

GBP	0.8691	0.8698	0.8869	0.8528
Thai Baht	37.973	37.631	36.835	36.8746
Swiss Franc	0.926	0.9718	0.9847	1.0047
Corean Won	1433.66	1412.88	n.a.	n.a

(\*) In 2023 Croatia joined the EU Economic and Monetary Union.

## **Accounting policies**

### **Business combinations**

Business combinations are accounted for using the acquisition method. The cost of an acquisition is determined as the sum of the consideration transferred, measured at fair value at the acquisition date, and the amount of the minority interest in the acquired company. For each business combination, Antares Vision Group defines whether to measure the minority interest in the acquired company at fair value or in proportion to the minority interest in the acquiree's identifiable net assets. Acquisition costs are expensed during the year and classified as administrative expenses.

Goodwill is initially recognised at cost represented by the excess of the total amount paid and the amount recorded for minority interests with respect to the net identifiable assets acquired and liabilities assumed by Antares Vision Group. If the fair value of the net assets acquired exceeds the total amount paid, Antares Vision Group again checks whether it has correctly identified all of the assets acquired and all of the liabilities assumed. It also reviews the procedures used to determine the amounts to be recognised at the acquisition date. If the new valuation still shows that the fair value of the net assets acquired exceeds the consideration, the difference is recognised in the income statement as a gain.

After initial recognition, goodwill is measured at cost, net of accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated, from the acquisition date, to each cash-generating unit (CGU) of Antares Vision Group that is expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquired entity are assigned to those units.

### **Fair value measurement**

Fair value is the price that would be received for the sale of an asset, or paid for the transfer of a liability, in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the sale of the asset or transfer of the liability takes place in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal market or the most advantageous market must be accessible for Antares Vision Group.

All assets and liabilities for which the fair value is measured or shown in the financial statements are categorised according to the fair value hierarchy, as follows:

- Level 1 - (unadjusted) prices listed in active markets for identical assets or liabilities that the entity can access at the measurement date;
- Level 2 - inputs other than listed market prices included in Level 1 that are directly or indirectly observable for the asset or liability;
- Level 3 - measurement techniques for which inputs are not observable for the asset or liability.

The consolidated financial statements at 31/12/2023 show financial assets and liabilities and derivative instruments at fair value. For these items, Antares Vision Group determines whether transfers have occurred between levels of the hierarchy by reviewing the categorisation (based on the lowest level input, which is significant for fair value measurement in its entirety) at each reporting date.

Specifically:

- the warrants issued by the Parent Company at the time of the Parent Company's listing on the Euronext Growth and subsequently admitted to trading on the Euronext Milan are recorded under current loans and borrowings and fall under the Level 1 hierarchy as their fair value is directly observable from official market prices;
- the derivative instruments held by the Parent Company to hedge interest rates and the EUR/USD exchange rate fall under the Level 2 hierarchy as they are determined using valuation techniques that make reference to variables that are observable on active markets. The reference value is the mark-to-market by which the value of the derivative is systematically adjusted on the basis of current market prices;
- the insurance policies and securities held by the Parent Company fall under the Level 2 hierarchy as they are determined using valuation techniques that make reference to variables that are observable on active markets;
- All of the other financial assets (BOT) recognised in these consolidated financial statements at fair value fall under the Level 1 hierarchy as their fair value is determined with reference to variables that are not observable on the market.
- All of the other financial liabilities recognised in these consolidated financial statements at fair value fall under the Level 3 hierarchy as their fair value is determined with reference to variables that are not observable on the market.

#### **Non-current assets held for sale**

Antares Vision Group classifies non-current assets and disposal groups as held for sale if their carrying amount will be recovered principally through a sale transaction instead of through continuing use. Non-current assets and disposal groups classified as held for sale are measured at the lower of their carrying amount and their fair value, net of selling costs. Selling costs are the additional costs directly attributable to the sale, excluding financial charges and taxes. The condition for classification as held for sale is considered to be met only when the sale is



highly probable and the disposable asset or group is available for immediate sale in its current condition. The actions required to conclude the sale should indicate that it is unlikely that there will be significant changes to the sale or that the sale may be cancelled. Management must have committed itself to the sale, the completion of which should be envisaged within one year from the date of classification. The depreciation of property, plant and equipment and the amortisation of intangible assets ceases at the moment they are classified as available for sale. Assets and liabilities classified as held for sale are shown separately in the financial statements as current assets or liabilities.

### **Property, plant and equipment and right-of-use assets**

#### Property, plant and equipment

Property, plant and equipment are recognised at historical cost, including directly attributable ancillary charges, and shown net of accumulated depreciation and impairment losses. Property, plant and equipment assets acquired through a business combination are recognised at fair value at the acquisition date through the Purchase Price Allocation process.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The depreciation rates applied, unchanged from the previous year, are summarised below:

- Temporary buildings and constructions: from 3% to 10%
- Plant and machinery: from 10% to 20%
- Industrial and commercial equipment: from 10% to 33%
- Other fixed assets:
  - Vehicles and internal means of transport: from 15% to 30%
  - Office furniture and machines and IT systems: from 12% to 30%

Land is not depreciated.

Ordinary maintenance costs are charged to the income statement for the period in which they are incurred. Costs that increase the value or extend the useful life of a fixed asset are capitalised and depreciated over the residual useful life of the fixed assets to which they refer.

The carrying amount of an item of property, plant and equipment and any significant component initially recognised is derecognised on disposal (i.e. on the date the acquirer obtains control) or when no future economic benefits are expected from its use or disposal. The gain or loss that arises when the asset is derecognised (calculated as the difference between the net carrying amount of the asset and the consideration received) is recognised in the income statement at the time that the asset is eliminated.

At least once a year and, in any case, at the end of each financial year, Antares Vision Group ascertains that there are no indicators of impairment of property, plant and equipment. If such indicators exist, Antares Vision Group estimates the recoverable value of the assets in question to determine the amount of any write-down. The recoverable amount is the higher of the price that would be obtained from a sale and the value in use calculated by discounting prospective cash flows, net of tax. If the reasons for the write-down no longer apply, the asset is

written up to the value it would have had if the write-down had never taken place. Write-downs and write-ups are charged to the income statement for the period.

#### Right-of-use asset

IFRS 16 was issued in January 2016 and replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases in accordance with a single accounting model similar to accounting for finance leases under IAS 17.

The standard includes two exceptions to recognition for lessees: leases of 'low value' assets (e.g. personal computers) and short-term leases (i.e. leases with a rental period of 12 months or less). At the commencement date of a lease, the lessee recognises a rental liability (i.e. the lease liability) and an asset representing the right of use of the underlying asset during the lease term (i.e. the right-of-use asset). Lessees are required to recognise interest expense on the lease liability and depreciation on the right-of-use asset separately.

Lessees are also required to reconsider the amount of the lease liability when certain events occur (e.g. a change in the lease term or a change in future lease payments resulting from a change in an index or rate used to determine such payments). The lessee will generally recognise the difference from re-measurement of the lease liability as an adjustment to the right-of-use asset.

Right-of-use assets are classified according to the nature of the asset involved in the lease contract. This means that, in these consolidated financial statements, rights of use for properties are included in Property, plant and equipment and rights of use for motor vehicles are included in Other assets.

#### **Goodwill**

Goodwill represents the difference between the purchase price and the value of the assets and liabilities acquired through a business combination.

Making use of the option provided by IFRS 1, Antares Vision Group has not applied IFRS 3 to acquisitions made prior to the date of first-time application of international accounting standards. Consequently, the goodwill arising from these transactions has not been restated.

Goodwill represents an intangible asset with an indefinite useful life. It is not amortised but subjected to an impairment test at least once a year, or more frequently if there are signs of impairment.

Goodwill is initially recognised at cost represented by the excess of the total amount paid and the amount recognised for minority interests over the net identifiable assets acquired and liabilities assumed by the Parent Company. If the fair value of the net assets acquired exceeds the total consideration paid, Antares Vision Group again checks whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to determine the amount to be recognised at the acquisition date. If the new valuation still

shows that the fair value of the net assets acquired exceeds the consideration, the difference is recognised in the income statement as a gain.

After initial recognition, goodwill is measured at cost, net of accumulated impairment losses. For the purpose of impairment testing, goodwill acquired in a business combination is allocated, from the acquisition date, to each Antares Vision Group cash-generating unit that is expected to benefit from the synergies of the combination, regardless of whether other assets or liabilities of the acquired entity are assigned to those units.

If goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of that unit, the goodwill associated with the asset disposed of is included in the carrying amount of the asset when determining the gain or loss on disposal. The goodwill associated with the divested business is determined on the basis of the related values of the divested business and the portion of the cash-generating unit retained.

As explained in greater detail in the section on Business Combinations, following the acquisition of Smart Point, which took place attracted rfxcel in April 2023, the difference between the price and the shareholders' equity of the acquired company has been allocated in full to Goodwill of SCT CGU (as better described below in this document).

#### **Other intangible assets**

Intangible assets acquired separately are initially recognised at cost, while those acquired through business combinations are recognised at fair value at the acquisition date. After initial recognition, intangible fixed assets are recognised at cost net of accumulated amortisation and impairment losses, if any. Intangible assets produced internally, with the exception of development costs, are not capitalised and are recognised in the income statement in the period they are incurred.

Intangible assets with a finite useful life are amortised over their useful life and are subject to impairment testing whenever there are indications of a possible impairment. The period and method of amortisation of an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or in the manner in which the future economic benefits associated with the asset will be realised are recognised through a change in the period or method of amortisation, as appropriate, and they are considered changes in accounting estimates.

No intangible assets with an indefinite useful life other than goodwill have been recorded in these consolidated financial statements.

Research costs are charged to the income statement in the period they are incurred. Development costs incurred in relation to a given project are recognised as intangible assets when Antares Vision Group is able to demonstrate:

- the technical possibility that the intangible asset will be completed, making it available for use or sale;
- the company's intention to complete the asset and its ability and intention to use or sell it;

- the way in which the asset will generate future economic benefits;
- the availability of resources to complete the asset;
- the ability to reliably assess the cost attributable to the asset during development.

After initial recognition, development activities are valued at cost less accumulated amortisation or impairment losses.

Amortisation is calculated on a straight-line basis over the estimated useful life of the intangible asset. The amortisation rates applied, which are the same as the previous year, are summarised below:

- Development costs: 20%
- Patents: 20%
- Software: 20%
- Customer list: 6% - 10%
- Know-how: 6% - 10%

An intangible asset is derecognised on disposal (i.e. when the buyer obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement.

Antares Vision Group periodically ascertains that there are no indicators of impairment of intangible fixed assets. If such indicators exist, Antares Vision Group estimates the recoverable value of the assets in question to determine the amount of any write-down. The recoverable amount is the higher of the price that would be obtained from a sale net of the related disposal costs and the value in use calculated by discounting prospective cash flows, net of tax. If the reasons for the write-down no longer apply, the asset is written up to the value it would have had if the write-down had never taken place. Write-downs and write-ups are charged to the income statement. Goodwill is never written up.

#### **Investments in associates, joint ventures and other companies**

An associate is a company over which Antares Vision Group has considerable influence. Significant influence means the power to participate in determining the financial and operating policies of the investee without having control or joint control.

These include:

- Orobix, a company based in Bergamo that operates in artificial intelligence systems, of which the Parent Company holds 37.5%, is a case in point.

- the 25% interest in RurAll, an entrepreneurial project launched by the Parent Company together with three partners in July 2021 with the aim of carrying out projects designed to make the entire Italian Agro-Food sector more efficient, guaranteeing quality and protecting it from counterfeit products;
- the 24.9% investment in Optwo S.r.l. acquired by the Parent Company in July 2022 through an increase in capital of 1,000 thousand euro (including share premium);
- the 38.18% investment in Light Scarl, acquired by the Parent Company in January 2023;
- the 30% investment in Pygsa Sistemas Y Aplicaciones SL (“Pygsa”), acquired on 1 March 2023 through FT System.

A joint venture is a joint control agreement in which the jointly controlling parties have rights to the net assets of the agreement. Joint control is defined as the contractual sharing of control of an agreement, which only exists when decisions on the relevant assets require the unanimous consent of all parties sharing control.

The investment in Siempharma that the Parent Company has held since January 2019, initially for 10% and increased a first time to 30% during the course of 2021 and then to 45% in 2022, fall within this category.

The considerations made to determine significant influence or joint control are similar to those necessary to determine control over subsidiaries. Antares Vision Group's investments in associates and joint ventures are valued using the equity method.

The financial statements of the associates and the joint ventures are prepared with the same year-end as those of Antares Vision Group. Where necessary, the financial statements are adjusted to bring them in line with the accounting standards of Antares Vision Group.

Under the equity method, the investment in an associate or joint venture is initially recognised at cost. The carrying amount of the investment is increased or decreased to recognise the investor's share of the investee's profits and losses realised after the acquisition date. Goodwill relating to the associate or joint venture is included in the carrying amount of the investment and is not subject to a separate impairment test.

The statement of profit or loss for the period reflects the Group's share of the associate or joint venture's result for the period. Any changes in the other components of comprehensive income relating to these investee companies are presented as part of the Group's comprehensive income statement. If an associate or joint venture recognises a change directly to shareholders' equity, the Group recognises its share, where applicable, in the statement of changes in shareholders' equity. Unrealised gains and losses deriving from transactions between the Group and associates or joint ventures are eliminated in proportion to the investment in the associates or joint ventures.

The Group's aggregate share of the result for the year of associates and joint ventures is recognized in the statement of profit or loss for the period after the operating profit/(loss) and represents the result net of taxes and of the portions due to the other shareholders of the associate or joint venture.

Subsequent to the application of the equity method, Antares Vision Group assesses whether it is necessary to recognise an impairment of its investment in associates or joint ventures. At each reporting date, both interim and annual, Antares Vision Group assesses whether there is objective evidence that the investments in associates or joint ventures have suffered an impairment. In this case, Antares Vision Group calculates the amount of the loss as the difference between the recoverable amount of the associate or joint venture and its carrying amount in the financial statements, recording this difference in the income statement.

In the consolidated financial statements, the value of these investments has been adjusted according to the equity method. In particular:

- the investment in the associate Orobix is recorded for an amount of Euro 280,630 following the recognition of the portion of the result for the period pertaining to Antares Vision, Group and the write-down of the goodwill implicit in the equity investment acquired in 2019 for a total of Euro 2,594,874. The write-down was necessary following the strategic decision by the Parent Company not to exercise the call option for the purchase of the majority of Orobix shares to allow it to start a fundraising process aimed at supporting and accelerating the future development of the company;
- the investment in the associate Siempharma is recorded for an amount of Euro 3,813,952 following the recognition of the portion of the result of the period pertaining to Antares Vision Group, positive for Euro 152,459;
- the investment in the associate Rurall is recorded for an amount of Euro 1,461,870 following recognition of the portion of the result of the period pertaining to Antares Vision Group, positive for Euro 41,397;
- the investment in the associate Pygsa is shown with a zero balance following its complete write-down;
- the investment in the associate Optwo is recorded for an amount of Euro 924,940 following the recognition of the portion of the result of the period pertaining to Antares Vision Group, negative for Euro 75,060;
- the investment in Neurala, in Other companies, is shown at its purchase cost of Euro 244,255;
- the investment in Isinnova, in Other companies, is shown at its purchase cost of Euro 1,500,000;
- the investment in the associate LIGHT is shown at its purchase cost of Euro 77,592 which has not been changed since its initial recognition as the Group's share of the result for the period is of an immaterial amount;
- the investments in Centro Nazionale di Ricerca per le Tecnologie dell'Agricoltura - Agritech and Centro Nazionale per lo sviluppo di terapia genica e farmaci con tecnologia a RNA, both in Other companies, are shown at their purchase cost of Euro 250,000;
- other investments in other companies are booked at acquisition costs equal to Euro 17.

As regards the investment in PYGSA SL, which was bought by the subsidiary FT System for Euro 790,801, including ancillary costs, following events that took place following the acquisition, the company decided for prudence sake

to write down the investment 100%, as explained in greater detail in the section on Investments in associates, joint ventures and other companies.

Investments in other companies include:

- the investment in Neurala for Euro 244,255;
- the investment in the National Research Centre for Agricultural Technologies - Agritech for Euro 50,000;
- the investment in the National Centre for the development of gene therapy and drugs using RNA-based technology for Euro 200,000;
- the investment in Isinnova for Euro 1,500,000 held by the Parent Company since March 2023.

More information is provided in Note 4.

#### **Deferred tax assets and liabilities**

Deferred tax liabilities are allocated according to the global liability allocation method. They are calculated on all temporary differences arising between the tax base of an asset or liability and its carrying amount in the consolidated financial statements, with the exception of goodwill that is not deductible for tax purposes and those differences from investments in subsidiaries that are not expected to be reversed in the foreseeable future. They are also calculated on the temporary differences arising on the initial recognition of an asset or liability in a transaction that does not represent a business combination and which does not affect either the financial result or the tax result at the time of the transaction.

Deferred tax assets on tax losses and unused tax credits that can be carried forward are recognised to the extent that future taxable income is likely to be available, against which they can be recovered.

Current and deferred tax assets and liabilities are offset when income taxes are applied by the same tax authority and when there is a legal right of offset. Deferred tax assets and liabilities are determined at the tax rates that are expected to apply in the respective jurisdictions of the countries in which Antares Vision Group operates in the periods in which the temporary differences will be realised or extinguished.

#### **Inventories**

Inventories are valued at the lower of cost and net realisable value.

The costs incurred to bring each asset to its current location and condition are recognised as follows:

- raw materials: purchase cost calculated using the weighted average cost method;
- finished and semi-finished products: direct cost of materials and labour plus a share of general production expenses, defined on the basis of normal production capacity, excluding financial charges.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale, as well as write-downs for obsolete and slow-moving goods.

## **Trade receivables, other receivables and other financial assets**

### Initial recognition

The classification of financial assets at the time of initial recognition depends on the characteristics of the contractual cash flows of the financial assets and on the business model that Antares Vision Group uses for their management. With the exception of trade receivables that do not contain a significant financing component or for which Antares Vision Group has applied the practical expedient, Antares Vision Group initially evaluates a financial asset at its fair value, plus transaction costs in the case of a financial asset not at fair value through profit or loss. Trade receivables that do not contain a significant financing component, such as receivables falling due within 12 months, are valued at the transaction price defined in accordance with IFRS 15 and described in the paragraph "Revenues from customer contracts".

In order for a financial asset to be classified and measured at amortised cost or at fair value recognised in other comprehensive income (FVOCI), it must generate cash flows that depend solely on the principal and interest on the amount of principal to be returned. Financial assets whose cash flows do not meet the above requirements are classified and measured at fair value through profit or loss.

### Subsequent measurement

Financial assets classified and measured at amortised cost, including trade receivables, are held as part of a business model whose objective is to hold financial assets with a view to collecting their contractual cash flows. These assets are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the Income Statement when the asset is derecognised, modified or revalued.

Financial assets that are classified and measured at fair value through other comprehensive income ("FVOCI") are held as part of a business model whose objective is achieved through the collection of contractual cash flows and through the sale of financial assets. For assets from debt instruments measured at FVOCI, interest income, exchange rate differences and impairment losses, together with write-backs, are recognised in the income statement and calculated in the same way as financial assets measured at amortised cost. Other changes in fair value are recognised in OCI. At the time of elimination, the cumulative change in fair value recognised in OCI is reclassified to the income statement.

Financial instruments at fair value with changes through profit or loss ("FVT PL") are recognised in the statement of financial position at fair value and net changes in fair value are recognised in the income statement. This category includes derivatives and listed equity investments that Antares Vision Group has not irrevocably chosen to classify at FVOCI. Dividends on equity investments are recognised as other income in the income statement when the right to payment has been established.

### Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset are extinguished, or when Antares Vision Group has transferred to a third party the right to receive cash flows from the asset or has assumed the contractual



obligation to pay them in full and without delay and (a) has transferred substantially all the risks and rewards of ownership of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

In cases where Antares Vision Group has transferred the rights to receive cash flows from an asset but has neither transferred nor retained substantially all the risks and benefits or has not lost control over it, the asset continues to be recognised in the Group's financial statements to the extent of its residual involvement in the asset. In this case, Antares Vision Group also recognises an associated liability. The transferred asset and the associated liability are valued to reflect the rights and obligations that remain with the Group.

#### Impairment

Antares Vision Group records a write-down for expected credit losses (ECLs) for all financial assets represented by debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due under the contract and all of the cash flows that Antares Vision Group expects to receive, discounted at an approximation of the original effective interest rate. Expected cash flows will include cash flows arising from the enforcement of collateral held or other credit guarantees that are an integral part of the contractual terms.

#### **Cash and banks**

Cash and banks include cash on hand and short-term demand deposits, highly liquid deposits with a maturity of three months or less, which are readily convertible into a given amount of money and subject to insignificant risk or changes in value.

For the purposes of the consolidated cash flow statement, cash and cash equivalents are represented by cash as defined above.

#### **Trade payables and other financial liabilities**

##### Initial recognition

Financial liabilities are classified on initial recognition as financial liabilities at fair value through profit or loss or as loans and borrowings.

All financial liabilities are initially recognised at fair value plus directly attributable transaction costs in the case of loans, borrowings and payables.

##### Subsequent measurement

For subsequent measurement purposes, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss (FVTPL);
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss include liabilities held for trading and financial liabilities initially recognised at fair value through profit or loss. Liabilities held for trading are all liabilities assumed with the intention of extinguishing or transferring them in the short term. This category also includes derivative financial

instruments taken out by Antares Vision Group that are not designated as hedging instruments and warrants. Gains or losses on liabilities held for trading are recognised in the income statement.

After initial recognition, loans are measured at amortised cost using the effective interest rate method. Gains and losses are recorded in the income statement when the liability is extinguished, as well as through the amortisation process. The amortised cost is calculated by recording the discount or premium on the acquisition and the fees or costs that are an integral part of the effective interest rate. Amortisation at the effective interest rate is included in financial charges in the income statement.

#### Derecognition

A financial liability is derecognised when the obligation underlying the liability is extinguished, cancelled or fulfilled. Where an existing financial liability is replaced by another from the same lender, under substantially different conditions, or the conditions of an existing liability are substantially changed, this exchange or change is treated as a derecognition of the original liability, accompanied by the recognition of a new liability, with any differences between the carrying amounts recognised in the Income Statement.

#### **Provisions for risks and charges**

Provisions for risks and charges are made when Antares Vision Group has to meet a current obligation (legal or implicit) resulting from a past event, it is probable that resources will be disbursed to meet this obligation and it is possible to make a reliable estimate of its amount. When Antares Vision Group believes that a provision for risks and charges will be partly or fully reimbursed, the indemnity is recognised separately under assets if, and only if, it is more or less certain. In this case, the cost of any provision is presented in the income statement net of the amount recognised for compensation.

If the effect of the value of money over time is significant, provisions are discounted using a discount rate that reflects, where appropriate, the risks specific to the liabilities. When the liability is discounted, the increase in the provision due to the passage of time is recognised as a financial expense.

A provision for product guarantees is recognised when the product is sold or a service has been provided to the customer. Initial recognition is based on past experience. The estimated warranty costs are reviewed annually.

#### **Severance indemnity**

The employee severance indemnity recorded by Italian companies corresponds to the liability accrued in favour of employees in accordance with current legislation.

The Italian companies belonging to Antares Vision Group are not required to pay severance indemnity to the INPS Treasury Fund under Law no. 296 of 27 December 2006 because none of them exceeded the limit of 50 employees during 2006 or their first year of activity.

The portion not allocated to supplementary pension funds is therefore considered a defined benefit plan and it is subject to actuarial valuation. The portions allocated to supplementary pension funds are considered a defined contribution plan.

#### **Share-based payments**

Some directors and employees of the Group receive part of their remuneration in the form of share-based payments, which means that some employees provide services in exchange for shares ("equity-settled transactions"). The cost of transactions settled with equity instruments is determined by the fair value at the date on which the assignment is made using an appropriate valuation method, as explained in greater detail in the section on Share-based Payments.

This cost, together with the corresponding increase in equity, is recognised under personnel costs for the options assigned to employees and under service costs for the options assigned to the directors (see the paragraph on Share-based payments) over the period during which the conditions for achievement of the objectives and/or provision of the service are satisfied. The cumulative costs recognised for these transactions at the closing date of each financial period up to the vesting date are commensurate with the expiry of the vesting period and the best estimate of the number of equity instruments that will actually vest. The cost or revenue in the statement of profit or loss for the period represents the change in the cumulative cost recognised at the beginning and end of the half-year.

The service or performance conditions are not taken into consideration when defining the fair value of the plan at the grant date. However, the probability that these conditions will be met is taken into account in defining the best estimate of the number of capital instruments that will vest. Market conditions are reflected in the fair value at the grant date. Any other condition linked to the plan, which does not involve a service obligation, is not considered as a vesting condition. The non-vesting conditions are reflected in the fair value of the plan and entail the immediate recognition of the cost of the plan, unless there are also service or performance conditions.

No cost is recognised for rights that do not vest as the performance and/or service conditions are not met. When the rights include a market condition or a non-vesting condition, these are treated as if they had vested regardless of whether the market conditions or other non-vesting conditions to which they are subject are complied with or not, it being understood that all the other performance and/or service conditions must be met.

If the conditions of the plan are changed, the minimum cost to be recognised is the fair value at the grant date without the change of plan, on the assumption that the original conditions of the plan are satisfied. In addition, there is a cost for each change that involves an increase in the total fair value of the payment plan, or that is in any case favourable for the employees; this cost is valued with reference to the date of the change. When a plan is cancelled by the entity or the counterparty, any residual element of the plan's fair value is immediately charged to the income statement.

#### **Translation of foreign currency items**

Monetary assets and liabilities denominated in foreign currency are recorded at the spot exchange rate at the year-end, with the related exchange gains and losses recognised in the income statement. If the translation gives rise to a net gain, a reserve for the corresponding amount must not be distributed until it has been realised.

#### **Revenue from contracts with customers**

Antares Vision Group is involved in providing inspection systems for quality control, tracking solutions for anti-counterfeiting, supply chain control and smart data management. Gradual diversification of the business in recent years has led to a rising proportion of the service component, also through the Software as a Service (SaaS) model. Revenue from contracts with customers follow IFRS 15 - Revenue Recognition, which requires analysing the contracts according to a 5-step model which involves:

- identifying the contract with the customer;
- identifying the performance obligations included in the contract;
- establishing the price of the transaction;
- allocating the price to the performance obligations;
- recognising the revenue when the company satisfies the performance obligation.

Revenue from contracts with customers is recognised for an amount that reflects the consideration that Antares Vision Group expects to receive on fulfilment of the performance obligation.

#### Supply of goods

In the event that two performance obligations are recognised in the contract, the revenue relating to the supply of the asset is recognised with the transfer of the asset when the ownership or possession of the asset is transferred to the buyer, so generally on shipment, and the revenue relating to the installation service is recognised on completion of the installation. If it is not possible to identify two performance obligations in the contract, one for the supply of the goods and the other for the installation, the revenue is recognized once the installation is completed.

#### SaaS

The SaaS contracts involve a commitment by Antares Vision Group to make proprietary software available to the customer, as well as to provide implementation services, a subscription service for support and maintenance, and other professional services. With regard to the implementation and professional services, the revenue is recognised "at a point in time" once the service has been fully rendered. As regards the subscription service, which includes a significant part of the revenue deriving from long-term subscription contracts (3-7 years), as well as the revenue for use of the licence for the period defined in the contract, the revenue is recognised "over time" for the duration of the contract.

#### Other types of services (other than SaaS)

In the case of after-sales technical assistance, the revenue is recognised "at a point in time", when the service has been completed.

For other types of services (for example project activities such as maintenance activities), the revenue is recognised "over time".

**Government grants**

Government grants are recognised when there is reasonable certainty that they will be received and that all of the conditions have been met. Grants related to cost components are recognised as revenues, but they are allocated over the years so as to match the costs they are intended to offset. A grant related to an asset is recognised as income on a straight-line basis over the expected useful life of the asset in question.

Where Antares Vision Group receives a non-monetary grant, the asset and the grant are recorded at nominal value and released to the income statement on a straight-line basis over the expected useful life of the asset.

**Cost recognition**

Costs are recognised when they relate to goods and services purchased or consumed during the year or spread over several years according to the accrual principle.

**Income taxes**

Current tax assets and liabilities for the year are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate the amount are those in force at the reporting date in the countries where Antares Vision Group operates and generates its taxable income.

Current taxes relating to items recognised directly in shareholders' equity are also recognised in shareholders' equity and not in the income statement. Management periodically assesses the position taken in the tax return in cases where tax rules are subject to interpretation and adjusts the provisions, where appropriate.

Other taxes not related to income, such as property taxes, are included in other operating expenses.

Costs, revenues, assets and liabilities are normally recognised net of indirect taxes, such as value added tax. If the tax applied to the purchase of goods or services is non-deductible, it is recognised as part of the purchase cost of the asset or part of the cost recognised in the income statement. Trade receivables and payables include the applicable indirect tax.

The net amount of indirect taxes to be recovered or paid to the tax authorities is included in the balance sheet under receivables or payables.

**Earnings per share**

Basic earnings per share is obtained as the ratio between the Group's profit reported in the consolidated financial report and the weighted average number of shares outstanding during the period, net of any treasury shares.

Diluted earnings per share is the ratio between the Group's earnings reported in the consolidated financial statements and the weighted average number of shares outstanding, taking into account the effects of all potential ordinary shares (e.g. those not yet subscribed) with a dilutive effect. Diluted earnings per share cannot exceed the basic earnings per share as per IAS 33.

**Amendments to international accounting standards**

In accordance with IAS 8, the following section "Accounting standards, amendments and interpretations applicable by the company from this year" briefly explains the amendments that are in force from 1 January 2023. The section on "Accounting standards, amendments and interpretations not yet approved by the European Union"

explains the accounting standards and interpretations that have already been issued, but not yet approved by the European Union, and therefore not applicable for the preparation of the financial statements at 31 December 2023. Any impacts that they may have will therefore be reflected in the financial statements in coming years.

#### **Accounting standards issued and entered into force in 2023**

##### **Disclosure on accounting standards - Amendments to IAS 1 and IFRS Practice Statement 2**

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidelines and examples to help entities apply materiality judgements to disclosure on accounting standards. The amendments aim to help entities provide information on the more useful accounting policies by replacing the obligation for entities to provide their own "significant" accounting policies with the obligation to disclose their "relevant" accounting policies; in addition, guidelines are added on how entities apply the concept of relevance in making decisions regarding disclosure on accounting policies.

The amendments to IAS 1 are effective for financial years beginning on or after 1 January 2023. The amendments to Practice Statement 2 provide non-mandatory guidance on applying the definition of materiality to accounting policy disclosures.

The changes did not have any impact on the Group's consolidated financial statements.

##### **Definition of accounting estimate - Amendments to IAS 8**

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting principles and correction of errors. In addition, they clarify how entities are to use measurement and input techniques to develop accounting estimates.

##### **Deferred taxes relating to assets and liabilities arising from a single transaction – Amendments to IAS 12**

In May 2021, the IASB issued amendments to IAS 12, restricting the scope of application of the initial recognition exception included in IAS 12, which will no longer have to be applied to those transactions that give rise to taxable and deductible temporary differences in equal measure.

The amendments will have to be applied to transactions that take place after or at the beginning of the comparative period presented. Furthermore, at the beginning of the comparative period presented, deferred tax assets (if there is sufficient taxable income) and deferred tax liabilities must be recognised for all deductible and taxable temporary differences associated with leasing and restoration provisions.

Antares Vision Group was not affected by these changes.

##### **International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12**

The amendments to IAS 12 were introduced in response to the OECD's Pillar Two Base Erosion and Profit Shifting (BEPS) rules and include:

A temporary mandatory exemption from the recognition and disclosure requirements for deferred taxes resulting from the implementation of the Pillar Two rules in the jurisdictions where they apply; and

Disclosure requirements for the entities involved to help users of financial statements to better understand the income tax impacts of this legislation, prior to its coming into force.

The temporary mandatory exemption - which if used has to be disclosed - is applicable immediately. The other disclosure requirements apply for fiscal years beginning on or after 1 January 2023, but not for interim periods before 31 December 2023.

The change has no impact on the consolidated financial statements as the Group is not affected by the Pillar Two rules because its revenue comes to less than 750 million euro/year.

#### **IFRS 17 – Insurance Contracts, including amendments of 25 June 2020; Insurance Contracts: Initial application of IFRS 17 and IFRS 9 – Comparative information- Amendments to IFRS 17**

The new accounting standard for insurance contracts, IFRS 17, replaces IFRS 4 and applies to all types of insurance contracts (e.g. life, non-life, direct insurance and reinsurance), regardless of the type of entity issuing them, as well as to some guarantees and financial instruments with discretionary participation characteristics; some exceptions to the scope apply. The overall objective of IFRS 17 is to provide a more useful and consistent accounting model for insurance contracts for insurers.

This accounting standard does not apply to the Group as it does not carry out insurance activities.

#### **Accounting standards, amendments and interpretations approved and applicable starting from subsequent financial years**

##### **Amendments to IAS 1 - Presentation of Financial Statements**

On 23 January 2020, 15 July 2020 and 31 October 2022, the IASB issued three additions to IAS 1 "Presentation of financial statements" which aim to give a better definition of the concept of liabilities and their classification between short and medium-long term. Integration have been approved on 20 December 2023. More emphasis is given to the temporal concept of transferring money or other resources to the counterparty to settle the liability. The following aspects are also clarified: what is meant by the right to defer the settlement deadline; that the right of deferral must exist at the end of the reporting period; the classification is not impacted by the likelihood with which the entity will exercise its right of deferral; only if an embedded derivative in a convertible liability is itself an equity instrument does the liability's maturity have no impact on its classification. Furthermore, the latest amendment specifies that only the covenants that an entity must comply with by the balance sheet date will influence the classification of a liability as current or non-current. These additions will be applicable to financial statements closed starting from 1 January 2024. Antares Vision is currently assessing the impacts of these amendments.

##### **Lease Liability in a Sale and Leaseback - Amendments to IFRS 16**

On 22 September 2022, the IASB issued an addition to IFRS 16 "Leases", clarifying how a sale and leaseback transaction involving variable payments based on the performance or use of the asset involved in the transaction is accounted for. The integration was approved on 21 November 2023 and will be applicable to financial statements closed starting from 1 January 2024.

Antares Vision is currently assessing the impacts of these amendments.

**Supplier Finance Arrangements - Amendments to IAS 7 Statement of Cash Flows and to IFRS 7 Financial Instruments: Disclosures:**

On 25 May 2023, the IASB issued amendments to IAS 7 and IFRS 7 to clarify the characteristics of reverse factoring agreements and require further disclosure of such agreements. The disclosure requirements included in the amendments are intended to assist users of financial statements to understand the effects of reverse factoring arrangements on an entity's liabilities, cash flows and exposure to liquidity risk.

The amendments will be effective for the financial years starting on 1 January 2024 or later. Early application is permitted and disclosure must be made of this fact

Antares Vision is currently assessing the impacts of these amendments.

**Amendments to IAS 21 The Effects of Changes in Foreign Exchange Rates: Lack of Exchangeability**

On 15 August 2023, the IASB issued amendments to IAS 21 to specify how an entity should assess whether a currency is exchangeable and how it should determine a spot exchange rate when there is no exchangeability. A currency is considered exchangeable into another currency when the entity is able to obtain the other currency within a period of time that allows for normal administrative delay, either through a market or an exchange mechanism in which an exchange transaction would create actionable rights and obligations. If a currency is not exchangeable into another currency, the entity is required to estimate the spot exchange rate at the measurement date. An entity's objective in estimating the spot exchange rate is to reflect the rate at which an orderly exchange transaction would take place at the measurement date between market participants under prevailing economic conditions. The amendments note that an entity may use an observable exchange rate without adjustments or other estimation techniques. When an entity estimates a spot exchange rate because a currency is not exchangeable into another currency, it provides information that allows users of its financial statements to understand how the non-exchangeable currency affects, or is expected to affect the economic performance, financial situation and cash flows of the entity.

The amendments will be effective for the financial years starting on 1 January 2025 or later. Early application is permitted and disclosure must be made of this fact.

Antares Vision is currently assessing the impacts of these amendments.

**IFRS 18 Presentation and Disclosure in Financial Statements**

In April 2024, the IASB issued IFRS 18 Presentation and Disclosure in Financial Statements (IFRS 18) which replaces IAS 1 Presentation of Financial Statements (IAS 1) and is aimed at improving the comparability and transparency of disclosure in financial statements. IFRS 18 introduces new provisions regarding presentation in the income statement, including specific totals and subtotals. It also requires disclosure of performance indicators defined by management and includes new requirements for the aggregation and disaggregation of financial information based on the identified "roles" of the primary financial statements and notes.



A number of sections from IAS 1 have been revived, with limited changes, narrow scope changes have been made to IAS 7 Cash Flow Statements (IAS 7) and some provisions previously included in IAS 1 have been moved to IAS 8 Accounting Standards, Changes in Accounting Estimates and Errors, which has been renamed IAS 8 Basis of Preparation of Financial Statements. IAS 34 Interim Financial Reporting has been amended to require disclosure of management-defined performance indicators. Small consequential changes have also been made to other standards.

IFRS 18 requires an entity to classify all income and expenses in its income statement into one of five categories: operating, investing, financing, income taxes and discontinued operations. The first three categories are new. These categories are complemented by the requirement to present subtotals and totals for 'operating profit or loss', 'operating profit or loss before financing and income taxes' and 'profit or loss'.

IFRS 18 introduces the concept of a management-defined performance measure (MPM) and defines it as a subtotal of income and expenses that an entity uses in public communications to users, outside of the financial statements, to communicate management's point of view on an aspect of the entity's performance as a whole.

The standard clarifies that the subtotals required by an IFRS are not MPMs and specifically lists some other subtotals that are not MPMs, for example "gross profit or loss (revenue less cost of goods sold) and similar subtotals". IFRS 18 requires entities to disclose information about all their MPMs in a single note to the financial statements and lists various disclosures to be provided. These include: how the measure is calculated; how it provides useful information; and a reconciliation with the most comparable subtotal specified by IFRS 18 or another standard.

IFRS 18, and the amendments to the other standards, is effective for financial years starting on or after 1 January 2027, but early application is permitted and must be indicated. IFRS 18 will apply retrospectively.

#### **Discretionary assessments and use of estimates**

The preparation of financial statements requires the Directors to apply accounting principles and methods which, in certain circumstances, are based on assessments and estimates using historical experience and assumptions, which at the time are considered reasonable and realistic under the circumstances. The application of these estimates and assumptions has an effect on the values of assets and liabilities, costs and revenue recognised in the financial statements and on the disclosures on contingent assets and liabilities at the end of the year.

Final results may differ from these estimates. Below there is a brief description of the financial statement items which require greater subjectivity on the part of the Directors when making estimates and for which a change in the conditions underlying the assumptions could have a significant effect on the restated financial aggregates.

#### **Lease term and incremental borrowing rate (Note 1)**

Antares Vision Group determines the lease term as the non-cancellable period of the lease to which must be added the periods covered by the option to extend the lease, if there is reasonable certainty of exercising this option, and the periods covered by the option to terminate the lease if there is reasonable certainty of not exercising this option.

Antares Vision Group has the possibility, for some of its leases, to extend the lease or terminate it early. Antares Vision Group applies its own judgement in assessing whether there is reasonable certainty of exercising the renewal options. Having said this, Antares Vision considers all the factors observed that may result in an economic incentive to exercise the renewal options or to terminate the contract. After the effective date, Antares Vision Group reviews the estimates of the lease term in the event of a significant event or significant change in circumstances under its control that could affect the ability to exercise (or not to exercise) the renewal or early cancellation option (for example, investments in improvements to leased assets or significant specific changes to the leased asset).

Antares Vision Group cannot easily determine the interest rate implicit in the lease, so it uses the incremental borrowing rate to measure the lease liability. The incremental borrowing rate is the interest rate that the lessee would have to pay for a loan, with a similar duration and similar security, needed to obtain an asset of similar value to the right-of-use asset in a similar economic context. The incremental borrowing rate therefore reflects what Antares Vision Group would have had to pay, and this requires an estimate to be made when no observable data exist or when rates need to be adjusted to reflect the terms and conditions of the lease. Antares Vision Group estimates the marginal lending rate using observable data (such as market interest rates) if available, while making specific considerations about the conditions of the investee company.

#### **Impairment of non-financial assets (Note 1, 2, 3)**

An impairment loss occurs when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the value in use is based on a DCF model that involves discounting cash flows, which in turn derive from the budgets of the individual cash-generating units, excluding restructuring activities to which Antares Vision Group has not yet committed itself or significant future investments that will increase the results of the activity included in the cash-generating unit being assessed. The recoverable amount depends considerably on the discount rate used in the cash flow discounting model, as well as the expected future cash flows and the growth rate used for the extrapolation. The key assumptions used to determine the recoverable amount for the various cash-generating units are provided below in these explanatory notes.

#### **Provision for expected losses on trade receivables (Notes 9, 32)**

Trade receivables are adjusted by the allowance for doubtful accounts to take account of their recoverable value. Determining the amount of expected credit losses (ECL) requires the Directors to make subjective assessments based on the documentation and information available regarding the solvency of customers, as well as experience and historical trends in collections.

#### **Defined benefit plans (Note 17)**

The cost of defined benefit pension plans and other post-employment benefits and the present value of the defined benefit obligation are determined using actuarial valuations. Actuarial valuation involves processing various assumptions that may differ from actual future developments. These assumptions include determination

of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the valuation and its long-term nature, these estimates are extremely sensitive to changes in assumptions. All assumptions are reviewed annually.

#### **Fair value of financial instruments (Note 5,11)**

When the fair value of a financial asset or liability recognised in the statement of financial position cannot be measured based on prices in an active market, the fair value is determined using various measurement techniques, including the discounted cash flow model. The inputs included in this model are inferred from observable markets, where possible, but where this is not possible, a certain degree of estimation is required to define the fair value. The estimates include considerations of variables such as liquidity risk, credit risk and volatility. Changes in assumptions about these elements could have an impact on the fair value of financial instruments.

#### **Development costs (Note 3, 34)**

Antares Vision Group capitalises costs related to projects for the development of new products. The initial capitalisation of costs is based on the fact that the directors' opinion on the technical and economic feasibility of the project is confirmed, usually when the project has reached a precise stage in the development plan.

#### **Write-downs of inventories (Note 8, 32)**

Inventories that show signs of being obsolete and slow-moving are systematically assessed and, if their recoverable value is lower than their purchase or production cost, they are written down. Write-downs are calculated on the basis of management's assumptions and estimates, derived from experience and historical results.

#### **Share-based payments (Note 13, 11)**

Estimating the fair value of share-based payments means having to choose the most appropriate valuation model, which depends on the terms and conditions under which such instruments are granted. It also means identifying the data needed to feed the valuation model, including assumptions about the exercise period of the options, volatility and return on the shares.

Share-based payments include the Stock Option Plans reserved for executive directors, top management and key employees whose performance is more likely to influence the company's results, considering the positions that they hold and the functions that they perform (see the dedicated section for details).

The valuation model used was Black & Scholes (which takes its name from Fischer Black and Myron Scholes, experts in financial mathematics, who developed it in 1973). The Black & Scholes valuation method is based on the construction of a portfolio of underlying assets and a certain number of options, in such a way that the expected return as a whole is insensitive to fluctuations in the price of the asset and is equivalent to the risk-free rate. The Black & Scholes valuation method determines possible prices for the underlying assets on maturity, as well as their respective probabilities of occurrence, assuming that they are distributed according to a normal distribution (or to be precise, a "log-normal distribution").

**Income taxes (Note 42)**

Current tax assets and liabilities for the year are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate the amount are those in force at the reporting date in the countries where Antares Vision Group operates and generates its taxable income.

Current taxes relating to items recognised directly in shareholders' equity are also recognised in shareholders' equity and not in the income statement. Management periodically assesses the position taken in the tax return in cases where tax rules are subject to interpretation and adjusts the provisions, where appropriate.

Deferred tax assets are recognised for unused tax losses, to the extent that it is probable that there will be sufficient taxable income in the future to allow such losses to be reabsorbed. Fairly complex estimates have to be made by management to determine the amount of tax assets that can be recognised on the basis of future taxable profits, their timing and the tax planning strategies that can be applied.

Other taxes not related to income, such as property taxes, are included in other operating expenses. Costs, revenues, assets and liabilities are normally recognised net of indirect taxes, such as value added tax. If the tax applied to the purchase of goods or services is non-deductible, it is recognised as part of the purchase cost of the asset or part of the cost recognised in the income statement. Trade receivables and payables include the applicable indirect tax. The net amount of indirect taxes to be recovered or paid to the tax authorities is included in the balance sheet under receivables or payables.

**Revenue (Note 27)**

Revenue from contracts with customers follow IFRS 15 - Revenue Recognition, which requires analysing the contracts according to a 5-step model which involves:

- identifying the contract with the customer;
- identifying the performance obligations included in the contract;
- establishing the price of the transaction;
- allocating the price to the performance obligations;
- recognising the revenue when the company satisfies the performance obligation.

Revenue from contracts with customers is recognised for an amount that reflects the consideration that Antares Vision Group expects to receive on fulfilment of the performance obligation.

In the event that two performance obligations are recognised in the contract, the revenue relating to the supply of the asset is recognized with the transfer of the asset when the ownership or possession of the asset is transferred to the buyer, so generally on shipment, and the revenue relating to the installation service is recognised on completion of the installation. If it is not possible to identify two performance obligations in the contract, one for the supply of the goods and the other for the installation, the revenue is recognized once the installation is completed.

The SaaS contracts involve a commitment by Antares Vision Group to make proprietary software available to the customer, as well as to provide implementation services, a Subscription service for support and maintenance, and other professional services. With regard to the implementation and professional services, the revenue is recognised at a point in time once the service has been fully rendered. As regards the subscription service, which includes a significant part of the revenue deriving from long-term subscription contracts (3-7 years), as well as the revenue for use of the licence for the period defined in the contract, the revenue is recognised over time for the duration of the contract. In the case of services other than SaaS services, such as after-sales technical assistance, the revenue is recognised at a point in time when the service has been completed.

**Contingent liabilities (Note 16, 18, 21, 22, 25)**

The Group makes provision for a liability in the event of disputes when it deems it probable that a financial outlay will occur and when the amount of the resulting losses can be reasonably estimated. In the event that a financial outlay becomes possible but the amount cannot be determined, this fact is disclosed in the notes to the financial statements. For the assessment of contingent liabilities, management can make use of experts and consultants in legal and tax matters.

## Restatement for errors and changes in accounting standards (IAS 8)

Starting from the second half of 2023, the management team of the parent company Antares Vision has started an audit of the Government Software Hub business ("**L5 Business**"), dedicated to supporting government authorities in implementing new drug traceability regulations in the United States, Africa, Asia and the Middle East. This audit, which focused on the American branch rfxcel Corp., became necessary following the increasing delays in the collection of receivables of the L5 Business and was started with the aim of estimating the recoverability of such receivables, also in relation to the collection forecasts made by rfxcel's previous management.

The audit was initially carried out by the management of the parent company Antares Vision with the preliminary collection of information through interviews with the American management of rfxcel and then continued from the end of September 2023 with the appointment of the consulting and auditing firm RSM US LLP. During this phase, accounting irregularities emerged which led the parent company to verify whether the revenue accounting policy adopted by rfxcel was in compliance with the Group's guidelines, as defined in the accounting manual shared with the subsidiary since its acquisition in 2021. Subsequently, management appointed the law firm Goodwin Procter LLP, supported by the accounting consultancy firm Charles River Associates, to carry out further and more in-depth investigations, as communicated to the market on 13 December 2023.

The results of these investigations confirmed that part of rfxcel's revenue in the financial years 2021, 2022 and 2023, which contributed to the formation of the consolidated financial statements of Antares Vision, were accounted for in a manner that did not comply with the relevant accounting principles, and were therefore considered as errors to be corrected in accordance with IAS 8.

To summarise very briefly, the results of these checks have mainly revealed that certain members of the previous American management of rfxcel had untruthfully represented to Antares Vision the status of the contracts relating to the L5 Business. In particular, the internal investigation launched by the company revealed that rfxcel had issued invoices for services not actually carried out. Certain previous members of the subsidiary's American management had created documentation to certify the alleged execution of these services, with the consequent recording of approximately 50 million of revenue (in the period 2021-2023) which, based on the relevant accounting principles, should not have been accounted for. This conduct misled the parent company regarding the actual amount of rfxcel's revenue and the real state of completion of the L5 Business, which was reflected in the consolidated financial statements.

Therefore, in light of the results of the checks conducted both internally and through specially appointed external consultants, in the preparation of the 2023 consolidated financial statements, as well as in the financial statements of rfxcel, the revenue (and receivables) accounted for in 2021 and 2022 relating to the L5 Business (with the exception of those relating to the Pharmaceutical Hub, currently active in Bahrain) have been restated retroactively. The adjustments made to rfxcel's financial statements resulted, among other things, in a redetermination of the tax burden, both at rfxcel and consolidated level, which led to the recognition of a credit versus the US treasury, deriving from the higher taxes paid on revenue accounted for in a manner that did not comply with the accounting principles.

Following an in-depth analysis of the internal accounting checks, again relating to the US rfxcel branch, the need emerged also to rectify certain revenues from customers who had nothing to do with the L5 Business. The figures subject to correction largely date back to the period prior to the acquisition of rfxcel by the Antares Vision Group. In compliance with IAS 8, the comparative amounts for 2021 and 2022 have been restated, redetermining the opening balances for 2022.

With regard to 2022, the estimate of the Value in Use of the assets in the 2022 consolidated financial statements were replicated (grouped within a single CGU) on the basis of 2023-2027 forecast data (prepared during 2023), adjusted to exclude the expected contribution from the L5 Business. The parameters of the discounting calculations (WACC rate, G-rate, etc.) are the same as those used for the balance sheet procedures in 2022. Furthermore, the book value of the CGU includes 30 million euro of adjustments made retrospectively on the accounting figures as of that date. From the procedure it would appear that the redetermined Value in Use of the CGU's assets at 31 December 2022, even excluding the contribution of the L5 Business, would have been higher than the redetermined book value, albeit with a lower headroom.

The restatement of the 2022 figures also meant having to review compliance with the covenants on the bank borrowings and bonds and it emerged that for all existing loans, as well as for the bond, the covenants would not have been respected at 31 December 2022. For this reason, as part of the restatement in accordance with IAS 8, the non-current debt subject to these covenants has all been reclassified as current liabilities.

As a result of the above, with a view to discontinuity with the previous management of the American subsidiary, the parent company Antares Vision implemented a decisive reaction strategy which involved all of the Group's control bodies, each in their own area of competence, and which has so far entailed, *inter alia*:

- i) the immediate dismissal from the Group of the persons identified as responsible for such conduct,
- ii) the reorganisation of rfxcel's management,
- iii) timely information to the market on the probable impact of the irregularities on the Group's economic and financial situation.
- iv) the negotiation of certain amending agreements with the relevant banks which provide, among other things, a waiver for non-compliance with the covenants in 2022 and 2023 and their remodulation starting from 2024. These agreements were signed on 27 May 2024.

Statement of financial position € '000	31/12/2022	Adjustments Business L5	Adjustments other errors	31/12/2022 Restated	31/12/2021	Adjustments Business L5	Adjustments other errors	31/12/2021 Restated
<b>Assets</b>								
<b>Non-current assets</b>								
Property, plant and equipment and right-of-use assets	34,753	0	0	34,753	26,538	0	0	26,538
Goodwill	160,199	0	0	160,199	145,859	0	0	145,859
Other intangible assets	93,972	0	0	93,972	83,489	0	0	83,489
Investments in associates, joint ventures and other companies	9,707	0	0	9,707	7,342	0	0	7,342
Non-current financial assets	7,398	0	0	7,398	235	0	0	235
Deferred tax assets	16,523	-3,969	0	12,554	14,965	-5,074	0	9,891
Other non-current assets		6,045	217	6,262	0	1,444	48	1,492
<b>Total non-current assets</b>	<b>322,552</b>	<b>2,076</b>	<b>217</b>	<b>324,845</b>	<b>278,428</b>	<b>-3,630</b>	<b>48</b>	<b>274,846</b>
<b>Current assets</b>								
Inventories	49,960	0	0	49,960	38,183	0	0	38,183
Trade receivables	110,734	-35,158	-2,497	73,078	61,786	-12,740	-1,596	47,449
<i>of which with related parties</i>	4,253	0	0	4,253	1,385	0	0	1,385
Other receivables	10,821	2	0	10,823	10,731	0	0	10,731
Other current financial assets	26,827	0	0	26,827	40,145	0	0	40,145
Cash and banks	61,096	0	0	61,096	78,332	0	0	78,332
<b>Total current assets</b>	<b>259,438</b>	<b>-35,156</b>	<b>-2,497</b>	<b>221,784</b>	<b>229,177</b>	<b>-12,740</b>	<b>-1,596</b>	<b>214,840</b>
<b>Total assets</b>	<b>581,989</b>	<b>-33,080</b>	<b>-2,280</b>	<b>546,629</b>	<b>507,605</b>	<b>-16,369</b>	<b>-1,548</b>	<b>489,686</b>
<b>Shareholders' equity and liabilities</b>								

Shareholders' equity								
Share capital	169	0	0	169	169	0	0	169
Other reserves	278,476	-1,477	-153	276,846	260,533	-687	-66	259,781
FTA reserve	-15,251	0	0	-15,251	-15,251	0	0	-15,251
Retained earnings	27,156	-15,682	-1,483	9,991	14,480	0		14,480
Profit/(loss) for the period	18,201	-15,922	-644	1,634	12,396	-15,682	-1,483	-4,769
<b>Total shareholders' equity</b>	<b>308,751</b>	<b>-33,080</b>	<b>-2,280</b>	<b>273,390</b>	<b>272,327</b>	<b>-16,369</b>	<b>-1,548</b>	<b>254,410</b>
Capital and reserves attributable to minority interests	171	0	0	171	120	0		120
Profit/(loss) attributable to minority interests	-72	0	0	-72	-49	0		-49
<b>Total shareholders' equity attributable to minority interests</b>	<b>99</b>	<b>0</b>	<b>0</b>	<b>99</b>	<b>71</b>	<b>0</b>	<b>0</b>	<b>71</b>
<b>Total shareholders' equity</b>	<b>308,850</b>	<b>-33,080</b>	<b>-2,280</b>	<b>273,489</b>	<b>272,398</b>	<b>-16,369</b>	<b>-1,548</b>	<b>254,481</b>
Non-current liabilities								
Non-current loans and borrowings	125,917	-124,142	0	1,774	128,151	0	0	128,151
Non-current lease liabilities	13,175	0	0	13,175	9,376	0	0	9,376
Other non-current financial liabilities	162	0	0	162	567	0	0	567
Retirement benefit obligations	7,799	0	0	7,799	8,634	0	0	8,634
Deferred tax liabilities	21,142	0	0	21,143	17,583	0	0	17,583
Other non-current liabilities	82	0	0	82	329	0	0	329
<b>Total non-current liabilities</b>	<b>168,277</b>	<b>-124,142</b>	<b>0</b>	<b>44,135</b>	<b>164,640</b>	<b>0</b>	<b>0</b>	<b>164,640</b>
Current liabilities								
Current loans and borrowings	8,702	124,143	0	132,845	5,990	0	0	5,990
Current lease liabilities	3,508	0	0	3,508	1,683	0	0	1,683
Other current financial liabilities	11,087	0	0	11,087	460	0	0	460
Current provisions for risks and charges	1,231	0	0	1,231	965	0	0	965
Trade payables	23,141	0	0	23,141	18,675	0	0	18,675
<i>of which with related parties</i>	1,915	0	0	1,915	669	0	0	669
Deposit	30,341	0	0	30,341	20,245	0	0	20,245
Other payables	26,852	0	0	26,852	22,549			22,549
<b>Total current liabilities</b>	<b>104,862</b>	<b>124,143</b>	<b>0</b>	<b>229,005</b>	<b>70,567</b>	<b>0</b>	<b>0</b>	<b>70,566</b>
<b>Total shareholders' equity and liabilities</b>	<b>581,989</b>	<b>-33,080</b>	<b>-2,280</b>	<b>546,629</b>	<b>507,605</b>	<b>-16,369</b>	<b>-1,548</b>	<b>489,686</b>

Income statement € '000	31/12/20 22	Adjustmen ts Business L5	Adjustmen ts other errors	31/12/20 22 Restated	31/12/20 21	Adjustmen ts Business L5	Adjustmen ts other errors	31/12/20 21 Restated
Revenue	224,065	-21,938	-812	201,314	178,958	-9,336	-298	169,324
of which with related parties	2,059	0	0	2,059	1,438	0	0	1,438
Other income	1,205	0	0	1,205	2,629	0	0	2,629
Changes in finished and semi-finished	1,137	0	0	1,137	-2,061	0	0	-2,061



Raw materials and consumables	-55,976	0	0	-55,976	-40,426	0	0	-40,426
<i>of which with related parties</i>	2,273	-4,546	0	-2,273	-563	0	0	-563
Personnel costs	-84,178	0	0	-84,178	-62,658	0	0	-62,658
Amortisation and depreciation	-19,970	0	0	-19,970	-15,504	-2,871	-1,230	-19,605
Capitalised development costs	8,600	0	0	8,600	8,307	0	0	8,307
Sales and marketing costs	-8,408	0	0	-8,408	-6,701	0	0	-6,701
Service costs	-46,485	0	0	-46,485	-42,040	0	0	-42,040
<i>of which with related parties</i>	536	0	0	536	-403	0	0	-403
Other operating expenses	-2,979	0	0	-2,979	-2,783	0	0	-2,783
<b>Operating profit/(loss)</b>	<b>17,011</b>	<b>-21,938</b>	<b>-812</b>	<b>-5,740</b>	<b>17,721</b>	<b>-12,207</b>	<b>-1,528</b>	<b>3,986</b>
Financial charges	-4,317	0	0	-4,317	-7,038	0	0	-7,038
Financial income	7,121	0	0	7,121	1,348	0	0	1,348
Foreign exchange gains and losses	824	-2	0	823	1,511	0	0	1,511
Income (charges) on investments	-102	0	0	-102	-85	0	0	-85
<b>Profit from continuing operations before tax</b>	<b>20,537</b>	<b>-21,939</b>	<b>-812</b>	<b>-2,215</b>	<b>13,457</b>	<b>-12,207</b>	<b>-1,528</b>	<b>-278</b>
<b>Income taxes</b>	<b>-2,407</b>	<b>6,016</b>	<b>169</b>	<b>3,777</b>	<b>-1,108</b>	<b>-3,476</b>	<b>46</b>	<b>-4,538</b>
<b>Net profit/(loss) from continuing</b>	<b>18,130</b>	<b>-15,924</b>	<b>-644</b>	<b>2</b>	<b>12,349</b>	<b>-15,683</b>	<b>-1,483</b>	<b>-4,816</b>
Profit/(loss) attributable to minority interests	-72	0	0	-72	-49	0	0	-49
<b>Total comprehensive profit/(loss) after tax</b>	<b>18,202</b>	<b>-15,924</b>	<b>-644</b>	<b>1,634</b>	<b>12,398</b>	<b>-15,683</b>	<b>-1,483</b>	<b>-4,767</b>

<b>Earning per Share (EPS)</b>	<b>0.26</b>	<b>0.19</b>
<b>Theoretical diluted earning per share (*)</b>	<b>0.18</b>	<b>0.24</b>
<b>Erning per Share (EPS) diluted (*)</b>	<b>0.18</b>	<b>0.19</b>

(\*) as required by IAS 33, diluted earning per share cannot be greater than earning per share

<b>Earning per Share Restated</b>		
<b>description</b>	<b>2022</b>	<b>2021</b>
Profit attributable to the ordinary Shareholders of the Parent Company	18,202,370	12,397,990
IAS 8 Adjustments		
Revenues Business L5	- 21,937,987	- 9,336,070
Revenues for errors	- 812,299	- 298,446
Amortisation and depreciation Business L5		- 2,871,142
Amortisation and write-off other erros		- 1,230,027
Foreign exchange gains and losses	- 1,500	
Income Taxes	6,184,987	- 3,430,302
<b>Net profit/(loss) from continuing resteted</b>	<b>1,635,571</b>	<b>- 4,767,997</b>
Dilution effect	-	-
<b>Totale post-dilution profit</b>	<b>1,635,571</b>	<b>- 4,767,997</b>

Weighted average number of ordinary shares	69,088,999	65,020,574
Weighted average potential ordinary shares	-	502,119
Weighted average potential ordinary shares	69,088,999	65,522,693

<b>Earning per Share (EPS) Restated</b>	<b>0.02</b>	<b>(0,07)</b>
Profit/(loss) per Share Theoretical diluted (*)	0.02	(0,07)
<b>Earning per Share (EPS) diluted (*) Restated</b>	<b>0.02</b>	<b>(0,07)</b>

(\*) as required by IAS 33, diluted earning per share cannot be greater than earning per share

## Disclosure on business combinations

### **Acquisition of Smart Point Technologies**

On 21 April 2023 Antares Vision Group, through rfxcel, completed the acquisition of Smartpoint Technologies Private Limited (“Smartpoint”) for a total Enterprise Value of Euro 7.1 million.

The difference between the Enterprise Value and the Fair Value of the net assets of the acquired company was, therefore, equal to Euro 6.2 million.

In 2024, the Purchase Price Allocation process was completed for this acquisition, before the approval of these financial statements. In carrying out this activity, insufficient elements were found to identify:

- 1. intangible assets related to technology**, as: i) the activity carried out by Smart Point has a predominantly executive content; ii) the activity is carried out on assignments entrusted by rfxcel and does not involve the use of proprietary software; iii) any intangible assets (intellectual property or otherwise) resulting from the development work carried out by Smart Point on behalf of rfxcel, would remain the property of the latter.
- 2. intangible assets linked to customer relations**, as: i) over 90% of Smart Point's revenue is generated by rfxcel; ii) once the integration process with the Group is completed, Smart Point will essentially no longer provide services to third parties.

The only intangible asset identified is attributable to Smart Point's existing workforce; however, this is a category of assets that cannot be recognised separately from goodwill, as indicated in IFRS 3.

Furthermore, with regard to the assets and liabilities already recognised in Smart Point's accounting situation at the acquisition date, no items were recognised for which the fair value was different from the book value; so on the basis of the above the fair value of the net assets acquired at the acquisition date was equal to Euro 889 thousand. It follows that, at the acquisition date, the difference between the consideration transferred as part of the transaction (Euro 7,121 thousand) and the fair value of the net assets acquired (Euro 889 thousand), equal to Euro 6,233 thousand was entirely recognisable as goodwill, which also includes the value of the existing workforce.

SMART POINT	USD	EUR
Consideration paid	7,819,849	7,121,254
Goodwill already recorded	-	-
Shareholders' equity	975,735	888,566
<b>Difference</b>	<b>6,844,114</b>	<b>6,232,688</b>
<b>Goodwill</b>	<b>6,844,114</b>	<b>6,232,688</b>

The following is the value of the business combination in question, net of the cash acquired:

SMART POINT	USD	EUR
Consideration paid	6,428,560	5,854,257
Cash and banks	- 603,765	- 549,827
<b>Business combinations, without the net financial position acquired</b>	<b>5,824,795</b>	<b>5,304,430</b>

#### Acquisition of Sheen Andaruxin Technology Co., Ltd

On 25 August 2023, Antares Vision Group acquired, through Antares Vision (Shenzhen) International Trading Co. Ltd (in turn controlled by Antares Vision Asia Pacific Ltd), 60% of Sheen Andaruxin Technology Co. Ltd, of which Antares Vision Group already held 40%. The acquisition is part of the broader strategy of having direct control over the Group's reference markets.

The difference between the total cost for 100% of the investment and the negative net equity was, for prudence sake, charged to the income statement. Given the nature of the business and the fact that the company is still in a start-up phase, management is of the opinion that the goodwill does not exist. The detail of this differential is shown below:

SHENZHEN ANDARUXIN TECHNOLOGY	CNY	EUR
Purchase price (60%)	2,000,000	258,558
Shareholders' equity (60%)	- 1,223,726	- 155,871
<b>Difference</b>	<b>3,223,726</b>	<b>414,429</b>

The difference between the total cost for 100% of the investment and the negative net equity was, for prudence sake, charged to the income statement. Given the nature of the business and the fact that the company is still in a start-up phase, management is of the opinion that the goodwill does not exist. The detail of this differential is shown below:

SHENZHEN ANDARIUIXIN TECHNOLOGY	CNY	EUR
Cost of the 100% acquisition	3,333,333	502,550
Net Equity	- 2,039,544	- 258,226
<b>Differential</b>	<b>5,372,877</b>	<b>760,775</b>

The following is the value of the business combination in question, net of the cash acquired:

SHENZHEN ANDARUIXIN TECHNOLOGY	CNY	EUR
Consideration paid	2,000,000	258,558
Cash and banks	- 1,674,511	- 216,479
	<b>325,489</b>	<b>42,079</b>

## Segment reporting

The segment reporting has been prepared in accordance with IFRS 8 - Operating Segments, which means that the identification of the operating segments and the information presented are defined on the basis of the internal reporting used by management for allocating resources to the various segments and for analysing their performance. An operating segment is defined by IFRS 8 as a component of an entity that: (i) undertakes entrepreneurial activities that generate revenue and costs (including revenue and costs relating to operations with other components of the same entity); (ii) whose operating results are periodically reviewed by the entity's highest operational decision-making level for the purposes of making decisions regarding resources to be allocated to the segment and evaluating results; (iii) for which separate financial statement information is available. With reference to 2023, the business segments subject to disclosure pursuant to IFRS 8 are: (i) the Life Sciences and Cosmetics Business Area ("**LS&C**"); (ii) the Fast Moving Consumer Goods Business Area ("**FMCG**"); (iii) the Supply Chain Transparency Business Area ("**SCT**"); (iv) the Other Business Area ("**Other**").

2023 is the first year in which the new internal organisational structure was modified, which changed the composition of the operating segments; for reporting purposes it was not possible to re-determine the corresponding information for previous years (in which there was only one operating segment) as the information necessary for such re-determination is not available and their processing would have been excessively onerous.

The table below shows the main balance sheet figures for each of the 4 operating sectors (gross of the write-down of goodwill following the impairment test):

<b>Vertical-format consolidated financial statements ('000,€)</b>	<b>Area LS&amp;C</b>	<b>Area FMCG</b>	<b>Area SCT</b>	<b>Area OTHER</b>	<b>2023 consolidation</b>
Property	24,865	6,452	849	752	32,918
Financial assets	8,553	0	0	0	8,553
Property, plant and equipment, net	874	2,163	315	152	3,504
Intangible fixed assets, net	27,539	61,382	80,812	25	169,758
<b>Total fixed assets</b>	<b>61,831</b>	<b>69,997</b>	<b>81,976</b>	<b>929</b>	<b>214,734</b>
<i>% of NIC</i>	<i>63.2%</i>	<i>81,2%</i>	<i>103,5%</i>	<i>10.5%</i>	<i>78.9%</i>
Raw materials	13,086	11,618	0	1,373	26,078
Work in progress	6,886	1,853	26	111	8,876
Finished products	9,768	2,411	0	1,594	13,773
<b>Total inventory</b>	<b>29,740</b>	<b>15,882</b>	<b>26</b>	<b>3,078</b>	<b>48,727</b>
Trade receivables	49,063	16,049	6,183	333	71,628
Trade payables	-16,346	-6,646	-1,849	-498	-25,339
Advances from customers	-13,803	-1,278	-8,309	-2,652	-26,042
<b>Net operating working capital</b>	<b>48,653</b>	<b>24,007</b>	<b>-3,948</b>	<b>261</b>	<b>68,973</b>
<i>% of NIC</i>	<i>49.7%</i>	<i>27,9%</i>	<i>-5,0%</i>	<i>3,0%</i>	<i>24.4%</i>
Other current assets	13,804	1,439	2,454	8,430	26,127
Other current liabilities	-19,365	-5,336	-1,306	-621	-26,628
<b>Net working capital</b>	<b>43,092</b>	<b>20,110</b>	<b>-2,800</b>	<b>8,070</b>	<b>68,472</b>
<i>% of NIC</i>	<i>44.0%</i>	<i>23.3%</i>	<i>-3,5%</i>	<i>91,6%</i>	<i>25,2%</i>
Severance indemnities	-6,153	-3,199	0	-164	-9,516
Provisions	-914	-747	0	-28	-1,690
Svalutazioni	<b>-1,218</b>	<b>-808</b>	<b>-2,488</b>	<b>-1,890</b>	<b>-6,364</b>
<b>Net invested capital (NIC)</b>	<b>97,856</b>	<b>86,161</b>	<b>79,175</b>	<b>8,807</b>	<b>272,001</b>
<i>% of NIC</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>	<i>100.0%</i>

Analysing the balance sheets by operating segment shows that the FMCG and SCT Business Areas have substantial amounts of intangible assets. This is a direct consequence of the goodwill resulting from the acquisitions made from 2019 onwards. On the other hand, compared with LS&C, these same Business Areas benefit from a lower incidence of working capital, due to the specific characteristics of their business models. In the case of FMCG, operating cycles and time to market are generally shorter than LS&C, allowing for rapid rotation of resources and more efficient management of working capital. For SCT, the situation is further advantaged by the absence of inventories, since this sector relies more on services and technologies rather than physical products. This leads to a reduction in working capital needs, contributing to greater operational efficiency.

From an economic point of view, FMCG is the most profitable of all the operating segments. This is mainly attributable to the lower incidence of personnel and external costs, allowing the FMCG Area to maintain higher operating margins. Even though the cost of goods sold is higher in this sector, its efficiency in managing other costs compensates for this variable. In terms of EBITDA, the FMCG Area represents 70% of the Group's overall profitability. Furthermore, after the allocation of Group overheads, which include administrative expenses and other common costs, the share of profitability attributable to the FMCG Area comes close to 100%.

For these reasons, the business plan approved and currently being implemented, as detailed in other sections of this document, is oriented towards increasing the efficiency of the other business areas. The main objective is to improve operational efficiency and to optimise processes in these areas, in order to increase productivity and profitability. Overall, the industrial plan aims not only to maintain the FMCG Area's important position, but also to transform the other business areas into equally solid pillars of the Group's economic structure. By doing so, we intend to guarantee balanced and sustainable growth in the long term, strengthening the Group's ability to generate value for all stakeholders.

In order to provide more complete and detailed information, the Net Invested Capital (NIC) of each operating segment is given below. This capital, reconciled with the NIC, was adjusted to exclude balance sheet items that are not relevant for the purposes of impairment testing, in line with best practice:

<b>Consolidated financial statements ('000,€)</b>	<b>Area LS&amp;C</b>	<b>Area FMCG</b>	<b>Area SCT</b>	<b>Area OTHER</b>	<b>Aggregate</b>
<b>Closing Net Invested Capital (NIC)</b>	<b>97,856</b>	<b>86,161</b>	<b>79,175</b>	<b>8,807</b>	<b>272,001</b>
<i>NIC adjustments for impairment test</i>					
(-) Impairment on Goodwill		-30,100	-36,200		-66,300
(+) Severance indemnities	6,153	3,199		164	9,516
(-) DTA on prior year losses	-5,000				-5,000
<b>Net Invested Capital for impairment purposes</b>	<b>99,009</b>	<b>119,460</b>	<b>115,375</b>	<b>8,971</b>	<b>342,817</b>

## Capital management.

For the purposes of managing the capital of Antares Vision Group, it was decided that this includes the issued share capital, special shares, the share premium reserve, warrants and all capital reserves attributable to the shareholders of the Parent Company. The main objective of capital management is to maximise shareholder value. Antares Vision Group monitors equity using a gearing ratio, consisting of the ratio of net debt to total capital plus net debt. Antares Vision Group includes in net debt interest-bearing loans, borrowings, trade and other payables, less cash and cash equivalents, short-term deposits and current financial assets.

<b>CAPITAL MANAGEMENT</b>		
<b>Description</b>	<b>12/31/2023</b>	<b>31/12/2022 Restated</b>
Interest-bearing loans and other loans	163,989,236	150,960,785
Other non-current financial liabilities	1,772,767	11,249,309
Other current financial liabilities		
Cash and cash equivalents	-43,364,784	-61,096,981
Current Securities available for sale	-13,241,708	-26,826,890
Other financial assets	-4,871,646	-7,130,074
<b>Net financial position adjusted</b>	<b>104,283,865</b>	<b>67,156,148</b>
Trade and other payables	75,070,879	80,334,217
<b>Net debt (A)</b>	<b>179,354,744</b>	<b>147,490,366</b>
Shareholders' equity	167,716,687	273,488,779
<b>Total capital</b>	<b>167,716,687</b>	<b>273,488,779</b>
<b>Capital and net debt (B)</b>	<b>347,071,431</b>	<b>420,979,144</b>
<b>Gearing ratio (C=A/B)</b>	<b>51.68%</b>	<b>35.04%</b>

The gearing ratio is 51.68% compared with 35.04% at 31 December 2022 restated. This result derives from the combined effect of several factors, the most significant of which are:

- the acquisition of Smart Point through rfxcel, which took place in April 2023. The price amounted to Euro 7.1 million, of which Euro 5.0 million was paid at the closing with the rest to be paid within 18 months;
- investments in minority interests, namely:
  - the acquisition by FT System of 30% of Pygsa which involved an outlay of Euro 791 thousand;
  - the acquisition of 15% of Isinnova by the Parent Company, which involved a cash outlay of Euro 1,500 thousand;
  - the acquisition of 38.18% of Light Scarl by the Parent Company, which entailed a cash outlay of Euro 76 thousand;
- investments in intangible assets (up by Euro 11,808 thousand) for development costs (Euro 4,070 thousand), for assets in course of formation and advances (Euro 5,991 thousand) and for concessions, trademarks and licences (Euro 1,605 thousand);
- investments in property, plant and equipment for Euro 7,400 thousand, including Euro 2,302 thousand for additions to buildings and land (including right-of-use assets), Euro 1,906 thousand for additions to other

assets (including right-of-use assets) and Euro 2,934 thousand for fixed assets under construction and advances;

- the result for the period, which is negative for Euro 99,884 thousand.

Other significant transactions which however have a neutral impact on capital management include:

- payment to the Parent Company of a Euro 20 million bank loan by a leading credit institution (subscribed in September 2021). This forms part of the broader debt refinancing strategy launched in the second half of 2021, when the bank loan in question was negotiated with the possibility of it being disbursed at a later date;
- payment to the Parent Company of a subsidised loan of Euro 1.1 million and a bank loan of Euro 0.1 million relating to the fourth progress payment based on the stage of completion of the Smart Ward Platform R&D project.

Antares Vision Group is required to comply with covenants in line with market practice. The covenants were not complied with at 31 December 2023 for all existing loans and borrowings, for this reason, non-current debt has all been reclassified as current, both for the current year and for 2022 as, following the restatement, the covenants were not complied with in 2022 either. For further information, please refer to the specific note relating to current loans and borrowings.

However, on 27 May 2024 Antares Vision Group completed negotiations with the banks and signed formal agreements which provide for a waiver for failure to comply with the covenants in 2022 and 2023 and their remodulation from 2024.

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## STATEMENT OF FINANCIAL POSITION

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### Non-current assets

#### 1. Property, plant and equipment and right-of-use assets

During the year, Antares Vision Group's investments in property, plant, machinery and right-of-use assets reached a total of Euro 36,406,117 which compares with Euro 34,752,661 at 31 December 2022.

PROPERTY, PLANT AND RIGHT-OF-USE ASSETS						
Description	Land and buildings (including right-of-use assets)	Plant and Machinery	Industrial and commercial equipment	Other fixed assets (including right-of-use assets)	Fixed assets under construction and advances	Total
Historical cost 31/12/2021	26,070,911	595,140	2,757,351	4,392,769	122,852	33,939,022



Accumulated depreciation 31/12/2021	-	-	-	-	-	-
	3,774,235	425,837	974,650	2,226,123	-	7,400,844
<b>Carrying amount 31/12/2021</b>	<b>22,296,676</b>	<b>169,303</b>	<b>1,782,701</b>	<b>2,166,646</b>	<b>122,852</b>	<b>26,538,178</b>
Increases	8,435,458	150,096	391,432	681,792	1,240,518	10,899,297
Increase in historical cost due to expansion of the scope of consolidation	735,492	176,238	243	-	-	911,973
Transfers	-	98,899	-	-	98,899	-
Exchange rate effect	269,722	8,306	177,157	238,106	-	338,977
Dismissions	-	-	-	-	-	-
Depreciation for the period	2,858,053	113,099	63,100	901,515	-	3,935,767
<b>Total changes</b>	<b>6,582,621</b>	<b>320,440</b>	<b>151,419</b>	<b>18,383</b>	<b>1,141,619</b>	<b>8,214,482</b>
Historical cost 31/12/2022	36,486,205	1,048,879	3,479,275	5,073,262	1,264,471	47,352,093
Accumulated depreciation 31/12/202	-	-	-	-	-	-
	7,606,909	559,136	1,545,155	2,888,232	-	12,599,432
<b>Carrying amount 31/12/2022</b>	<b>28,879,296</b>	<b>489,743</b>	<b>1,934,120</b>	<b>2,185,030</b>	<b>1,264,471</b>	<b>34,752,661</b>

PROPERTY, PLANT AND RIGHT-OF-USE ASSETS						
Description	Land and buildings (including right-of-use assets)	Plant and Machinery	Industrial and commercial equipment	Other fixed assets (including right-of-use assets)	Fixed assets under construction and advances	Total
Historical cost 31/12/2022	36,486,205	1,048,879	3,479,275	5,073,261	1,264,471	47,352,092
Accumulated depreciation 31/12/2022	-	-	-	-	-	-
	7,606,909	559,136	1,545,155	2,888,232	-	12,599,431
<b>Carrying amount 31/12/2022</b>	<b>28,879,296</b>	<b>489,743</b>	<b>1,934,120</b>	<b>2,185,029</b>	<b>1,264,471</b>	<b>34,752,661</b>
Increases	2,302,388	86,545	170,587	1,906,399	2,934,082	7,400,001
Increase in historical cost due to expansion of the scope of consolidation	-	-	-	233,335	-	233,335
Write-off	-	-	-	-	-	-
	457,824	-	-	-	-	457,824
Transfers	1,240,518	-	-	-	1,240,518	-
Exchange rate effect	-	-	-	-	-	-
	509,615	23,177	356,953	169,751	4,517	678,157
Dismissions	-	-	-	-	-	-
	816,637	12,684	6,558	104,602	-	940,481
Depreciation for the period	-	-	-	-	-	-
	2,469,221	115,235	72,159	1,246,805	-	3,903,420
<b>Total changes</b>	<b>710,390</b>	<b>18,197</b>	<b>265,083</b>	<b>958,079</b>	<b>1,689,047</b>	<b>1,653,458</b>

Historical cost 31/12/2023	37,837,473	1,173,739	3,658,314	7,352,237	2,953,519	52,975,282
Accumulated depreciation 31/12/2023	- 9,668,567	- 702,193	- 1,989,277	- 4,209,128	-	- 16,569,165
<b>Carrying amount 31/12/2023</b>	<b>28,168,906</b>	<b>471,546</b>	<b>1,669,037</b>	<b>3,143,109</b>	<b>2,953,519</b>	<b>36,406,117</b>

Land and buildings, for an amount of Euro 28,168,906 (Euro 28,879,296 at 31 December 2022), include the land and buildings owned by the Group, the buildings held under finance leases in compliance with IFRS 16, and the long-term lease, rent and rental contracts that fall within the scope of application of this standard, increased by the amount of any improvements made to the assets in accordance with the standards. The increase in purchases and transfers recorded in this item mainly derive from 1) Euro 1,270,193 relating to the purchase of land in the municipality of Sorbolo Mezzani (where one of the local units of Antares Vision S.p.A. is located, of which Euro 400,000 had already been accounted for at 31 December 2022 under Fixed assets under construction and advances), ii) Euro 1,929,948 related to right-of-use assets. Elimination of the historical cost refers to the disposal of a property held in the municipality of Torbole, considered no longer functional to production activities.

Plant and machinery amount to Euro 471,546 after increases of Euro 86,545 linked to new investments.

Industrial and commercial equipment amount to Euro 1,669,037 compared with Euro 1,934,120 in 2022.

Other fixed assets amount to Euro 3,143,109 at 31 December 2022, compared with Euro 2,185,029 at 31 December 2022. The increase is linked to the value in use of the new long-term lease and rental contracts of motor vehicles and capital goods which fall within the scope of application of IFRS 16, as well as the inclusion of Smart Point in the scope of consolidation.

Assets under construction and advances include advances paid for the purchase of machinery of Euro 2,456,815, assets for the SWP tender of Euro 11,000, building permit rights of Euro 81,200 which will go to increase the cost of the related building in application of IFRS 16, as well as the Euro 385,067 invested in expansion and modernisation works of the building in Vicenza used as the registered office of Convel, which was merged with the Parent Company on 1 January 2023.

The write-down item shown in the table mainly refers to the Russian subsidiary.

## 2. Goodwill

Goodwill amounts to Euro 96,821,373 at 31 December 2023 and Euro 160,198,596 at 31 December 2022, as follows:

Goodwill					
Description	LS&C	FMCG	SCT	OTHER	Total
Amount at 31/12/2022	13,730,708	67,250,229	79,094,619	123,039	160,198,596
Change for new acquisitions	-	-	6,232,017	-	6,232,017
Impairments write-down	-	(30,100,000)	(36,200,000)	-	(66,300,000)
Exchange rate effect	4,216	(507,456)	(2,786,875)	(19,125)	(3,309,240)

Amount at al 31/12/2023	13,734,924	36,642,773	46,339,761	103,914	96,821,373
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Amounts of goodwill expressed in foreign currency are converted at the year-end exchange rate.

IFRS 3 establishes how an enterprise must account for the effects of a Business Combination and requires goodwill to be determined as the difference between the acquisition cost incurred by the acquiring enterprise and the acquirer's interest in the sum of the fair value of assets and liabilities acquired, contingent liabilities assumed, and intangible assets recognised in the Business Combination.

The determination of goodwill is therefore the result of a preliminary Purchase Price Allocation process and represents the excess of the acquisition cost incurred over the current value of the assets and liabilities acquired.

The Business Combinations section explains the results of the PPA carried out on Smartpoint, which was acquired on 21 April 2023 through rfxcel. and the details regarding the acquisition of 60% of Shenzhen Andaruixin Technologie Co. Ltd, which took place on August 25, 2023.

### Impairment test

IAS 36 "Impairment of Assets" requires the assessment of the existence of losses in value (impairment) of property, plant and equipment and intangible fixed assets and equity investments in the presence of indicators that suggest that this problem may exist. In the case of goodwill and other intangible assets this assessment is carried out at least once a year. The test is conducted by comparing the book value of the asset (or of the **cash generating unit** or "**CGU**") with its recoverable value, which is the greater than its fair value net of sales costs, and its value in use.

Value in use is the present value of the future financial flows that are expected to originate from an asset (or from a cash generating unit), i.e. the future incoming and outgoing financial flows that will derive from continuous use of the business and its final disposal.

The CGUs are identified in line with the organisational and business structure of the Group, as homogeneous aggregations that generate autonomous cash flows, deriving from the continuous use of the assets attributable to them.

On closing the accounts at 31 December 2023, the Board of Directors of Antares Vision Group carried out specific procedures to check the recoverable value of intangible assets with an indefinite useful life (in this specific case only Goodwill was identified) as shown in the consolidated statement of financial position as of that date. The main assumptions used in carrying out the impairment test are reported below.

### Grouping of assets

Up until 2022, the Directors took the approach that all of the assets being analysed constituted a single CGU. The Directors adopted this approach based on the following considerations:

1. the strategy of the Antares Vision Group was centred on the transversal offer of tracking solutions (Track & Trace) and inspection, software solutions for data management and analysis (Smart Data Management) and assistance and maintenance services;
2. also following the growth of the solutions offered, the Group operates with increasingly accentuated cross-selling mechanisms;
3. Top management remuneration mechanisms are predominantly based on consolidated results and group strategic objectives;
4. each acquisition made by Antares Vision provides for the subsequent integration of the business acquired from a strategic and commercial point of view.

While confirming the validity of these general principles, from the beginning of 2023, the management of Antares Vision has undertaken, with the help of a leading consultancy firm, an important process of organisational restructuring, accompanied by a new and more detailed financial and management reporting model to reflect the new organisation. This process was undertaken to achieve the following strategic objectives:

- g) to introduce more accurate and analytical tools for monitoring the Group's performance;
- h) to improve the ability to identify variances in performance, both operational and financial, and to take corrective action as soon as possible;
- i) to achieve better resource allocation and closer oversight of costs;
- j) to control the various measures envisaged in the business plan more effectively;
- k) to refocus Top Management on specific areas of expertise with specific incentive schemes;
- l) to improve risk and contingency management tools.

This evolution of the control model represents a fundamental step for the adaptation of Antares Vision to changing market dynamics and will allow the Group not only to respond better to internal and external needs, but also to maximise value for shareholders through more targeted and effective management of the various business areas, namely:

- Life Sciences and Cosmetics, ("**LS&C**")
- Fast Moving Consumer Good ("**FMCG**"),
- Supply Chain Transparency ("**SCT**")
- Other assets ("**Other**").

For the purposes of the control procedures envisaged by IAS 36, the new model allowed Management to identify and configure four separate cash generating units (CGU), corresponding to the four Business Areas indicated

above. These four CGUs represent the groups of activities based on which, from 2023, the impairment testing of the goodwill recognised in the Group's consolidated financial statements is carried out.

### **Estimate of the recoverable value of the CGUs**

The estimate of the recoverable value of each of the four CGUs identified for the purpose of checking their carrying amount for the consolidated financial statements was carried out according to the concept of value in use.

Value in use of a group of assets means the present value of future cash inflows and outflows that are expected to derive from continuous use of the group of assets, discounted at an appropriate rate that reflects the current time value of money and the specific risks of the group of assets.

The set of documents underlying the impairment test carried out by the Directors with the support of an independent external expert and approved by the Board of Directors on 13 May 2024 consists of: (i) the final figures of the Group's consolidated financial position at 31 December 2023, from which were obtained the carrying amounts of the assets and liabilities allocated to each of the CGUs being tested (including the portions of goodwill); (ii) the economic and financial forecast figures ("**Business Plan**") of the Antares Vision Group approved by the Board of Directors, from which the cash flows subject to discounting were obtained for each of the CGUs; (iii) the parameters and market and external financial information used for the application of the adopted method. As regards the Business Plan, note that the expected growth is in line with its main reference markets. The cash flows subject to discounting are consistent with the expected business development over the horizon of the plan in terms of revenue and EBITDA, taking into account the dynamics of working capital and expected capital expenditure.

In particular, the discounting of expected cash flows was performed for each of the CGUs using a two-stage model; they refer to: i) the value of an explicit forecast period of five years (2024-2028), corresponding to that of the available forecast data, taken from the Group's Business Plan; ii) the residual value of the following period, calculated with the synthetic algorithm of the perpetual income and estimated starting from the forecast figures of the last year of explicit forecast (2028), considering a normalised level of investments, notional taxes at the full theoretical rate and an inertial perpetual growth rate (G-rate). Note that the future cash flows for the 5-year explicit forecast period (determined by the Business Plan for the three-year period from 2024 to 2026 and, for 2027 and 2028, by forecasts carried out synthetically on the basis of the average growth rate of the volumes implicit in the forecasts for the two previous years.

### **Discount rate (WACC)**

The rate used to discount the expected financial flows of the various CGUs is the weighted average cost of the sources of equity and debt capital (WACC), where the cost of equity component is estimated with an additive approach as per the Capital Asset Pricing Model (CAPM).

The main parameters used to estimate this WACC is summarized as follows.

a) For the cost of equity capital (CAPM):

- the base rate is based on the gross yield of long-term government bonds of each country (average six-month historical data) increased, where necessary, by the country risk premium and the inflation differential (compared with the inflation rate of the euro);
- the equity market risk premium used is an average figure, based on the long-term historical returns of stocks and bonds on mature financial markets;
- the Beta coefficient is recorded on the basis of data from a sample of listed companies in the sector;
- the premium for dimensional risk is based on market parameters taking into account the current stock market capitalisation of the Antares Vision Group;

b) for the cost of debt: the rate used refers to a base market rate (10-year IRS) increased by a margin aligned with that currently applied to the Group's loans.

For the financial structure: the debt-to-equity ratio is based on data from a sample of listed companies in the sector.

The segmentation of the sample of listed companies (used for estimating beta and capital structure) into sub-samples directly comparable to individual CGUs is not feasible, as the nature of the business of the companies in the sample is comparable to that of the Group as a whole rather than to individual CGUs. The base rate, country risk premium, and inflation differential are distinct for the various countries where the Group operates; therefore, a different WACC has been estimated for each of these operating countries. The WACC used for discounting the expected cash flows of the different CGUs, equal to 11.9%, is derived as a weighted average of the WACCs related to the different operating countries, with weighting factors based on the ratio of expected revenues for 2024 in each country to the Group's expected consolidated revenues for 2024. This approach is motivated by the fact that the relative weight of revenues in different countries within each CGU is not necessarily stable over time, and all CGUs exhibit significant revenue diversification across different countries. Therefore, estimating based on the relative revenue weights across countries at the Group level (rather than at the individual CGU level) provides a more robust estimation. Furthermore, the WACCs estimated for each CGU (using revenue weights relative to different countries at the individual CGU level as weighting factors) are substantially convergent with the Group's average.

Long-term growth rate ("g rate")

The nominal growth rate of flows after 2028 and in perpetuity (g-rate) was estimated as per prevailing practice, based on inflation rates.

## Results

For each of the CGUs, the recoverable amount estimated with the value in use approach based on the parameters described above (also known as "Enterprise Value") was compared with the book value of the corresponding assets in the consolidated financial statements (also "NIC"). As can be seen from the table below, this comparison revealed that the recoverable amount of the groups of the assets with an indefinite useful life relating to the 'FMCG CGU' and the 'SCT CGU' is lower than the corresponding carrying amount; ii) the recoverable value of the group of assets pertaining to the other two CGUs is higher than their book value:

Consolidated statement			
€ mln	Recoverable Value	Book Value	Impairment
CGU LS&C	157.4	98.9	-
CGU FMCG	89.3	119.4	(30.1)
CGU SCT	79.2	115.4	(36.2)
CGU Other	17.8	9.0	-
<b>Total</b>			<b>(66.3)</b>

Furthermore, sensitivity analyses of the recoverable amount of each CGU were carried out to changes in the discount rate (WACC) and the perpetual flow growth rate (G-rate), as reported below.

Cover/(Impairment) Sensitivity Analysis LS&C						
€ mln		WACC				
		12.4%	12.1%	11.9%	11.6%	11.4%
G rate	2.8%	54.8	59.6	64.6	69.9	75.5
	2.5%	52.1	56.7	61.5	<b>66.6</b>	71.9
	2.3%	49.5	53.9	<b>58.5</b>	63.4	68.5
	2.0%	47.1	<b>51.3</b>	55.7	60.4	65.4
	1.8%	44.7	48.8	53.1	57.6	62.3

Cover/(Impairment) Sensitivity Analysis FMCG						
€ mln		WACC				
		12.4%	12.1%	11.9%	11.6%	11.4%
G rate	2.8%	(32.7)	(29.7)	(26.6)	(23.4)	(19.9)
	2.5%	(34.2)	(31.4)	(28.4)	<b>(25.2)</b>	(21.9)
	2.3%	(35.6)	(32.9)	<b>(30.1)</b>	(27.0)	(23.8)
	2.0%	(37.0)	<b>(34.4)</b>	(31.6)	(28.7)	(25.7)
	1.8%	(38.3)	(35.8)	(33.1)	(30.3)	(27.4)

Cover/(Impairment) Sensitivity Analysis SCT						
€ mln		WACC				
		12.4%	12.1%	11.9%	11.6%	11.4%
G rate	2.8%	(37.3)	(35.0)	(32.6)	(30.1)	(27.4)

2.5%	(39.0)	(36.8)	(34.5)	<b>(32.0)</b>	(29.5)
2.3%	(40.5)	(38.4)	<b>(36.2)</b>	(33.9)	(31.4)
2.0%	(42.0)	<b>(40.0)</b>	(37.9)	(35.6)	(33.3)
1.8%	(43.4)	(41.5)	(39.4)	(37.3)	(35.1)

Cover/(Impairment) Sensitivity Analysis			OTHER			
G rate	€ mln	WACC				
		12.4%	12.1%	11.9%	11.6%	11.4%
2.8%	8.4	9.0	9.6	10.3	11.0	
2.5%	8.1	8.6	9.2	<b>9.8</b>	10.5	
2.3%	7.7	8.2	<b>8.8</b>	9.4	10.0	
2.0%	7.3	<b>7.9</b>	8.4	9.0	9.6	
1.8%	7.0	7.5	8.0	8.6	9.2	

The results underwent further sensitivity analysis, which involved applying differential WACC and g-rate for each CGU, taking into account the relative revenue weights across different countries at the individual CGU level, with no significant differences emerging compared to the conducted test. In particular, this sensitivity analysis, concerning the two CGUs where impairments were identified, showed a modest change in the overall recoverable amount of these CGUs (-0.1 million euros for the FMCG CGU and +0.4 million euros for the SCT CGU).

Finally, to ensure the overall reasonableness of the results obtained from the described procedures, a reconciliation was performed among the estimated recoverable amount for the total assets of the consolidated balance sheet, the value of the Group's consolidated net financial position, and the market capitalization value adjusted for control premium.

### 3. Other intangible assets

The composition and changes in other intangible assets are shown below:

OTHER INTANGIBLE ASSETS								
Descriptio	Developme nt costs	Industrial patent, rights and use of intellectual property	Concession s, licenses, trademarks and similar rights	Customer list	Know-how	Other intangible assets	Fixed assets in course of formation and advances	TOTAL
Historical cost 31/12/2021	17,076,406	375,137	2,795,126	50,750,637	23,745,890	408,578	3,515,609	98,667,384
Accumulated depreciation 31/12/2021	-5,541,493	-286,800	-1,095,411	-5,608,057	-2,357,988	-288,166	0	-15,177,914
<b>Carrying amount 31/12/2021</b>	<b>11,534,914</b>	<b>88,337</b>	<b>1,699,715</b>	<b>45,142,580</b>	<b>21,387,902</b>	<b>120,412</b>	<b>3,515,609</b>	<b>83,489,469</b>
Increases	9,063,092.00	46,595.00	447,556.00	-	-	-	4,881,487.00	14,438,731.00
Transfers	3,009,593	-	-	-	-	-	-3,009,593	0
Increase in historical cost due to expansion of the scope of consolidation	-	-	6,332	-	-	89,967	-	96,297
Adjustment to fair value generated by PPA	-	-	-	3084413	4050299	-	-	7134711



Exchange rate effect	95,336.00	-	22,418.00	,352,341.00	1,260,489.00	20,063.00	-	3,755,058.00
Dismissions	-	-	-	-	-	-89,097	-	-89,097
Amortization for the period	-5,875,608	-74,617	-545,415	-5,642,720	-2,686,685	-27,857	-	-14,852,902
<b>Total changes</b>	<b>6,336,950</b>	<b>-28,022</b>	<b>-69,108</b>	<b>-205,966</b>	<b>2,624,102</b>	<b>-47,051</b>	<b>1,871,894</b>	<b>10,482,799</b>
Historical cost 31/12/2023	29,266,696	421,732	3,374,593	56,316,723	29,116,888	139,604	5,387,503	124,023,739
Accumulated depreciation 31/12/2023	-11,394,833	-361,417	-1,743,987	-11,380,108	-5,104,884	-66,242	0	-30,051,471
<b>Carrying amount 31/12/2023</b>	<b>17,871,863</b>	<b>60,314</b>	<b>1,630,607</b>	<b>44,936,615</b>	<b>24,012,004</b>	<b>73,362</b>	<b>5,387,503</b>	<b>93,972,268</b>

ALTRE ATTIVITA' IMMATERIALI								
Descrizione	Costi di sviluppo	Diritti di brevetto industriale e utilizzazione opere ingegno	Concessioni, licenze, marchi e diritti simili	Liste clienti	Tecnologie	Altre attività immateriali	Immobilizzazioni in corso e acconti	TOTALE
Historical cost 31/12/2022	29,266,696	421,732	3,374,593	56,316,723	29,116,888	144,964	5,387,503	124,029,099
Accumulated depreciation 31/12/2022	-11,394,832	-361,417	-1,743,987	-11,380,108	-5,104,884	-71,602	0	-30,056,830
<b>Carrying amount 31/12/2022</b>	<b>17,871,864</b>	<b>60,315</b>	<b>1,630,606</b>	<b>44,936,615</b>	<b>24,012,004</b>	<b>73,362</b>	<b>5,387,503</b>	<b>93,972,268</b>
Transfers	0.00	-	1,239,887	-	-	-	-1,239,887	0
Increases	4,070,325	97,841	1,605,229	-	-	43,011.00	5,991,250	11,807,656
Write-off	-905,325	-	-	-	-	(1,178.00)	-472,050	-1,378,553
Increase in historical cost due to expansion of the scope of consolidation	-	-	6229	-	-	-	0	6,229
Adjustment to fair value generated by PPA	-	-	-	-	-	-	-	0
Exchange rate effect	301,552.00	2,789.00	560,374.00	1,130,226.00	605,077.00	21,353.00	17,395.00	-872,208
Amortization for the period	-6,756,647	-75,994	-1,639,548	-5,609,194	-2,732,794	(38,444.00)	-	-16,852,621
<b>Total changes</b>	<b>-3,290,095</b>	<b>19,058</b>	<b>1,772,171</b>	<b>-6,739,420</b>	<b>-3,337,871</b>	<b>24,742</b>	<b>4,261,918</b>	<b>-7,289,497</b>
Historical cost 31/12/2023	31,877,334	516,783	6,260,530	54,840,804	28,240,318	146,308	9,649,422	131,531,499
Accumulated depreciation 31/12/2023	-17,295,565	-437,411	-2,857,754	-16,643,608	-7,566,185	-48,204	0	-44,848,727
<b>Carrying amount 31/12/2023</b>	<b>14,581,769</b>	<b>79,372</b>	<b>3,402,776</b>	<b>38,197,196</b>	<b>20,674,133</b>	<b>98,104</b>	<b>9,649,422</b>	<b>86,682,771</b>

Other intangible assets only include assets with a finite life and at 31 December 2023 they amount to Euro 86,682,771.

Development costs are showing a balance of Euro 14,581,769, net of accumulated amortisation. In addition to the investments of previous years, during 2023 development costs were capitalised for Euro 4,070,325, once it was reasonably certain that the expected future economic benefits would materialise. Added to this are amortisation for the period of 6,756,647 euro, as well as a positive exchange rate effect of 301,552 euro. During the year, development costs relating to the L5 Business and other discontinued development projects of rfxcel were written down for a total of Euro 905,325, net of accumulated amortisation.

Additional investments for a total of Euro 5,991,250 have been recorded under assets in course of formation and advances as they relate to projects not yet completed at the end of the period, so amortisation has not yet commenced. In addition, there is a negative exchange effect of Euro 17,395 Development costs relating to rfxcel were then written down for Euro 141,939 as they related to the L5 Business and advances for development costs relating to Applied Vision for Euro 330,111 as after careful analysis management decided that the projects were no longer in line with the Company's development plan. Last year, the costs that the Parent Company was incurring for digital transformation projects were also included under assets in course of formation and advances. The new ERP and CRM were launched during the first half of 2023 and for this reason resulted in transfers from the item in question to Concessions, licences, trademarks, and similar rights for Euro 1,239,887 which therefore takes on a value of Euro 3,402,776 after additions of Euro 1,605,209 and amortisation for the period of Euro 1,639,548. The costs incurred so far for on implementation of the new PLM of Euro 818,473 are still classified under assets in process of formation and advances awaiting the conclusion of the project, which is expected by the end of next year.

Industrial patent rights and intellectual property rights amount to Euro 79,372, net of accumulated amortisation, compared with Euro 60,315 at 31 December 2022.

Lastly, at 31 December 2023, the Customer List amounts to Euro 38,197,196 after amortisation for the period of Euro 5,609,194 and an overall negative exchange effect of Euro 1,130,226, while Technologies amount to Euro 20,674,133 after amortisation for the period of Euro 2,732,794 and an overall negative exchange effect of Euro 605,077. These are intangible assets measured at the time of the PPAs carried out following the acquisitions completed in previous years.

#### 4. Investments in associates, joint ventures and other companies

The value of the equity investments at 31 December 2023 amounts to Euro 8,553,256. Their composition and changes are as follows:

INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND OTHER COMPANIES										
	Associates					Joint Venture		Other Companies		
Descrizione	OROBIX	RURALL	SIEMPHARM A	SHENZHEN ANTARUIXI N	NEURAL A	HUMAN S GARDEN	FONDAZIO NI	OPTWO	OTHE R	TOTAL
Amount at 31/12/2021	3,033,811	1,500,000	2,014,977	398,642	244,255	150,000	-	-	17	7,341,702
Acquisitions	-	-	1,500,000	-	-	-	250,000	1,000,000	-	2,750,000
Disposals	-	-	-	-	-	(150,000)	-	-	-	(150,000)
Fair value adjustments	(158,307)	(79,527)	146,516	(139,464)	-	-	-	-	-	(230,783)
Exchange rate effects	-	-	-	(3,561)	-	-	-	-	-	(3,561)
Amount at 31/12/2022	2,875,504	1,420,473	3,661,493	255,617	244,255	-	250,000	1,000,000	17	9,707,358

PARTECIPAZIONI IN IMPRESE COLLEGATE, JOINT VENTURE E ALTRE IMPRESE												
Descrizione	Associates					Joint Venture		Other Companies				TOTAL
	OROBIX	RURALL	OPTWO	LIGHT	PYGSA	SIEMPHARMA	SHENZHEN ANTARUIXIN	NEURALA	FONDAZIONI	ISINNOVA	OTHER	
Amount at 31/12/2022	2,875,504	1,420,473	1,000,000	-	-	3,661,493	255,617	244,255	250,000	-	17	9,707,359
Acquisitions	-	-	-	76,350	790,801	-	-	-	-	1,500,000	-	2,367,151
Disposals	-	-	-	-	-	-	-	-	-	-	-	-
Evaluation/(devaluation)	(2,594,874)	41,397	(75,060)	1,242	(790,801)	152,459	-	-	-	-	-	(3,265,637)
Exchange rate effects	-	-	-	-	-	-	-	-	-	-	-	-
Other movements	-	-	-	-	-	-	(255,617)	-	-	-	-	(255,617)
Amount at 31/12/2023	280,630	1,461,870	924,940	77,592	-	3,813,952	-	244,255	250,000	1,500,000	17	8,553,256

The table below shows the net equity and the result for the year of each of the existing investments as of 31 December 2023:

INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND OTHER COMPANIES						
Name	City if in Italy or Foreign Country	Interest held in %	Shareholders' equity at 31/12/2023 (in euro)	Profit/(loss) at 31/12/2022 (in euro)	Classification	Book Value 31/12/2023
OROBIX SRL	BERGAMO, ITALIA	37.5%	636,259	-327,163	Associates	280,630
SIEMPHARMA SRL	APRILIA (LT), ITALIA	45.0%	3,143,221	315,869	Joint Venture	3,813,952
RURALL S.P.A.	MILANO, ITALIA	25.0%	5,815,998	165,589	Associates	1,461,870
PYGSA (*)	VALENCIA, SPAGNA	30.0%	n.a.	n.a.	Associates	-
OPTWO	BRESCIA, ITALIA	24.9%	649,291	-301,446	Associates	924,940
NEURALA	BOSTON (USA)	0.4%	n.a.	n.a.	Other companies	244,255
ISINNOVA (*)	BRESCIA, ITALIA	15.0%	1,530,559	30,179	Other companies	1,500,000
LIGHT (*)	BRESCIA, ITALIA	38.2%	203,254	3,254	Associates	77,592
FONDAZIONI (**)	n.a.	n.a.	n.a.	n.a.	Other companies	250,000
ALTRE PARTECIPAZIONI	n.a.	n.a.	n.a.	n.a.	Other companies	17
<b>Total</b>						<b>8,553,256</b>

(\*) Company acquired in 2023

\*\* there are the investments in the National Research Centre for Agricultural Technologies - Agritech and the National Centre for development of Gene Therapy and Drugs using RNA- based Technology

The investment in Orobix is measured according to the Equity Method and recorded at an amount equal to Euro 280,630 following the recognition of the negative share of the result for the period pertaining to Antares Vision Group and the write-down of the goodwill implicit in the investment acquired in 2019 for a total of Euro 2,594,874. The write-down was necessary following the strategic decision by the Parent Company not to exercise the call option for the purchase of the majority of Orobix shares to allow it to start a fundraising process aimed at supporting and accelerating the future development of the company.

In July 2021 the Parent Company signed an agreement with three strategic partners (BF S.p.A., the most important Italian agro-industrial group, Bluarancio S.p.A., Information Technology leader in the construction and management of platforms for the Italian agricultural sector, and SDF S.p.A., one of the world's leading manufacturers of tractors, harvesting machines and diesel engines) for the start-up of RurAll S.p.A., a recently established company jointly owned by the partners in equal shares. The projects are geared to making the entire Italian Agro-Food sector more efficient, guaranteeing quality and protecting it from counterfeiting, given that the sector is fundamental for the entire national economy and, consequently, for all consumers. The 25% holding in the share capital is recorded in the Parent Company's financial statements for Euro 1,461,870<sup>8</sup>. At 31 December 2023, the share of the result for the period pertaining to Antares Vision Group was positive for Euro 41,397.

On 28 July 2022 the Parent Company subscribed an increase in capital of 1,000 thousand euro (including a share premium) for a 24.9% stake in Optwo, an innovative start-up for the development of a system which, through the use of a combination of third-party and proprietary future development software, makes it possible: (i) to collect, process and analyse data based on consumers' browsing habits, interests and purchasing preferences; (ii) for corporate customers to use the latest set of data, rendered suitably anonymous; and (iii) to plan, send and subsequently analyse the effectiveness of reports, notifications and advertising messages sent by corporate customers to end-consumers, based on the analyses previously carried out and in full compliance with the regulations on the protection of personal data. This investment is part of the so-called "customer engagement". At 31 December 2023, the share of the result for the period pertaining to Antares Vision Group was negative for 75,060 euro, adjusting the value of the investment to 924,940 euro.

In January 2023, the Parent Company acquired a 38.18% stake in Light Scarl, a start-up based in Brescia, at the university campus of the Faculty of Engineering of the University of Brescia, dedicated to the development of artificial intelligence solutions for Digital Healthcare and Biopharma. The goal is to make Light a centre of expertise in the validation of reliable artificial intelligence systems for health, responding to the new challenges and opportunities of the European AI-Act. Collaborations with the Brescia Hospital are already underway. The outlay for the acquisition of the investment amounted to 76,350 euro.

On 1 March 2023 Antares Vision Group, through its subsidiary FT System, completed the acquisition of 30% of Pygsa Sistemas Y Aplicaciones SL ("Pygsa"), already communicated to the market on 9 February 2023, through an increase in capital and an outlay of Euro 0.8 million. Simultaneously, Antares Vision Group signed an agreement with the Spanish company for the exclusive distribution of its solutions in Spain, in all the reference sectors (Life Sciences, Cosmetics, Food & Beverage) and in Portugal for Food & Beverage only. PYGSA was founded in 2008 by two partners with over 20 years of specific experience in product inspection technologies for quality control. PYGSA, is made up of three companies: Sistemas Tecnicos de Vision S.L., which specialises in visual inspection

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<sup>8</sup> The investment was initially recorded in the financial statements of the Parent Company for 1,500,000 euro, of which 750,000 euro had been paid as at 31 December 2023.

technologies and components for Food & Beverage lines; Investigaciones Y Control s.l.u., operating in control and traceability systems in the pharmaceutical sector; Talleres Ferragut S.L., operating in industrial automation systems and high-speed handling systems. Present in all reference sectors of Antares Vision Group, PYGSA has developed specific know-how for the design and production of inspection systems for quality control, traceability solutions, software solutions for measuring efficiency and related integrations. However, the investment did not have the desired effects, as the liquidity provided was not sufficient to relaunch the business. In fact, during 2024, Pygsa presented a request for Judicial Liquidation to the court of Valencia, aimed at liquidating the company's assets, following the losses and debts accumulated. For this reason the investment was completely written down. Following the termination of the joint venture agreement, in August 2023 AV (Shenzhen) International Trading Co., Ltd ("AV Shenzhen"), in turn 100% controlled by Antares Vision Asia Pacific, acquired 60% of Shenzhen Antaruixin Limited Liability Company, previously held 40%. For further details, please refer to the previous paragraph Disclosure on business combinations.

Siempharma S.r.l. (an investment under joint control as there are shareholders' agreements to that effect) operates in the design and marketing of packaging machines. The Parent Company has acquired 45% of its share capital in various stages.<sup>9</sup> The effect of applying the equity method in the income statement at 31 December 2023 was positive for Euro 152,459, this being the portion of the result for the period attributable to Antares Vision Group.

Neurala is an innovative start-up based in Boston, operating in artificial intelligence applied to vision technology for inspection. The investment allows Antares Vision Group to continue its path in Artificial Intelligence. Neurala's research team has created the Lifelong-Deep Neural Network™ technology, which reduces the data requirements for developing AI models and enables continuous learning "in the cloud" or "on the premises". Neurala's AI can only be trained on specific categories of inspection problems with product images that are considered "acceptable" or "good", unlike traditional deep learning approaches that typically need examples of both good and bad products. In this way, the learning process is faster than with traditional approaches, reducing the time, costs and skills required to build and maintain customised artificial intelligence solutions applied to vision technologies in manufacturing. The investment is shown at the purchase cost of Euro 244,255.

On 20 March 2023, the Parent Company took over a 15% stake in Isinnova S.r.l., the Brescia-based technological start-up which enables and makes technological innovation accessible with projects such as life-saving oxygen masks during the Covid-19 emergency or low-cost prostheses for Ukraine. The total amount paid for this stake is Euro 1,500 thousand. Founded in 2014, Isinnova offers itself as a research and development centre and supplier of innovation services, defining itself as a "Knowledge-Intensive Business Service". It also plays the role of

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<sup>9</sup> The Parent Company acquired 10% of the share capital on 28 January 2019, a subsequent 20% on 27 September 2021 and a further 15% on 16 November 2022.

intermediary, to transfer ideas and technologies from one sector in which they are created to another that has a technical requirement or a problem to be solved.

The investments in other companies include the National Research Centre for Agricultural Technologies - Agritech (Euro 50,000) and the National Centre for the Development of Gene Therapy and Drugs using RNA-based Technology (Euro 200,000), both of them acquired in June 2022.

The National Research Centre for Agricultural Technologies - Agritech is a non-profit foundation under private law, created with the aim of giving greater impetus to cutting-edge research in the technological field with particular reference to technologies for agriculture and nutrition in line with the priorities of the European research agenda and with the contents of the National Research Plan.

The Foundation will act as a hub for the Research Programme established by the Ministry of University and Research concerning the presentation of proposals for the strengthening of research structures and creation of "national champions" for R&D on certain Key Enabling Technologies to be funded under the National Recovery and Resilience Plan promoted by the European Union - NextGenerationEU.

The project is based on the use of enabling technologies for the sustainable development of agri-food production, with the aim of favouring adaptation to climate change, reducing the environmental impact in agrifood, the development of marginal areas, safety, traceability and the typical nature of supply chains.

The Antares Vision Group's participation forms part of an *équipe* of Italian excellence made up of 28 universities, 5 research centres and 17 other companies united by the ambition to combine the best scientific skills to make the Italian agri-food industry more competitive and sustainable.

The National Centre for the Development of Gene Therapy and Drugs using RNA-based Technology carries out research in areas of strategic importance for the country for the production of therapies and the design of procedures for human health, integrating the development of therapies with their targeted administration (known as "precision delivery"). It aims at the creation and renewal of research infrastructures and laboratories, the creation and development of research programmes and activities to favour the birth and growth of entrepreneurial initiatives with a higher technological content (innovative start-ups and spin-offs from research), aimed at enhancing the research results in the specified areas. The Centre focuses its activities in areas of high innovative value such as gene therapy applied to the treatment of cancer or hereditary diseases and RNA-based technologies, integrating skills in the field of advanced biocomputing and smart nanomaterials. The Centre has the ambition and the ability to become an excellence and a point of reference for Europe in order to make our country competitive in the development of state-of-the-art drugs. In addition to Antares Vision Group, it sees the participation of several universities, hospitals and research institutes, as well as leading companies that are leaders in the life sciences and biomedical sectors.

## 5. Non-current financial assets

Non-current financial assets amount to Euro 5,083,990 (Euro 7,398,76 at 31 December 2022) and mainly relate to security deposits paid to guarantee contracts in force for Euro 212,344 and financial assets for Euro 4,865,026, the latter all belonging to the Parent Company.

NON-CURRENT FINANCIAL ASSET				
Description	Security deposits	Derivatives receivable	Other non-current activities	Total
Value at 31/12/2022 Restated	268,692	7,130,074	-	7,398,766
Change during the period	(56,348)	(2,265,048)	6,620	(2,314,776)
Value at 31/12/2023	212,344	4,865,026	6,620	5,083,990

The following table summarises the derivatives that the Parent Company has in place to manage and hedge the main financial risks to which it is exposed, explaining their technical characteristics, the risk being hedged, the accounting policy and the mark-to-market adjustment at the end of the year.

Financial instrument	Main transaction	Risk covered	Accounting policy	Effective date of the contract	Contract expiry date	Acquired interest rate	Currency	Notional in foreign currency	Mark to market at 31/12/2023 *
Interest Rate Swap	Leasing	Interest rate risk	Speculative **	01/08/2016	01/02/2026	0.450%	Euro	1,969,864	93,909
Interest Rate Swap	Leasing	Interest rate risk	Speculative **	01/12/2019	01/12/2026	0.800%	Euro	2,325,818	139,039
Interest Rate Swap	Bank borrowing	Interest rate risk	Hedging	30/09/2021	29/09/2028	0.200%	Euro	30,000,000	2,172,907
Interest Rate Swap	Bank borrowing	Interest rate risk	Hedging	30/09/2021	30/09/2029	0.095%	Euro	28,800,000	2,321,838
Cross Currency Swap	Intercompany borrowing	Exchange rate risk	Speculative **	14/04/2023	30/04/2026	1.122%	US Dollar	5,950,000	137,333
<b>Total</b>									<b>4,865,026</b>

\* Mark to market means the present value of the future cash flows of the transaction at the reference date,

calculated on the basis of the discount factors relating to each flow and taken from the interest rate curve and the volatility curve existing on financial markets at the above date

\*\* Although the purpose is hedging, not all the requirements for hedge accounting envisaged by IFRS 9 are met, so the usual accounting treatment of derivative instruments for speculative purpose was applied.

The main effects are represented by the derivatives that the Parent Company has taken out to hedge changes in the interest rate on two bank loans as part of the refinancing strategy being applied from September 2021.

## 6. Deferred tax assets

Deferred tax assets amount to Euro 9,985,714, lower than at 31 December 2022 (Euro 12,554,038) mainly because of the decrease in deferred tax assets due to IFRS adjustments to the accounting situations of the subsidiaries.

DEFERRED TAX ASSETS					
Description	Temporary differences separate financial statements	Deferred Tax assets on tax losses	Tax effect of elimination of unrealised profits	Other deferred tax assets	Total
Amount at 31/12/2022 – Restated	3,233,765	5,593,939	438,160	3,288,174	12,554,038
Change during the period	1,203,495	(479,090)	(282,070)	(3,010,660)	(2,568,325)
Amount at 31/12/2023	4,437,260	5,114,849	156,090	277,514	9,985,714

The group considers the recovery of deferred taxes likely, in light of the industrial plan projecting continued growth for the group and substantial improvement in profitability in the coming years.

#### 7. Other non-current assets

Other non-current assets amounted to Euro 6,261,896 at 31 December 2023 (unchanged compared with 31 December 2022). The item represents the tax credits relating to the rfxcel generated by the restatement process which is discussed extensively in other parts of these notes.

## Current assets

#### 8. Inventories

Inventories at 31 December 2023 came to Euro 48,564,717 (Euro 49,959,689 at 31 December 2022), measured at the lower of purchase or production cost and estimated realisable value based on market trends. The balance is made up as follows:

INVENTORIES					
Description	Raw material, ancillary and consumables	Work in progress and semi finished goods	Finished products and goods	Advances for stocks	Total Inventories
Amount at 31/12/2022 Restated	28,419,513	12,337,362	7,546,160	1,656,654	49,959,689
Change during the period	(3,485,347)	1,394,053	1,140,078	(964,058)	(1,915,274)
Effect of the change in the scope of consolidation Shezen andaruixin Technology Co., Ltd	366,801	41,668	111,833	-	520,302
Amount at 31/12/2023	25,300,966	13,773,084	8,798,071	692,596	48,564,717

The value of inventories at 31 December 2023 is lower than last year by Euro 1,915,274, with the same perimeter. Inventories are shown net of the provision for obsolete and slow-moving goods. It was also deemed appropriate to write-down the goods that are not included in the company's future sales plans. There were the following changes in the provision during the year:



INVENTORY PROVISION				
Description	Raw materials, ancillary and consumables	Finished products and goods	Semi.finished goods and work in progress	Total Inventories Provision
Amount at 31/12/2022	814,851	748,229	-	1,563,080
Provisions	1,981,221	2,448,637	370,126	4,799,984
Uses/release	-	-	-	-
Amount at 31/12/2023	2,796,072	3,196,866	370,126	6,363,064

The extraordinary write-downs of inventories are the result of a new business strategy introduced in 2024 by the new management team. This strategy mainly aims at two objectives: firstly, to standardise the products offered to customers; secondly, to drastically reduce stocks. As a result, inventories no longer complying with the standards being developed, including those of finished products, semi-finished products and raw materials, were valued at their estimated realisable value, considering them obsolete with respect to the company's new strategic direction.

#### 9. Trade receivables

Trade receivables are all due within 12 months and have therefore been recorded at their estimated realisable value, without having to measure them at amortised cost or discount them.

The estimated realisable value corresponds to the difference between the nominal value and the allowance for doubtful accounts based on a review of individual receivable balances, taking into account past experience, specific by business and geographical area, as required by IFRS 9.

The changes in Trade receivables are shown below:

TRADE RECEIVABLES			
Description	Trade receivables	Provision for credit risks	Total trade receivables
Amount at 31/12/2022 Restated	76,318,062	3,239,623	73,078,439
Change during the period	1,288,874	1,233,495	55,379
<i>Effect of the change in the scope of consolidation Shezen andaruixin Technology Co., Ltd</i>	404,179	-	404,179
Amount at 31/12/2023	78,011,115	4,473,118	73,537,997

At 31 December 2023, this item amounts to Euro 73,537,997 (net of a provision for doubtful accounts of Euro 4,473,118 and compares with a balance of Euro 73,078,439 the previous year (net of a provision of Euro 3,239,623). The provision for credit risks increased by 1,233,495 euro due to provisions of 2,597,937 euro and uses of 1,364,442 euro.

<b>TRADE RECEIVABLES PROVISION</b>	
<b>Description</b>	<b>Fondo rischi su crediti</b>
Amount at 31/12/2022 Restated	<b>3,239,623</b>
<i>Provisions</i>	6,612,090
<i>Uses/release</i>	1,378,595
<b>Amount at 31/12/2023</b>	<b>4,473,118</b>

Antares Vision Group carefully evaluates the solvency of its customers, constantly monitoring credit exposure and activating immediate debt collection procedures with counterparties for past due accounts. It is rarely necessary to take legal action.

<b>RECEIVABLES AGEING ANALYSIS</b>		
	<b>2023</b>	<b>% Incidence</b>
Not yet past due	48.765.684	62,5%
Past due between 0-30 days	8.900.591	11,4%
Past due between 31-60 days	4.612.030	5,9%
Past due between 61-90 days	4.282.097	5,5%
Past due between 91-120 days	5.560.547	7,1%
Past due overtre 120 days	5.890.166	7,6%
<b>Total net of the provision</b>	<b>78.011.115</b>	<b>100%</b>
<i>Provision for doubtful accounts</i>	-4.473.118	
<b>Total trade receivables</b>	<b>73.537.997</b>	

Given the business model of Antares Vision, because of delays in the Site Acceptance Test (SAT), it is normal for past due amounts to exceed even a whole year, without this suggesting that the customer may be insolvent. It should also be noted that for certain counterparties who are also suppliers (commercial services and machinery installation services). Settling outstanding items with them takes place by offsetting debit and credit balances, so the tendency is to wait for similar balances to be run up.

Lastly, there are no situations of commercial dependence or significant concentration with individual customers; the receivables portfolio is also well distributed by geographical area, which mitigates any country risk.

#### **10. Other receivables**

Other receivables amount to Euro 7,936,237 and compare with Euro 10,821,836 at 31 December 2022. This item is made up as follows:

OTHER RECEIVABLES				
Description	Tax Receivables	Advances to suppliers	Other	Total other Receivables
Amount at 31/12/2022	4,275,837	1,638,468	4,907,531	10,821,836
Change during the period	- 1,008,021	80,847	- 2,175,195	- 3,102,369
Effect of the change on the scope of consolidation - SmartPoint Technologies Private Limited	175,994	21	38,432	214,447
Effect of the change on the scope of consolidation - AVI Excellence Private	1,096	-	-	1,096
Effect of the change on the scope of consolidation - Shezhen Andaruixin Technology Co., Ltd	-	-	1,228	1,228
Amount at 31/12/2023	3,444,906	1,719,336	2,771,996	7,936,237

Tax receivables have gone from Euro 4,275,837 on 31 December 2022 to Euro 3,444,906 on 31 December 2023. This amount mainly relates to:

- the Parent Company for Euro 1,219,380.
- Antares Vision Do Brazil for Euro 1,163,927.
- FT System for Euro 92,130.
- Pentec for Euro 58,607.

it is also influenced for Euro 175,994 by the inclusion of Smart Point in the scope of consolidation.

Advances include receivables for advances paid to suppliers for services, for Euro 1,719,336.

Other receivables have gone from Euro 4,907,531 at 31 December 2022 to Euro 2,771,996 at 31 December 2023. It mainly includes accrued income and prepaid expenses for 1,928,060 euro linked to the portions of costs pertaining to future periods. This item also includes Euro 295,484 relating to the non-repayable contributions not yet collected for the TFP/Agrifood tender and Euro 635,679 relating to the modernisation and expansion works on the registered office of the Parent Company and which, as a result of the mandate without representation signed with the leasing company, still have to be reimbursed by it. The residual portion is attributable to receivables from employees and the write-down of receivables claimed by the Russian branch.

#### 11. Other current financial assets

Other current financial assets amount to Euro 13,241,708 (Euro 26,826,890 at 31 December 2022) almost entirely attributable to the Parent Company and represented by insurance policies for Euro 2,843,012 and by Treasury bills for Euro 9,366,247, as well as restricted current accounts of Euro 1,005,195 where surplus cash is invested. During 2023, certificates of deposit for Euro 6,000,000, insurance policies for Euro 18,141,290 and fixed income securities for Euro 8,960,446 were sold, then partially reinvested in fixed income securities for Euro 18,177,571.

As already indicated in the section on fair value measurement, the assets recorded in other current financial assets fall within the hierarchy of Level 1 (Treasury bills) and Level 2 (insurance policies). Restricted current accounts are shown at their nominal value, which coincides with their fair value.

### **12. Cash and banks**

The balance of cash and banks recorded at nominal value amounts to Euro 43,364,784, which compares with the balance of Euro 61,096,981 last year.

The change in the item is negative for 17,732,197 euro and are shown in the statement of cash flows.

With regard to the availability of cash reserves, note that Euro 1,433,421 are deposited in the current accounts of the subsidiary Antares Vision Rus for which a liquidation procedure has been commenced, as explained in other sections of these financial statements.

## Shareholders' equity

### **13. Share capital and reserves**

Equity at 31 December 2023 amounts to Euro 167,716,687 (Euro 167,809,951 net of minority interests) and compares with 273,389,786 (Euro 273,488,779 considering only the net equity of the Group) of the previous financial period.

The share capital is equal to Euro 169,457, fully paid up, while the share premium reserve recorded under Other reserves takes on a value at the end of the period of Euro 209,467,141. These items have not changed compared with 31 December 2022 as there was no exercise during the period of the warrants issued in April 2019 by the Parent Company at the time of the business combination with Alp.I S.p.A. in favour of the latter's shareholders with a view to listing Antares Vision S.p.A. on what was then the AIM market (now the Euronext Growth).

Please refer to Note 20 below for a more detailed discussion on the issue of warrants and how they are exercised and to the summary statement of changes in consolidated shareholders' equity included in the consolidated financial statements for more information on the other changes in shareholders' equity.

	31/12/2023		31/12/2022 Restated (*)	
	Shareholders' equity	Of which: result of the year	Shareholder's equity	Of which: result of the year
<b>Equity and net income as reported in the financial statements of the</b>	<b>211,435,807</b>	<b>(43,544,450)</b>	<b>253,541,102</b>	<b>(3,795,732)</b>
<i>Excess of the net assets in the financial statements, including the net income, compared to the carrying amounts of investments in</i>	64,244	(14,776,261)	21,680,082	8,595,878
<i>Svalutazioni delle partecipazioni imprese controllate nel bilancio d'esercizio</i>	18,175,020	18,175,020		
<i>Impairment of investments in subsidiaries in the financial statements</i>	(66,300,000)	(67,093,434)		
<i>Elimination of the effects of transactions carried out between consolidated companies and the intercompany impairments made by the parent company</i>	4,341,616	7,355,207	(1,732,405)	(3,237,661)
<b>Consolidated equity and net income</b>	<b>167,716,687</b>	<b>(99,883,918)</b>	<b>273,488,779</b>	<b>1,562,485</b>
<b>Equity and net income attributable to non-controlling interests</b>	<b>(93,264)</b>	<b>(236,844)</b>	<b>98,993</b>	<b>(71,698)</b>
<b>Shareholders' equity and group net income</b>	<b>167,809,951</b>	<b>(99,647,075)</b>	<b>273,389,787</b>	<b>1,634,183</b>

## Non-current liabilities

### 14. Non-current loans and borrowings

At 31 December 2023, Non-current loans and borrowings amounted to Euro 58,219 (Euro 1,774,233 at 31 December 2022).

NON-CURRENT LOANS AND BORROWINGS			
Description	Medium/long-term loans (share over 12 months)	Warrants	Total non-current loans and financing
<b>Amount at 31/12/2022 Restated</b>	<b>27,349</b>	<b>1,746,884</b>	<b>1,774,233</b>
Changes during the period	30,870	(1,746,884)	(1,716,014)
<b>Amount at 31/12/2023</b>	<b>58,219</b>	<b>-</b>	<b>58,219</b>
<i>of which: over 5 years</i>	-	-	-

It includes payables to banks with a maturity beyond 12 months.

As stated elsewhere in these notes, at 31 December 2023 the Group was not able to comply with the covenants on a consolidated basis and therefore had to reclassify its non-current debt as current; this reclassification was also applied to the values as at 31 December 2022 as a result of the restatement process.

Compared with the previous period in 2023, the value of the warrants was reclassified under Current loans and borrowings as they expire in April 2024.

For further information, please refer to the note relating to Current loans and borrowings.

### 15. Non-current lease liabilities

Non-current lease liabilities amount to Euro 12,884,193 (Euro 13,175,064 at 31 December 2022). The overall change with respect to the comparative period is negative for Euro 290,871.

In accordance with IFRS 16, Antares Vision Group assesses when signing a contract whether it can be classified as a lease, i.e.:

whether it confers an exclusive right to use an asset;

whether a period within which the right of use can be exercised is identified;

whether a fee is fixed for the enjoyment of that right.

Assets identified in this way are recorded at cost, including all initial direct expenses, and they are depreciated on a straight-line basis from the effective date until the end of the useful life of the asset underlying the contract or until expiry of the lease, whichever comes first. At the same time as the right of use is recorded under assets, Antares Vision Group enters the present value of the payments due, including the price of any purchase option, under lease liabilities. The value of the liabilities decreases as a result of payments made and can change if the contractual terms are amended. The discount rate used to determine the value of the liabilities is the incremental borrowing rate.

With regard to rental contracts for buildings and offices, since it is extremely likely, from a strategic point of view, that they will be extended, the duration has been calculated taking into account the optional period indicated in the contract.

Contracts with a total duration of 12 months or less have been excluded from application of the standard, as have contracts for which the unit value of the underlying assets does not exceed Euro 5,000. The related fees are therefore recognised as costs over the duration of the contract.

We report in the following table the detailed breakdown of debt by maturity years:

Non-current lease liabilities									
Description	Due in 2025	Due in 2026	Due in 2027	Due in 2028	Due in 2029	Due in 2030	Due in 2031	Due in 2032	Due in 2033
Leasing ICCREA	282,840	1,275,792	-	-	-	-	-	-	-
Leasing Unicredit	92,245	93,103	93,970	94,844	191,627	-	-	-	-
Leasing Unicredit	31,217	31,508	31,802	32,099	32,398	54,422	-	-	-
Leasing ICCREA	419,279	425,474	431,500	436,088	443,932	451,385	459,001	468,045	290,496
Leasing Unicredit	130,957	132,608	134,280	135,972	137,687	139,422	141,180	342,827	-
Rights-of-use IFRS 16	500,933	388,604	212,515	43,936	32,357	10,805	-	-	-

Rights-of-use IFRS 16 Other Companies	1,243,042	1,075,673	705,837	507,257	251,242	194,789	183,871	75,329	-
<b>Total</b>	<b>2,700,513</b>	<b>3,422,763</b>	<b>1,609,903</b>	<b>1,250,197</b>	<b>1,089,244</b>	<b>850,824</b>	<b>784,052</b>	<b>886,201</b>	<b>290,496</b>

### **16. Other non-current financial liabilities**

At 31 December 2023, Other non-current financial liabilities amount to Euro 880,757 compared with Euro 162,383 at 31 December 2022. These liabilities represent the deferred component of the purchase price of Smart Point Technologies.

Note that derivatives that have a positive mark-to-market adjustment at the end of the year are shown under non-current financial assets, as commented on in Note 5.

### **17. Retirement benefit obligations**

Retirement benefit obligations are shown in the consolidated financial statements at 31 December 2023 for Euro 9,515,619 which compares with the balance of Euro 7,799,034 at 31 December 2022.

This item consists of the severance indemnity (TFR) recognised for the benefit of employees of the Group's Italian companies. The change during the year is represented by the provision for the year, net of disbursements made to employees and to supplementary pension funds, and the effect of discounting the liability that existed at the reference date.

In application of IAS 19, paragraphs 67-69, the "accrued benefits" method was used for the valuation of severance indemnities using the "Projected Unit Credit" (PUC) criterion. This method is characterised by valuations that express the average present value of severance indemnities accrued on the basis of the service that the employee has rendered up to the time when the valuation was made and can be summarised in the following steps:

- projection for each employee in the payroll at the valuation date of the severance indemnities already set aside and of the future severance indemnities that will be accrued until the assumed time of payment, projecting the employee's remuneration;
- determination for each employee of the probable severance indemnity payments to be made by the Group in the event of termination of employment due to dismissal, resignation, disability, death and retirement, as well as in the event of advance payments requested by the employee;
- discounting to the valuation date of each probable payment;
- re-proportioning, for each employee, of the probable services and discounted on the basis of period of service accrued at the valuation date compared with the equivalent overall period of service at the assumed date of liquidation.

The individual demographic assumptions adopted were as follows:

DEMOGRAPHIC ASSUMPTIONS	
Mortality	RG48 mortality published by the State General Accounting Office
Disability	INPS Tables broken down by age and gender
Retirement of age	Attained af AGO requirements

The technical bases used are listed below:

ECONOMIC ASSUMPTION		
Description	31/12/2023	31/12/2022
Annual discount rate	3.17%	3.77%
Annual inflation rate	2.00%	2.30%
Annual rate in severance indemnity (TFR)	3.00%	3.23%
Real annual salary increase rate	1.00%	1.00%

The annual frequency of advances and turnover shown in the table below are based on Antares Vision Group's past experience and the results of a benchmarking analysis with similar companies:

TURNOVER AND ADVANCES HYPOTHESIS		
Description	31/12/2023	31/12/2022
frequency of advances	1.50%	1.50%
frequency of turnover	2.50%	2.50%

The following is a reconciliation of the IAS 19 valuations between the beginning of the year and at 31 December 2023:

IAS 19 EVALUATIONS RECONCILIATION							
Description	Antares Vision	FT System	Pen-Tec	AV Electronics	Packital	Wavision	TOTAL
<b>Defined Benefit Obligation (DBO) beginning of period (*)</b>	<b>5,030,430</b>	<b>1,839,304</b>	<b>134,365</b>	<b>423,276</b>	<b>371,351</b>	<b>541</b>	<b>7,799,267</b>
Service Cost	1,020,287	292,771	25,221	26,073	37,710	2,772	1,404,834
Interest Cost	191,094	68,984	5,430	16,146	13,623	44	295,321
Benefits paid	-417,790	-106,684	-25,255	0	-16,216	0	-565,945
Transfers or other adjustments	-42,050	-39,327	11,761	1,349	-19,899	0	-88,166
<b>Expected DBO end of period</b>	<b>5,781,971</b>	<b>2,055,048</b>	<b>151,522</b>	<b>466,843</b>	<b>386,569</b>	<b>3,358</b>	<b>8,845,312</b>
A(G)/L from experience	94,287	-3,573	3,232	-2,262	-20,113	11	71,582
A(G)/L from change of demographic assumptions	0	0	0	0	0	1	1
A(G)/L from discount rate exchange	277,104	104,118	6,938	11,695	15,609	143	415,608
<b>Defined Benefit Obligation (DBO) end of period</b>	<b>6,153,362</b>	<b>2,155,593</b>	<b>161,693</b>	<b>476,277</b>	<b>382,065</b>	<b>3,513</b>	<b>9,332,503</b>



(\*) Amount equal to the sum of the BDOs at al 31 December 2022 of the Parent Company and of Convel due to its merger into Antares Vision, which took effect on 01 January 2023.

(\*\*) Balance equal to the sum of the BDOs at 31 December 2022 of Tecnel and Ingg. Vescovini as a result of the latter's absorption by Tecnel on 1 January 2023

The following is the sensitivity analysis carried out for each material assumption at the end of the year, showing the effects that could have come from changes in actuarial assumptions that are reasonably possible:

SENSITIVITY ANALYSIS OF THE MAIN EVALUATION PARAMETERS						
Description	Antares Vision	FT System	Pen-Tec	AV Electronics	Packital	Wavision
Turnover rate +1%	5,601,747	1,960,639	167,836	453,398	387,855	1,924
Turnover rate -1%	5,518,644	1,931,913	167,018	452,618	383,917	1,878
Inflation rate + 0,25%	5,717,773	2,002,712	171,846	458,974	394,871	1,967
Inflation rate - 0,25%	5,416,229	1,894,519	163,243	447,207	377,406	1,841
Discount rate +0,25%	5,380,193	1,881,685	162,384	445,405	375,193	1,832
Discount rate -0,25%	5,757,818	2,016,965	172,791	460,889	397,277	1,978

The following table shows the contribution for the next 12 months and the average financial duration of the obligation as required by IAS 19:

SERVICE COST AND DURATION							
Description	Antares Vision	FT System	Pen-Tec	AV Electronics	Packital	Wavision	TOTAL
Service cost in the future	1,113,103	301,262	26,790	26,953	32,072	3,005	1,503,185
Duration	21.04	20.0	16.3	10.8	15.5	22.9	106.6

Lastly, as required by IAS 19, the estimated future disbursements of the plan are indicated below:

FUTURE DISBURSEMENT						
Years	Antares Vision	FT System	Pen-Tec	AV Electronics	Packital	Wavision
1	421,501	99,606	15,550	76,532	29,198	220

2	401,779	124,186	8,195	21,659	33,661	346
3	417,917	123,355	9,046	22,606	18,635	469
4	409,822	135,069	9,869	23,481	19,637	587
5	461,559	146,445	30,437	157,592	20,609	703

### 18. Deferred tax liabilities

Deferred taxes are determined in relation to all taxable temporary differences between the values of consolidated assets and liabilities, compared with the values recorded for tax purposes in the financial statements of consolidated companies.

At 31 December 2023, deferred tax liabilities recognised in the balance sheet amount to Euro 16,488,270, down from Euro 21,142,434 the previous year.

The amount refers for Euro 13,745,416 to the deferred taxes generated during the PPAs and for Euro 1,003,563 to derivative instruments and for Euro 491,519 to deferred taxes on the capitalisation of development costs by Applied Vision and Rfxcel.

### 19. Other non-current liabilities

At 31 December 2023 the Other non-current liabilities amounted to Euro 216,939, compared with the balance of Euro 82,382 at 31 December 2022; for Euro 200,172 it refers to cash deposits made by a customer for orders received in 2024.

## Current liabilities

### 20. Current loans and borrowings

Current loans and borrowings amount to Euro 147,396,779 compared with Euro 132,844,952 the previous year.

The movements and composition of this item are shown below:

CURRENT LOANS AND BORROWINGS					
Description	Medium/long-term loans (share within 12 months)	Credit cards	Warrant	Other current loans	Total current loans and financing
<b>Amount at 31/12/2022 Restated</b>	<b>130,963,862</b>	<b>385,986</b>	<b>0</b>	<b>1,495,104</b>	<b>132,844,952</b>
Changes during the period	16,105,669	-213,977	78,733	-1,342,327	14,549,365
<i>Effect of the change in the scope of consolidation - SmartPoint Technologies Private Limited</i>	-	2,507	0	-45	2,462
<b>Amount at 31/12/2023</b>	<b>147,069,531</b>	<b>174,516</b>	<b>78,733</b>	<b>152,732</b>	<b>147,396,779</b>

This item includes the portion within 12 months of medium-long term loans and borrowings. Antares Vision Group is required to comply with financial covenants in line with market practice. The Financial Covenants have not been met as of 31 December 2023, for all existing loans; for this reason, non-current debt has all been reclassified as current, both for the current year and for 2022 as, following the restatement, the covenants were not complied with in 2022 either. This resulted in the short-term reclassification of 130,803,559 euro for 2023 and 124,142,830 euro for 2022.

On 27 May 2024, Antares Vision Group completed the negotiation of certain amending agreements with the relevant banks which provide, inter alia, for a waiver for failure to comply with the 2022 and 2023 covenants and their remodulation starting in 2024 (in line with the Business Plan).

The figures for 2023 and 2022 are therefore comparable and the change in the item derives from:

- payment to the Parent Company in March 2023 of a Euro 20 million bank loan by a leading credit institution (it was subscribed in September 2021). This forms part of the broader debt refinancing strategy launched in the second half of 2021, when the bank loan in question was negotiated with the possibility of it being disbursed at a later date. Consequently, this disbursement also required compliance with covenants on a consolidated basis, which were subsequently not met, as explained above;
- payment to the Parent Company of a subsidised loan of Euro 1.1 million, classified under this item relating to the fourth structural adjustment loan ("SAL") of the Smart Ward Platform R&D project ("SWP");
- repayment of the principal portions of outstanding loans for Euro 6,165 thousand.

Other current loans and borrowings mainly include a loan of Euro 58,786 for the purchase of a car and the financial liability represented by the warrants, equal to Euro 78,733, which at 31 December 2022 amounted to Euro 1,746,884. They were classified under non-current loans and borrowings, then reclassified to Current loans and borrowings, as they fell due in less than 12 months.

The other current loans mainly include a loan of Euro 58,786 for the purchase of a car.

In this regard, it should be noted that the Shareholders' Meeting of Antares Vision S.p.A. held on 5 February 2019 approved an increase in capital, with the exclusion of pre-emption rights pursuant to article 2441, paragraph 5, of the Italian Civil Code, to service the exercise of the warrants, in a divisible manner, for a maximum nominal amount of Euro 3,255.60 through the issue of up to 1,356,500 conversion shares. The regulation for the exercise and conversion of warrants was updated by the Board of Directors of the Parent Company on 28 April 2021 on the occasion of the translisting to Euronext STAR Milan.

No requests to exercise warrants were received during 2023.

Furthermore, on 19 April 2024, after 60 months from the effective date of the absorption of ALP.I S.p.A. by the Company (which took place on 18 April 2019), the automatic conversion of 250,000 special B shares into 250,000

ordinary shares and the cancellation of 1,189,590 special C shares took place, without any change in the entity of the share capital, pursuant to articles. 5.7 and 5.8 respectively of the Articles of Association.

As a result of the above, the share capital of Antares Vision remained unchanged at 172,788.42 euro and is made up exclusively of 70,753,559 ordinary shares.

Warrant holders can decide whether to exercise their warrants in total or in part by asking to subscribe shares at the subscription price (€ 0.10 per share), provided that the average monthly price is higher than the strike price (€ 9.50 per share). On exercise, warrant holders will be assigned conversion shares on the basis of the exercise ratio calculated according to the following formula:

If the acceleration condition in the above formula occurs, the average monthly price will be replaced by the acceleration price (Euro 13 per share). The warrant expiration date is the first of the following dates to occur: (i)

$$\frac{\text{Prezzo Medio Mensile} - \text{Prezzo Strike}}{\text{Prezzo Medio Mensile} - \text{Prezzo di Sottoscrizione}}$$

the first trading day after 5 years from 18 April 2019 (the date of the business combination with Alp.I and (ii) the first trading day after 30 calendar days have passed from the date of publication of the acceleration notice. Since these are financial instruments that, once exercised, may give the right to delivery of a variable number of shares, they do not fall within the definition of equity instruments in IAS 32, paragraph 16. As a result, they must be classified as a financial liability offset by a corresponding change in shareholders' equity. Subsequent adjustments to the financial liability will be booked to the income statement.

As of 31 December 2023, financial liabilities amounted to Euro 78,733. The change of Euro 1,668,151 was recorded under financial income.

Description	n.Warrant	Price	Financial Liability
Amount at 31/12/2022	2,460,400	0.7100	1,746,884
Change in period			- 1,668,151
Amount at 31/12/2023	2,460,400	0.0320	78,733

Finally, the debit balance on company credit cards is equal to 174,516 euro.

## **21. Current lease liabilities**

Current lease liabilities amount to Euro 3,650,046 (Euro 3,508,203 at 31 December 2022), which is the portion due within 12 months of payables to leasing companies following the application of IFRS 16.

Please refer to the explanation of non-current lease liabilities given in Note 15.

## **22. Other current financial liabilities**

At 31 December 2023, Other current financial liabilities amount to Euro 872,202, compared with Euro 11,086,926 the previous year. The change is linked to the disbursement of the sums not yet redeemed by the previous shareholders of rfxcel following the sale of the company to Antares Vision Group.

The item in question includes the amount corresponding to the portion of the price for the acquisition of Smart Point not yet paid at the end of the year and due to be paid within 12 months for Euro 386,240, as well as the last portion of the amounts not redeemed (as explained above) for Euro 485,962.

### 23. Current provisions for risks and charges

At 31 December 2023, current provisions for risks and charges amount to Euro 1,689,970 and compare with the balance of Euro 1.230.814 at 31 December 2022. Its composition and changes are shown below:

CURRENT PROVISIONS FOR RISKS AND CHARGES				
Description	Products warranty fund	Fund for ongoing disputes	Provision for agents' severance indemnity	Total
Amount at 31/12/2022	988,749	74,773	167,292	1,230,814
Changes during the period	539,220	4,363	(84,426)	459,156
Amount at 31/12/2023	1,527,969	79,136	82,866	1,689,970

The provision for product warranties relates to the estimated charges for servicing and repairs to be carried out under warranty on machinery already delivered the calculation was carried out on the basis of historical trends and resulted in an adjustment to the provision of Euro 539,220.

This item also includes the provision for agents' severance indemnity of Euro 82,866 and other contingent liabilities estimated at Euro 79,136.

When carrying out its analyses, management is advised by its consultants and experts in legal and tax matters. The Group makes provision for a liability in the event of disputes when it deems it probable that a financial outlay will occur and when the amount of the resulting losses can be reasonably estimated. The provisions set aside are reviewed at each reporting date and adjusted to show the best current estimate.

### 24. Trade payables

The balance of trade payables is equal to Euro 25,339,586 (Euro 23,140,137 at 31 December 2022), all with a duration of less than twelve months. The changes during the year are set out below with a separate indication of the effects of the changes in the scope of consolidation.

TRADE PAYABLES	
Description	Trade payables
Amount at 31/12/2022	23,140,137
Changes during the period	2,194,271
<i>Effect of the change in the scope of consolidation - SmartPoint Technologies Private Limited</i>	5,178
Amount at 31/12/2023	25,339,586

### 25. Deposits

Deposits amount to Euro 26,043,101 compared with Euro 30,341,422 at 31 December 2022. This include advances from customers, the amounts collected from customers as an advance on sales still to be completed.

### 26. Other payables

Other payables amount to Euro 23,688,192 compared with Euro 26,852,657 at 31 December 2022. The increases in the item are due for Euro 303,337 to the inclusion of Smart Point and Sheen Andaruixin Technology Co. Ltd in the scope of consolidation. Overall, the item decreased as a result of lower advance payments (following lower orders collected in the latter part of the year compared with the previous year) and lower tax payables (due to lower taxable income).

The composition of this item is shown below:

OTHER PAYABLES								
Description	Payables to personnel	Payables to social security institutions	Tax payables	Accrual expenses and deferred income	Other payables	Other payables	Contractual obligations	Total
<b>Amount at 31/12/2022</b>	<b>8.305.460</b>	<b>3.884.530</b>	<b>8.223.487</b>	<b>3.614.934</b>	<b>2.824.247</b>	<b>57.037</b>	<b>2.767.210</b>	<b>26.852.657</b>
Changes during the period	1.623.310	270.145	- 5.621.306	108.286	41.765	- 37.229	78.994	- 3.577.800
<i>Effect of the changes in the scope of consolidation - SmartPoint Technologies Private Limited</i>	242.082		61.253		-			303.337
<i>Effect of the changes in the scope of consolidation - Shenzhen Andaruixin Technology Co., Ltd</i>	63.026		46.971		-			109.998
<b>Amount at 31/12/2023</b>	<b>10.233.878</b>	<b>4.154.675</b>	<b>2.710.406</b>	<b>3.723.220</b>	<b>2.866.012</b>	<b>19.808</b>	<b>2.846.204</b>	<b>23.688.192</b>

Payables to personnel include payables for wages and salaries due at the end of the year. As of 31 December 2023, they are affected by the inclusion of new companies in the scope of consolidation for 305,108 euro.

Payables to social security institutions amount to Euro 4,154,675 (Euro 3,884,530 at 31 December 2022) and are attributable for Euro 2,478,686 to the Parent Company. This item includes payables to INPS and INAIL of Italian companies and those to local social security institutions of foreign companies.

Tax payables include direct taxes due, net of any advances paid, and the amounts withheld from employees' salaries. At 31 December 2023 this item amounts to Euro 2,710,406, with a decrease of Euro 5,621,306 due to the lower taxable income, and an increase of Euro 108,224 because of the new companies included in the scope of consolidation.

Accrued expenses and deferred income include mainly i) the portions of revenue on service contracts that were already invoiced at the end of the year, but not pertaining to it; and ii) deferred income on the grants assigned for the tax credit on research and development and on the non-repayable contributions linked to the Digital Agenda tender, which includes the Smart Ward Platform project ("SWP"), and the FCS tender - Agreements for innovation promoted by the Ministry of Economic Development which includes the TFP Agrifood project. They are attributable to the Parent Company for Euro 3,005,604.

## INCOME STATEMENT

### 27. Revenue

At 31 December 2023, Revenue amounted to 210,019,144 euro and compare with the restated balance of 201,314,234 euro at 31 December 2022, with a change in the period of 8,704,910 euro. The inclusion of Smart Point in the scope of consolidation contributes in a limited way, as the company sells entirely intercompany:

REVENUE	
Description	Revenue
Amount at 31/12/2022 restated	<b>201,314,234</b>
Amount at 31/12/2023	<b>210,019,144</b>
<i>of which relating to Antares Vision Korea Limited</i>	42,249
<i>of which relating to SmartPoint Technologies Private Limited</i>	191,886
<i>of which relating to Shezhen Andaruixin Technology Co., Ltd</i>	512
Changes during the period	8,704,909
<i>Changes on a like-for-like basis</i>	8,470,262

In 2023, the Group achieved **Consolidated Revenue** of 210.019 thousand euro, up 4.3% compared with 2022.

#### REVENUE BY GEOGRAPHICAL AREA – 2023 vs. 2022 restated (Euro m)

Revenue by geographical area	2023	%	2022 Restated	%	Δ '23 vs '22	Δ %
Italy	37.9	18.0%	33.3	16.5%	4.6	13.8%
Europe	67.5	32.1%	64.3	31.9%	3.2	5.0%
North & South America	82.7	39.4%	80.4	39.9%	2.3	2.9%
Asia and Oceania	13.3	6.3%	15.1	7.5%	-1.8	-12.1%
AFRICA AND THE MIDDLE EAST	8.6	4.1%	8.2	4.1%	0.5	5.8%
<b>TOTAL</b>	<b>210.0</b>	<b>100.0%</b>	<b>201.3</b>	<b>100.0%</b>	<b>8.7</b>	<b>4.3%</b>

In terms of distribution of revenue by geographical area, the largest contribution, both in absolute terms and in terms of growth, came from Europe and in particular from Italy, 5.0% and 13.8% respectively. After the events related to rfxcel, this area appears to be the most important, with revenue equal to 50.2% of the total (48.5% in 2022).

In 2023 the Americas have grown by 2.9% due to the combined effect of the increase in turnover in North America (+12.2%) which more than offsets the decrease in turnover in South America and Central America (-32.5% and -

21.7% respectively) following the suspension of the traceability regulation in Brazil. Overall, the Americas represent 39.4% of Group turnover.

Africa & the Middle East (+5.8% Y/Y) also turned in good signs of growth, while Asia & Oceania (-12.1% Y/Y) are down on last year's performance, where growth in the Middle East (+18.3%) has failed to offset the decline in Asia (-15.2%) and India (-7.6%).

The table below shows sales by Business Area, which reflect the new organisation structured into 4 CGUs (please refer to the notes for further details):

Business Area	2023	%	2022 Restated	%	Δ '23 vs '22	Δ %
LS&C	96.7	46.1%	93.7	46.6%	3.0	3.2%
FMCG	70.2	33.4%	68.2	33.9%	2.0	2.9%
SCT	30.2	14.4%	30.0	14.9%	0.2	0.7%
OTHER	12.9	6.1%	9.3	4.6%	3.5	37.7%
<b>TOTAL</b>	<b>210.0</b>	<b>100.0%</b>	<b>201.3</b>	<b>100.0%</b>	<b>8.7</b>	<b>4.3%</b>

The revenue of each Business Area differs from what is stated in the IFRS 8 note because of a different reclassification of other revenues, which are not included here. The report on operations contains a reconciliation of consolidated revenue and the related table by Business Area.

The Life Sciences & Cosmetics Area ("**LS&C**") is confirmed as the most important sector, both in absolute terms (46.1% of total turnover) and in terms of growth (+3.2%). This positive result is attributable to the good performance of after-sales services (+22.4%), while the equipment segment was down by 6.6%.

The Fast Moving Consumer Goods Area ("**FMCG**") recorded growth of 2.9%, also in this case thanks to the excellent performance of after-sales services (+39.9%) which more than compensated for the decline in inspection systems (-2.6%). The latter figure was negatively influenced by the decrease in sales in the field of rigid containers, which are experiencing a period of overcapacity among their customers, who have consequently reduced investments.

The Supply Chain Transparency Area ("**SCT**"), which includes all Level 4 software solutions ("**L4**") and Level 5 ("**L5**") is substantially stable (+0.7%).

Lastly, the Others Area is showing significant growth of 37.7%, driven by the subsidiary Imago Technologies (manufacturer of electronic components, +15.1%) and by operations in Russia (+44.5%). As mentioned in other sections of this document, the latter will be subject to gradual downsizing, until the final liquidation of the companies held in Russia.

## 28. Other income



At 31 December 2023, other income amounts to Euro 7,277,409, compared with Euro 1,204,556 in the previous period. The effect of changes in the scope is negligible.

This item Euro 2,251,975 of operating grants, pertaining almost exclusively to the Parent Company, represented by the portion for the period of the tax credit for R&D activities, appropriately deferred for the portion of costs capitalised in accordance with the cost-income matching principle. This item also includes the reimbursements on transport costs for sales made, equal to Euro 1,918,321 and other revenue of Euro 2,206,928, as well as capital gains and out-of-period income of Euro 693,286.

### **29. Change in finished and semi-finished products**

The change in finished and semi-finished products is positive for Euro 3,825,023. Their composition and changes are shown below:

<b>CHANGE IN INVENTORIES OF FINISHED AND SEMI-FINISHED PRODUCTS</b>			
Description	Change in inventories of finished products	Change in inventories of semi-finished products and work in progress	Total
Amount at 31/12/2022 restated	(527,479)	1,664,869	1,137,390
Amount at 31/12/2023	2,132,605	1,692,418	3,825,023
Changes during the period	2,535,761	(1,630)	2,687,633
<i>Effect of the change in the scope of consolidation - Shenzhen Andaruixin Technology Co., Ltd</i>	124,323	29,179	153,501
<b>Change</b>	<b>2,535,761</b>	<b>(1,630)</b>	<b>2,687,633</b>
<b>Change on a like-for-like basis</b>	<b>2,411,438</b>	<b>(30,809)</b>	<b>2,534,131</b>

Inventories of semi-finished and finished products recorded an increase thanks to the completion of solutions awaiting delivery in 2024.

### **30. Raw materials and consumables**

Raw materials and consumables amount to Euro 66,927,141, compared with Euro 55,975,586 at 31 December 2022. The item is affected by inventory write-downs, which has already been discussed in other sections of this document, as well as by purchases made to complete finished and semi-finished products.

<b>RAW MATERIALS AND CONSUMABLES</b>				
Description	Change in inventories of raw materials	Goods	Consumables	Total
Amount at 31/12/2022	(7,210,448)	51,365,060	11,820,974	55,975,586

Amount at 31/12/2023	3,160,215	50,085,771	13,681,155	<b>66,927,141</b>
<i>of which relating to SmartPoint Technologies Private Limited</i>	-	-	-	-
<i>of which relating to Shezen Andaruixin Technology Co., Ltd</i>	-	153,501	187	153,688

Changes during the period	10,370,663	(1,279,289)	1,860,181	10,951,555
<i>Changes on the same period</i>	<i>10,370,663</i>	<i>(1,432,791)</i>	<i>1,859,994</i>	<i>10,797,867</i>

### 31. Personnel costs

Personnel costs amounted to € 98,070,561 compared with € 84,178,097 at 31 December 2022. Changes in this item are shown below:

PERSONNEL COSTS	
Description	PERSONNEL COSTS
Amount at 31/12/2022 Restated	84,178,097
Amount at 31/12/2023	98,070,561
<i>of which relating to Antares Vision Korea</i>	103,214
<i>of which relating to SmartPoint Technologies Private Limited</i>	1,943,017
<i>of which relating to Shezen Andaruixin Technology Co., Ltd</i>	326,968
Change	13,892,464
<i>change on a like-for-like basis</i>	<i>11,519,265</i>

The increase in Personnel costs (+16.5%) is attributable for Euro 2,373,199 to the inclusion of Smart Point, Antares Vision Korea and Shenzhen Andaruixin Technology in the scope of consolidation (2.7% of the increase). If this incidence is excluded, the increase in the item is equal to 13.8% compared with the figure at 31 December 2022. As of 31 December 2023, the number of Antares Vision Group employees amounted to 1,401 units (of which 154 from Smart Point, 13 from Shenzhen Andaruixin Technology and 3 from Antares Vision Korea). This item also includes the costs for the Stock Option Plans in favour of employees and top managers for Euro 1,020,700.

### 32. Amortisation and depreciation

At 31 December 2023, the balance of amortisation and depreciation was Euro 25,592,175 compared with Euro 19,969,977 in the previous period.

AMORTISATION AND DEPRECIATION				
Description	Amortisation intangible assets	Depreciation property, plant and equipment	Write-downs	Total
Amount at 31/12/2022 restated	14,852,902	3,935,767	1,181,307	<b>19,969,977</b>
Amount at 31/12/2023	16,856,042	3,903,420	4,832,715	<b>25,592,175</b>
<i>of which relating to Antares Vision Korea Limited</i>	-	743	-	743
<i>of which relating to SmartPoint Technologies Private Limited</i>	3,093	54,235	-	57,328
<i>of which relating to AVI Excellence Private</i>	-	8	-	8
<i>of which relating to Shenzhen Andaruixin Technology Co., Ltd</i>	-	1,329	-	1,329
Changes during the period	2,003,140	(32,347)	3,651,408	5,622,201
Changes on a like-for-like basis	2,000,047	(88,661)	3,651,408	5,562,794

Amortisation amounts to Euro 16,856,042, compared with Euro 14,852,902 at 31 December 2022. As already explained in considerable detail above, the PPAs carried out at the time of the various acquisitions resulted in the recognition of intangible assets represented by the customer list and by the technologies, which during the year generated amortisation for the customer list of Euro 5,609,194 (Euro 5,642,720 at 31 December 2022) and for the technologies of Euro 2,732,794 (Euro 2,686,685 at 31 December 2022). There is also higher amortisation as a result of the investments in development costs and proprietary software.

The depreciation of property, plant and equipment, equal to Euro 3,903,420 (Euro 3,935,767 at 31 December 2022), are mostly represented by the depreciation of buildings, owned or leased, for Euro 2,469,221 (Euro 2,858,053 euro at 31 December 2022), by the depreciation of furniture and furnishings for Euro 650,742 (Euro 662,446 at 31 December 2022), electronic office machines for Euro 274,691 (Euro 214,852 at 31 December 2022) and depreciation on other assets for Euro 508,766 (Euro 200,416 at 31 December 2022).

The write-downs include the write-down of the development costs of rfxcel capitalised in past years and relating to the L5 Business and other discontinued development projects for an amount of Euro 933,338, the write-down of the capitalised development costs of Applied Vision, recorded in assets in course of formation of Euro 330,111, the write-down of trade receivables for Euro 2,612,090 and the write-down of trade receivables of the Russian subsidiary for Euro 957,176. The Group

carefully assesses the solvency of its customers, constantly monitors credit exposure and immediately activates debt collection procedures for past due accounts.

### **33. Impairment of non-current assets**

The check on the recoverable amount of intangible assets with a finite and indefinite life shown in the Group's consolidated financial statements in accordance with IAS 36 resulted in a write-down of goodwill of Euro 66.3 million.

In particular, for each of the CGUs under analysis, the recoverable amount estimated with the value in use approach based on the parameters previously described was compared with the carrying amount of the corresponding assets in the consolidated financial statements. As can be seen from the table below, this comparison revealed that the recoverable amount of the intangible assets with an indefinite useful life relating to the 'FMCG CGU' and the 'SCT CGU' is lower than the corresponding carrying amount; ii) the recoverable value of the assets pertaining to the other two CGUs is higher than their book value:

<b>Consolidated Statement</b>			
<b>€ mln</b>	<b>Recoverable value</b>	<b>Book value</b>	<b>Impairment</b>
CGU LS&C	157.4	98.9	-
CGU FMCG	89.3	119.4	(30.1)
CGU SCT	79.2	115.4	(36.2)
CGU Other	17.8	9.0	-
<i>Total</i>			<i>(66.3)</i>

The impairment adjustment charged to the income statement reflects an additional exchange rate effect of Euro 0.8 million, for a total of Euro 67.1 million.

### **34 Capitalised development costs**

Capitalised development costs amount to Euro 9,547,102, of which Euro 4,197,775 relating to the Parent Company, Euro 1,134,439 to FT System, Euro 249,764 relating to AV Electronics, Euro 48,289 relating to Wavison, Euro 476,976 to Applied Vision and Euro 3,439,859 to rfxcel.

In the context of development and strengthening of its competitive positioning, investments in research (fully expensed to the income statement) and in development (capitalised) are inherent to Antares Vision Group's activity and allow the Group to constantly expand the portfolio of technologies and solutions used through the use of human resources and specific skills. Capitalised development costs shown in this item are personnel costs

incurred during the year that meet the conditions of IAS 38 for capitalisation, being linked to innovative projects from which Antares Vision expects to benefit in terms of higher future revenue.

### **35 Sales and marketing costs**

At 31 December 2023, sales and marketing costs amount to Euro 8,641,149, an increase of 2.76% compared with the figure of Euro 8,408,451 in the previous period.

<b>SALES AND MARKETING COSTS</b>	
Description	Sales and marketing costs
Amount at 31/12/2022 Restated	8,408,451
Amount at 31/12/2023	8,641,149
<i>of Which relating to SmartPoint Technologies Private Limited</i>	2,328
Change	232,698
<i>Change on a like-for-like basis</i>	230,370

This item includes the cost of promotions, advertising and trade fairs, entertainment expenses and the commission paid to foreign agents, sales representatives and business promoters, which Antares Vision Group uses to gain contracts in particular markets and geographical areas.

The increase mainly derives from the increase in sales during the year, which led to an increase in agents' commissions, and from the international trade fairs and exhibitions that the Group attended after the suspensions caused by Covid-19; a minimal effect is noted for the inclusion of Smart Point in the scope of consolidation.

### **36 Service costs**

Service costs amount to Euro 50,477,364, of which Euro 468,814 deriving from the change in the scope of consolidation. Changes in this item are shown in the following table:

<b>SERVICE COSTS</b>	
Description	Service costs
2022 Restated	<b>46,485,167</b>
2023	<b>50,477,364</b>
<i>of which relating to Antares Vision Korea Limited</i>	143,516
<i>of which relating to SmartPoint Technologies Private Limited</i>	213,855
<i>of which relating to AVI Excellence Private</i>	27,377
<i>of which relating to Shenzhen Andaruixin Technology Co., Ltd</i>	84,066
Changes during the period	3,992,196
<i>Changes on a like-for-like basis</i>	3,523,381

The item recorded an increase of Euro 3,992,197 (+8.6%), or Euro 3,523,383 (+7.6%) net of changes in the scope of consolidation. The composition of the item is shown below:

SERVICE COSTS										
Description	Installation costs	External processing	Travel expenses	Software licenses and fees	Costs for collaborators	Consulting and professional fees	General expenses and utilities	Compensation to board members	Other service costs	Total
Amount at 31/12/2022 restated	1,354,003	6,020,340	10,456,202	8,322,363	4,001,387	4,883,978	6,025,621	2,429,983	2,991,291	46,485,167
Amount at 31/12/2023	1,621,729	5,952,624	11,389,883	7,397,683	3,897,968	8,206,371	6,001,074	2,402,691	3,607,339	<b>50,477,364</b>
Changes during the period	267,726	(67,716)	933,681	(924,680)	(103,419)	3,322,393	(24,547)	(27,292)	616,048	3,992,197

Installation costs, external work and travel costs saw an overall increase of Euro 1,133,693 (+6.4%), slightly higher than the increase in revenue achieved during the period.

Consulting and professional fees increased by Euro 3,322,394, mainly due to the costs that Antares Vision Group is supporting for implementation of the new Group organisation.

Software licences, fees and development costs, on the other hand, have fallen by Euro 924,681, largely as a result of Smart Point's inclusion in the scope of consolidation and the consequent elimination of the costs incurred by rfxcel for the services provided by Smart Point.

Other service costs include insurance for Euro 984,815 and bank charges for Euro 224,226.

### 37 Other operating expenses

Other operating expenses amount to Euro 5,223,035 (Euro 5,174,540 at the same perimeter) with the following changes during the year:

OTHER OPERATING EXPENSES	
Description	Other operating expenses
2022 restated	<b>2,978,905</b>
2023	<b>5,223,035</b>
<i>of which relating to Antares Vision Korea Limited</i>	2,129
<i>of which relating to SmartPoint Technologies Private Limited</i>	32,886
<i>of which relating to Shenzhen Andaruixin Technology Co., Ltd</i>	13,480
<i>of which relating to the consolidated differential of Shenzhen Andaruixin Technology Co, Ltd</i>	
Changes during the period	2,244,130
Changes on a like-for-like basis	2,195,634

The breakdown is shown in the following table:

OTHER OPERATING EXPENSES					
Description	Accruals to provisions	Taxes not on income for the year	Other operating expenses	Losses and capital losses	Total
Fiscal year 2022	642,630	251,066	2,052,099	33,110	<b>2,978,905</b>
Fiscal year 2023	974,027	266,486	3,385,743	596,779	<b>5,223,035</b>
Changes during the period	331,397	15,420	1,333,644	563,669	2,244,130

The increase in this item, for a total of Euro 2,244,130, is attributable for Euro 331,397 to higher provisions made during the year. Among these, the provision is detected or recognized for product guarantees relating to the estimated charges for interventions and repairs to be carried out under guarantee on machinery that has already been delivered.

Taxes other than income taxes amount to Euro 266,486, a slight increase compared with the balance of Euro 251,066 in the comparative period.

Sundry operating expenses increased by Euro 1,333,644 compared with the previous period; they are represented by subscriptions, membership fees, customs duties and other expenses of an operational nature, the most significant of which is the recording of the differential between the total cost for 100% of the investment and the negative net equity of Sheen Andaruixin Technology for an amount of Euro 775.724.

Losses and capital losses for the year amount to Euro 596,779, an increase of Euro 563,669 compared with the balance of Euro 33,110 in the comparative period. They refer to losses on trade receivables of Euro 201,683 generated by the subsidiary Antares Vision North America and for the other Euro 395,096 to capital losses generated by the sale of fixed assets during the year.

### **38 Financial charges**

Financial charges amount to Euro 7,401,285, compared with Euro 4,317,323 for the previous period. The change in the scope of consolidation have caused minimal effect.

FINANCIAL CHARGES	
Description	Financial charges
Amount at 31/12/2022 restated	<b>4,317,323</b>
Amount at 31/12/2023	<b>7,401,285</b>
<i>of which relating to Shenzhen Andaruixin Technology Co., Ltd</i>	139
Changes during the period	3,084,348

The following are mainly included in this item:

- interest on loans, leases and other financial charges for Euro 6,776,718, relating almost exclusively to the Parent Company. Please note that the Parent Company has derivatives in place to hedge the interest rate risk on floating rate loans, the accounting of which involves the recognition of financial income which partially offsets the interest expense in question. In detail, 39% of the debt for loans recorded in the consolidated financial statements is covered by derivatives and 41% was negotiated at a fixed rate. Please refer to Note 39 for the positive effects resulting from the accounting of hedging derivatives,
- the interest cost component relating to the application of IAS 19 for Euro 281,699,
- the fair value adjustment of derivatives for Euro 194,592 as they have to be accounted for as speculative instruments, given that they do not satisfy all of the requirements for hedge accounting under IFRS 9.

### 39 **Financial income**

The changes in the item Financial income, which at 31 December 2023 amounted to Euro 3,675,131, are shown in the table below:

<b>FINANCIAL INCOME</b>	
Description	Financial income
Amount at 31/12/2022 restated	<b>7,121,315</b>
Amount at 31/12/2023	<b>3,675,131</b>
<i>of which relating to Antares Vision Korea Limited</i>	33
<i>of which relating to Shezhen Andaruixin Technology Co., Ltd</i>	1,608
Changes during the period	(3,446,184)

The following are included in this item:

- The fair value adjustment of the warrants issued by the Parent Company at the same time as the listing on the Euronext Growth market (called the AIM at the start of trading) and still in circulation at the end of the year. As already mentioned in Note 20 on non-current loans and borrowings, to which reference should be made, since these are financial instruments whose exercise gives the right to a variable number of shares, the difference of Euro 1,668,151 with respect to the value of the financial liability at 31 December 2022 has to be shown in the income statement;
- the positive effect of Euro 1,229,171 resulting from the accounting treatment of derivatives held by the Parent Company. The technical characteristics, risks covered, accounting policy and mark-to-market



adjustment at the end of the period are explained in Note 5 as regards positive derivatives and in Note 15 as regards negative derivatives;

- the positive effect deriving from the fair value adjustment of securities and insurance policies held by the Parent Company for Euro 143,362;
- interest of Euro 117,852 pertaining to the period on certificates of deposit held by the Parent Company.

The sharp decline in this item compared with the comparative period is mainly attributable to the different effect deriving from the change in fair value of the warrants, which at 31 December 2022 amounted to Euro 5,739,336.

#### **40 Foreign exchange gains and losses**

Foreign exchange gains and losses show a negative net balance of Euro 1,376,570 (positive for Euro 822,857 at 31 December 2022) and include the exchange differences generated on the payment of foreign currency assets and liabilities or by their translation at rates that are different from those at which they were translated at the time of initial recognition. The most significant effects derive from the performance of the US dollar, the Brazilian real and the Russian rouble. The effects of the change in scope are negligible.

#### **41 Income (charges) on investments**

At 31 December 2023 the item is negative for 3,347,695 thousand euro and includes in particular: the adjustment of the value of the investments measured at equity. More in detail:

- The 37.5% equity stake in Orobix's share capital was impaired by EUR 2,594,874, adjusting its value to the attributable equity, following the Group's negative period result and the Parent Company's decision not to exercise the call option to acquire majority ownership of the company and enable it to raise financial resources from third-party investors.
- the result for the period attributable to the Group deriving from the 25% stake in Rurall was positive for Euro 41,397;
- the result for the period attributable to the Group deriving from the 24.9% stake in Optwo was negative for Euro 75,060;
- the result for the period attributable to the group deriving from the 38.2% stake in Light was Euro 1,242;
- the result for the period attributable to the Group deriving from the 45% stake in Siempharma was positive for Euro 152,459;

During the year, the Company wrote down the investment in Pygsa by Euro 790,801 and the 40% interest in Sheen Andaruixin Technology by Euro 69,323.

#### **42 Income taxes**

Income taxes at 31 December 2023 amount to Euro 77,317 (Euro 3,776,966 at 31 December 2022).

At 31 December 2023, there are no temporary differences or carry-forward tax losses on which deferred tax assets or liabilities have been recognised. In fact, as already explained in Note 6 to which reference should be made, no deferred tax assets have been set aside on these losses and for prudence sake management is of the opinion that these losses (in addition to those already accumulated) will not be recoverable in the short to medium term.

A reconciliation between the theoretical tax burden and the effective tax burden is shown below:

	31/12/2023	%
Profit before taxes	- 99,806,601	
Theoretical taxes	- 27,846,042	27.90%
Different IRAP taxable effect	4,118,313	-4.13%
Different IRES taxable effect	23,911,562	-23.96%
Deferred tax effect	- 206,174	0.21%
Prior-year taxes	99,223	-0.10%
Effect of other foreign legislation	434	0.00%
<b>Total</b>	<b>77,316</b>	

#### 43 EARNINGS PER SHARE (BASIC AND DILUTED)

Basic earnings per share is the ratio between the Group's profit reported in the consolidated financial statements and the weighted average number of shares outstanding during the period, net of any treasury shares.

Diluted earnings per share is the ratio between the Group's earnings reported in the consolidated financial statements and the weighted average number of shares outstanding, taking into account the effects of all potential ordinary shares (e.g. those not yet subscribed) with a dilutive effect. The warrants were never exercisable during the year, so they did not have a dilutive effect at 31 December 2023.

EARNING PER SHARE		
Description	31/12/2023	31/12/2022 Restated
Profit attributable to the ordinary Shareholders of the Parent Company	- 99,647,074	1,634,183
Dilution	- 1,668,151	- 5,739,334
Total post-dilution profit	- 101,315,225	- 4,105,151

Weighted average number of ordinary shares	69,090,369	69,088,999
Weighted average potential ordinary shares		

Weighted average potential ordinary shares	69,090,369	69,088,999
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Earning per Share (EPS)	-	1.44	0.02
Earning per Share (EPS) diluted	-	1.47	0.06

(\*) during 2023 the warrants were never exercisable as the average monthly price was always lower than the strike price.

## Share-based payments

### Stock Option Plans

On 20 May 2020, the Shareholders' Meeting of Antares Vision S.p.A. approved the guidelines of a share-based incentive plan called the "2020-2022 Stock Option Plan" (the "**First Stock Option Plan**") reserved for executive directors and employees of the Parent Company and of the companies controlled by it. The Shareholders' Meeting of Antares Vision S.p.A. on 24 March 2021 approved a second share-based incentive plan (the "**Second Stock Option Plan**") and, together with the First Stock Option Plan, the "**Stock Option Plans**"), reserved for the executive directors of the Parent Company and key employees of the Parent Company and of the companies controlled by it. Stock Option Plans consist of assigning to specific beneficiaries identified by name a certain number of options that vest and gave the right to acquire/or subscribe shares of the Parent Company on the achievement of specific and predetermined objectives (the "Objectives") and the purchase/subscription of shares at a pre-established price, taking into account the average of the closing prices recorded in the last month prior to the date of assignment of the options.

The Objectives to which vesting of the options is subject are:

- consolidated turnover and EBITDA;
- quantitative and qualitative objectives assigned individually to each beneficiary according to the role that they fill.

For each of the objectives illustrated above, weighting and target result levels are established. On reaching the minimum level (equal to 70%) for each of the turnover, EBITDA and individual quantitative objectives, the number of options vest will be the sum of the percentages of achievement of each quantitative and qualitative objective, weighted by the assigned weight. Below this minimum threshold of 70%, no option will vest. The vesting of the options presupposes a constant relationship with the Parent Company or subsidiaries during the vesting period. Termination of the relationship during the vesting period entails the loss of options, except for some specific cases. For employees, the vesting period is 36 months starting from the assignment of each of the 3 annual tranches. For executive directors, the vesting period is 48 months starting from the assignment of each cycle of

each of the 3 annual tranches. However, it should be remembered that the executive directors of the Parent Company have waived their options so that they can be assigned to Group employees. This decision was made by the directors involved having regard not only to the functions of the Plan and the structure of their respective remuneration, but also to their capacity as shareholders of Antares Vision S.p.A. (albeit indirectly, as they personally hold shares in Regolo S.p.A., the parent company of Antares Vision S.p.A.), which is such as to ensure and in any case to incentivise adequate alignment with the interests of the Group and the shareholders in general. The valuation model used was Black & Scholes. This method is based on the construction of a portfolio of underlying assets and a certain number of options, in such a way that the expected return as a whole is insensitive to fluctuations in the price of the asset and is equivalent to the risk-free rate. The Black & Scholes method determines possible prices for the underlying assets on maturity, as well as their respective probabilities of occurrence, assuming that they are distributed according to a normal distribution (or to be precise, a "lognormal distribution").

At 31 December 2023 the cost of share-based payment transactions amounts to Euro 1,021 thousand. The amount in shareholders' equity under other reserves is Euro 2.417 thousand.

#### Movements in the period

The following table shows the number and weighted average exercise prices (WAEP) of options during the year:

Stock option Plans	31/12/2023		31/12/2022	
	Number	PMPE	Number	PMPE
Outstanding at the beginning of the period	1.673.026	2,63	1.063.000	2,31
I tranche of SOP I	253.922	2,24	312.000	2,24
II tranche of SOP I	281.247	2,48	333.000	2,48
III tranche of SOP I	369.000	2,96		
I tranche of SOP II	326.857	2,22	418.000	2,22
II tranche of SOP II	442.000	2,96		
granted during the period			835.000	2,96
I tranche of SOP I				
II tranche of SOP I			369.000	2,96
III tranche of SOP I				
I tranche of SOP II				
II tranche of SOP II			466.000	2,96
cancelled during the period	194.480	2,63	224.794	
I tranche of SOP I		2,24	58.078	2,24
II tranche of SOP I	3.550	2,48	51.573	2,48
III tranche of SOP I	44.000	2,96	-	-
I tranche of SOP II	23.930	2,22	91.143	2,22
II tranche of SOP II	123.000	2,96	24.000	2,96
exercised during the period	-	-		
expired during the period	-	-		
outstanding at the end of the period	1.478.546	2,63	1.673.026	2,63
I tranche del I SOP	253.922	2,24	253.922	2,24
II tranche del I SOP	277.697	2,48	281.247	2,48

III tranche del I SOP	325.000	2,96	369.000	2,96
I tranche del II SOP	302.927	2,22	326.857	2,22
II tranche del II SOP	319.000	2,96	442.000	2,96
exercitable at the end of the period	-	-	-	-

The tables below list the information fed into the models used to develop the plans and the corresponding tranches.

	FIRST STOCK OPTION PLAN				SECOND STOCK OPTION PLAN	
	I TRANCHE		II TRANCHE	III TRANCHE	I TRANCHE	II TRANCHE
	Directors	Employees	Employees	Employees	Employees	Employees
Weighted fair value at the measurement date (€)	2.2416	2.2361	2.4818	2.9631	2.2164	2.9631
Exercise price of the option (€)	11.4480	11.4140	12.0341	9.5538	12.0700	9.5538
Dividend expected (€)	0.2850	-	0.3086	-	-	-
Expected volatility	0.2801	0.3047	0.2922	0.3090	0.2944	0.3090
Risk free interest rate	(0.0040)	(0.0040)	(0.0040)	0.0140	(0.0040)	0.0140
Expected usefull life of the options (in years)	4.4466	2.7753	3.6192	3.4082	2.8548	3.4082
Weighted average price per share (€)	10.8705	11.4140	11.8914	10.5000	11.5986	10.5000
Model adopted	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes

## OTHER INFORMATION

### Guarantees given, commitments and other contingent liabilities

At 31 December 2023, Antares Vision Group had provided guarantees to its customers consisting of Euro 165 thousand in performance bonds to guarantee the execution of contracts and the proper operation of the machinery sold, Euro 1,785 thousand in advance bonds for advance payments already received from customers, Euro 169 thousand in tender bonds to guarantee tenders and Euro 21 thousand in warranty bonds for proper execution of the contract

We would also point out that during the year the Company issued a letter of patronage to the associate Orobix with which it undertakes not to dispose of its investment without having previously informed the bank and to exercise voting and supervision rights so that Orobix can always meet its obligations towards the bank. This letter

of patronage was provided to facilitate a Euro 1,000,000 loan taken out by Orobix with a duration of 36 months, including a 6 month grace period. In any case, Antares Vision does not provide a guarantee for this loan.

Lastly, note that the subsidiary Acsis is involved in a lawsuit against one of its customers (Cintas) for an alleged infringement of intellectual property. Even though the Company is convinced that it has not infringed any intellectual property, there is the possibility of incurring costs, as well as having to face legal expenses, which have already been provided for in 2023.

## Russia-Ukraine conflict

The Russian market has long represented an area of certain interest for the implementation of the Group's tracking solutions, first in the pharmaceutical sector and, more recently, in food and beverage.

From a sanctions point of view, management, under the constant supervision of the Board of Directors and the control bodies, has worked to ensure full compliance with the restrictions, adopting a procedure that formalises and strengthens the operational best practices that have already been in place for some time. For the pharmaceutical sector, in particular, the Parent Company regularly takes care to obtain specific authorisations from the national authority (UAMA - unit for the authorisation of military materials) for the export of materials, software and services intended for pharmaceutical use.

On the other hand, exports of products related to the food and beverage sector have been blocked completely.

These circumstances have led Antares Vision's management to start a process of considerable downsizing of activities in Russia, as discussed later in this document.

In 2023, sales in Russia amounted to just under 5% of consolidated turnover and the Russian subsidiary contributed Euro 0.6 million to the Group's EBITDA.

Antares Vision will continue to operate in Russia through direct exports of products intended only for the pharmaceutical market, for which it is possible to obtain specific exemptions and authorizations granted by the National Authority - UAMA.

## Information on risk

### **Market risk**

The competitive context in which Antares Vision Group operates takes on different forms depending on the market sector and geographical area of reference. In fact, depending on the situation, the Group is faced with a competitive scenario that features a number of large global players or medium to small local players that carry out, even if only partially, activities that are identical or in any case related to those carried out by Antares Vision

Group. There is therefore a risk that Antares Vision's position on the market could be contested by competitors, with the consequent loss of part of our clientèle.

Management believes that the range of solutions (hardware and software) of the Track & Trace business, in which the Group is a leader, combined with the state-of-the-art technology of our Inspection systems, our Smart Data Management services, as well as the completeness of our before- and after-sales assistance, combined with our continuously accumulated experience and the presence of highly specialised technical personnel, constitute a strong competitive advantage in contrasting the competition and are an obstacle to entry of new commercial players in the short term.

It is worth mentioning that the conflict between Russia and Ukraine is certainly an element of concern, as the outcome and consequences of this event are not yet clear, both on the fate of the world economy and on the business of Antares Vision Group. The Group's exposure is currently limited in terms of both receivable balances and turnover.

#### **Credit risk**

Antares Vision Group is exposed to potential losses caused by counterparties not fulfilling their obligations. Should a significant part of the customers delay or fail to honour payments within the agreed terms and methods, this would have a negative impact on the financial situation of Antares Vision Group.

The trade credit risk is monitored through formalised procedures homogeneous for the entire Group which guarantee regular control over the expected collection flows and any recovery action that may be needed. Furthermore, most of Antares Vision Group's customers are primary pharmaceutical and industrial companies, characterised by a high level of financial solidity, which makes the risk of their insolvency remote with regard to the amounts that they owe Antares Vision Group. In the case of counterparties operating in countries with a high country risk, Antares Vision Group makes use of international payment instruments, such as letters of credit, aimed at guaranteeing correct and timely collection.

On a monthly basis, all Group companies monitor the collection status of receivables and communicate overdue amounts to the Parent Company, which carries out an overall consolidated analysis. The management of relationships with customers for the management of collections is delegated to the individual General Managers of the subsidiaries, who have incentive systems directly linked to cash generation.

In the Parent Company, there is the figure of credit specialist, who carries out a careful assessment of customer solvency and monitors credit exposure on a weekly basis in collaboration **with** the internal structures (sales force, commercial back office, project manager and customer service). Moreover, the credit specialist verifies the solvency and maximum exposure allowed to customers, also with the help of companies that issue credit ratings. This person therefore interfaces with the sales force both during the acquisition of new customers (for the

maximum exposure allowed) and to minimise past due positions and provide support in any recovery measures. It is rarely necessary to take legal action.

Lastly, the credit specialist interfaces with the subsidiaries and monitors the progress of the past due amounts, requesting recovery measures when deemed necessary.

### **Liquidity risk**

Antares Vision Group obtains its financial resources from the flows deriving from its operations and through bank borrowings.

To pursue its strategy through the many acquisitions aimed at diversifying the business, from September 2021, the Parent Company has completely refinanced its debt with an average duration of approximately 6.4 years, with an average fixed cost (post-hedging) of approximately 2.0% and without significant repayments of principal for the subsequent four years.

For these loans, compliance with covenants is required, but at 31 December 2023 they were not met. For this reason, non-current debt has all been reclassified as current, both for the current year and for 2022 as, following the restatement, the covenants were not complied with in 2022 either.

On 27 May 2024, Antares Vision Group completed the negotiation of certain amending agreements with the relevant banks which provide, inter alia, for a waiver for failure to comply with the 2022 and 2023 covenants and their remodulation starting in 2024.

The Group carefully monitors liquidity needs through monthly forecasts for each Group company as part of the preparation of the annual budget. Subsequently, during the year, on a monthly basis, again for each company, forecasts are produced on a rolling basis for the next three months. In addition, constant monitoring of credit positions is carried out to ensure collection within the established times and, in any case, to reduce the amount that is past due. The Group also has the ability to manage liquidity at Group level through cash pooling systems and intra-group loans.

As for the other Group companies, Antares Vision Asia Pacific can take advantage of a credit facility with a primary bank, guaranteed by the Parent Company, for an amount of up to Euro 500 thousand, currently used only to issue advance bonds in favour of customers.

### **Interest-rate risk**

Antares Vision Group is exposed to the risk of changes in interest rates with a consequent increase in financial expense on debt, which it uses through medium/long-term loan agreements and property lease contracts characterised by variable interest rates.

In order to reduce the amount of debt subject to interest rate fluctuations, Antares Vision Group has adopted hedging policies using derivatives (interest rate swaps or IRS) to hedge this type of risk.



A substantial part of the financial debt was taken on at fixed rates, thereby eliminating interest rate risk. The following table shows the breakdown of current and non-current bank borrowings between the floating rate and fixed rate components at 31 December 2023:

amounts in thousands of Euro	31/12/2022	% Incidence
Fixed rate loans	120,052	92%
Floating rate loans	10,589	8%
<b>Total bank loans</b>	<b>130,642</b>	<b>100%</b>

amounts in thousands of Euro	31/12/2023	% Incidence
Fixed rate loans	115,557	80%
Floating rate loans	29,720	20%
<b>Total bank loans</b>	<b>145,277</b>	<b>100%</b>

detail, bank loans and borrowings are provided under the following conditions:

**Amounts in thousands of Euro - 2022**  
figures

Bank	Start date	Expiry date	Type	Rate	Residual capital to be repaid 31/12/2022
Banca Nazionale del Lavoro	3/25/2021	6/30/2027	FLOATING NOT HEDGED	Euribor 6m + spread 1.5% no floor	589
Banca Nazionale del Lavoro	3/25/2021	6/30/2027	FIXED	0.80%	5,052
INTESA SAN PAOLO	9/30/2021	9/30/2028	FLOATING HEDGED	Euribor 6m + spread 1.65% no floor	30,000
Banca Nazionale del Lavoro	9/30/2021	9/30/2028	FLOATING HEDGED	Euribor 6m + spread 1.70% no floor	30,000
PRICOA	9/30/2021	9/30/2033	FIXED	2.86%	40,000
Cassa Depositi e Prestiti	12/3/2021	11/30/2028	FIXED	1.50%	15,000
BCC DEL GARDA	1/28/2022	12/31/2029	FLOATING NOT HEDGED	Euribor 6m + spread 1.85% no floor	10,000

**Amounts in thousands of Euro - 2023**  
figures

Bank	Start date	Expiry date	Type	Rate	Residual capital to be repaid 31/12/2023
Banca Nazionale del Lavoro	3/25/2021	6/30/2027	FLOATING NOT HEDGED	Euribor 6m + spread 1.5% no floor	4,925
Banca Nazionale del Lavoro	3/25/2021	6/30/2027	FIXED	0.80%	720
INTESA SAN PAOLO	9/30/2021	9/30/2028	FLOATING HEDGED	Euribor 6m + spread 1.65% no floor	29,933
Banca Nazionale del Lavoro	9/30/2021	9/30/2028	FLOATING HEDGED	Euribor 6m + spread 1.70% no floor	27,600
PRICOA	9/30/2021	9/30/2033	FIXED	2.86%	40,000

Cassa Depositi e Prestiti	12/3/2021	11/30/2028	FIXED	1.50%	12,500
BCC DEL GARDA	1/28/2022	12/31/2029	FLOATING NOT HEDGED	Euribor 6m + spread 1.85% no floor	10,000
Intesa San Paolo	3/23/2023	9/30/2028	FLOATING NOT HEDGED	Euribor 6m + spread 1.65% floor 3.3%	19,000
Unicredit	12/31/2022	3/31/2025	FIXED	1.86%	14
Unicredit	12/31/2022	3/31/2025	FIXED	2.66%	13

The company has carried out a sensitivity analysis to a reasonably possible change in interest rates. Maintaining the other variables constant, the results are as follows:

**Bank loans - amounts in thousands of Euro - analysis refers to 2022**

Increase in basis points	Financial charges	Profit (loss) before taxes
+50 b.p.	-53	-53
-50 b.p.	53	53
+100 b.p.	-106	-106
-100 b.p.	106	106

**Bank loans - amounts in thousands of Euro - analysis refers to 2023**

Increase in basis points	Financial charges	Profit (loss) before taxes
+50 b.p.	-170	-170
-50 b.p.	170	170
+100 b.p.	-339	-339
-100 b.p.	339	339

Notional tax effect	Profit/(loss) for the period
81	-258
-81	258

**Foreign exchange risk**

Antares Vision Group operates internationally and is therefore exposed to the exchange rate risk generated by changes in the value of trade and financial flows in currencies other than the reporting currencies of the individual companies.

The currencies in which most of the Group's revenue originates are the Euro, the US dollar, the Brazilian real, the Russian rouble and the Hong Kong dollar. Foreign subsidiaries have been showing a tendency to incur costs for production activities (certain subsidiaries) for installation and assistance services, commercial and promotion costs and personnel costs in currencies other than the Euro (mainly in USD), which are naturally covered by sales

made in other currencies by the same companies. This tendency helped to reduce the impact of exchange rate differences incurred by the Group.

Against revenue expressed prevalently in Euro, Antares Vision Group also bears a significant part of its costs in Euro, mainly for production and management of the corporate structure. The management of Antares Vision Group is therefore of the opinion that the currency balance is in equilibrium.

The main exchange ratios affecting Antares Vision Group concern:

- Euro/US Dollar: for commercial transactions by companies operating in the Euro Area on the American market and vice versa;
- Euro/Brazilian Real: for commercial and financial transactions by companies operating in the Euro Area on the Brazilian market and vice versa;
- Euro/Russian rouble: for commercial and financial transactions by companies operating in the Euro Area on the Russian market and vice versa;
- Euro/Hong Kong Dollar: for commercial and financial transactions by companies operating in the Euro Area on the Asian market and vice versa;
- Euro/Indian rupee: for commercial and financial transactions by companies operating in the Euro Area on the Indian market and vice versa.

Antares Vision has carried out a sensitivity analysis based on a reasonably possible change in the euro/US\$ exchange rate, equal to +/- 5% compared with the average rates adopted in the financial statements. The following table shows the impacts of this sensitivity on the difference between production value and costs and on the pre-tax result, for all companies operating in North America:

Company	Differences between production value and production costs	Differences between production value and production costs	Profit/(loss) before tax	Profit/(loss) before tax
<b>US Companies</b>	\$ (4,161,376.22)	\$ 3,673,387.98	\$ (6,302,449.05)	\$ 10,167,452.32
<b>+5%</b>	€ (496,144.14)	€ 437,963.27	€ (751,415.64)	€ 1,212,224.42
<b>- 5%</b>	€ (110,330.24)	€ 97,392.24	€ (167,096.33)	€ 269,568.86

### **Tax risk**

It cannot be ruled out that the Group may be required to deal with liabilities resulting from tax disputes of various kinds. In this case the Group could be called upon to settle extraordinary liabilities, which would have both economic and financial effects. Analysis of the risk associated with tax disputes is carried out periodically by the

Group in coordination with the external consultants appointed specifically for the purpose; potential impacts, if probable, are reflected in the provisions for risks and charges.

### **Legal risk**

The type of legal disputes to which the Group is exposed can essentially be divided into two large groups: disputes of a commercial nature with customers involving differences of opinion over the nature or quantity of the goods and services supplied, interpretation of contractual clauses or supporting documentation, or other kinds of disputes. With reference to the first type of disputes, the risks are the subject of careful analysis with the support of external consultants and potential impacts are reflected in the provision for doubtful accounts. The other disputes refer to various types of requests that may be received by Group companies following an alleged violation of regulatory or contractual obligations. Any resulting economic impacts are reflected in the item Provisions for risks and charges.

### **Environmental risk**

Antares Vision Group's business involves production processes with a low impact on the territory in terms of consumption of natural resources, production of industrial waste and the emission of polluting substances. In certain cases of exceptional climatic events, or in the presence of serious breakdowns or malfunctioning in the plants, Antares Vision Group's industrial production could cause damage to third parties, accidents and/or environmental damage, in addition to a slowdown in activities, exposing the Group to obligations involving compensation and/or reclamation, as well as to liability, possibly even of a criminal nature. Antares Vision Group strives to prevent this type of risk by adopting measures deemed adequate by its management and in line with industry practices.

Alongside the various internal environmental projects, as a further commitment by the Group to achieve, maintain and share concrete and transparent sustainability objectives, starting from 31 December 2021 Antares Vision Group prepares its Consolidated Non-Financial Report, subject to review by an independent auditing firm, pursuant to Legislative Decree 254/2016.

As regards the risks and consequences of climate change, a summary of the information provided in the Consolidated Non-Financial Report at 31 December 2023 is provided below, to which reference should be made for further information. The Communication of the European Commission "Guidelines on the disclosure of non-financial information: Supplement concerning the reporting of climate-related information (2019 / C 209/01)" constitutes a supplement to the guidelines issued by the Commission itself in 2017 for the non-financial reporting required by EU Directive 95/2014. This Communication contains the (non-binding) guidelines for the information to be provided by companies on climate change, integrating the recommendations of the Task Force on Climate-related Financial Disclosures - TCFD) of the Financial Stability Board.

Antares Vision Group's role is that of a market player that enables sustainability. The need to mitigate and adapt to climate change first and foremost reinforces and offers Antares Vision Group opportunities, which derive from the role that Antares Vision Group plays for efficient use of natural resources and energy: adoption of the principles of the circular economy in the use of materials (reduction of waste and consequent reduction of the energy required for production processes) and monitoring supply chains and the life cycle of products.

The current AV Group reporting system provides the following information:

- Energy consumption: direct GRI 302-1
- Direct and indirect emissions (GHG Scope 1 and Scope 2) GRI 305-1 GRI 305-2
- Indirect GHG Scope 3 emissions: category mapping for the purposes of subsequent reporting scheduled for the 2024 report.
- Energy intensity and emission indices GRI 302-3 GRI 305-4

No specific targets and climate strategies have been defined; the ISO 14001 environmental management system, certification renewed by the Parent Company, also provides for measures to improve the energy profile, which over time have been implemented by the Company.

From a risk perspective, transition risks may arise linked to changes in production models and the supply chain. Management believes that Antares Vision Group's positioning and its capacity for innovation (research and development of new materials) enable it to significantly mitigate these risks.

Antares Vision Group has not yet developed specific medium/long-term scenarios that quantify the resilience and the economic and financial effects of increases in temperatures of 2°C or less and a scenario of more than 2°C.

Financial implications of climate change:

Antares Vision Group has not yet developed a model to determine the financial impact of climate change. As mentioned in connection with the TCFD's document, the impacts of climate change represent above all an opportunity for Antares Vision Group, thanks to its role and the purposes of the solutions that it offers, as well as Antares Vision Group's contributions towards a more responsible use of resources. So in the short to medium term, all else being equal, taking into account the commitment made by AV Group companies to mitigate the effects of climate change and a general awareness of the importance of this issue, it is reasonable to expect that the financial impacts for Antares Vision Group may well be positive (in terms of strengthening the business and penetrating new markets).

## Management supervision and coordination activities

Despite the fact that article 2497-sexies of the Italian Civil Code states that "it is presumed, unless there is evidence to the contrary, that the activity of management supervision and coordination of companies is carried out by the company or body required to consolidate their financial statements or which in any case controls them pursuant to article 2359", Antares Vision Group operates in conditions of corporate and entrepreneurial autonomy with respect to its parent company Dorado S.r.l. For example, the Parent Company autonomously manages the treasury and commercial relations with its customers and suppliers and does not make use of any service provided by its parent company.

## Related-party transactions

As regards dealings between Group companies and related parties, in accordance with IAS 24, we provide the following information on 2023. The table below shows transactions with related parties in 2023:

TRANSACTIONS WITH RELATED PARTIES				
Related parties	Trade payables at 31/12/2023	Trade receivables at 31/12/2023	Costs 2023	Revenue 2023
<i>Orobix</i>	585,770	2,440	715,274	14,552
<i>Siempharma</i>	2,053,521	1,880,709	6,804,997	344,580
<i>Rurall</i>		27,865		22,840
<i>Isinova</i>	31,200		45,000	
<i>Shenzhen Antaruixin</i>			241,515	177,589
<i>Vigilate</i>		187,118	585	
<b>Total</b>	<b>2,670,491</b>	<b>2,098,132</b>	<b>7,807,371</b>	<b>559,561</b>

The table below shows transactions with related parties in 2022:

TRANSACTIONS WITH RELATED PARTIES				
Related parties	Trade payables at 31/12/2022	Trade receivables at 31/12/2022	Costs 2022	Revenue 2022
<i>Orobix</i>	89,085	10,090	354,210	41,053
<i>Siempharma</i>	985,784	2,293,476	1,905,423	1,346,297
<i>Rurall</i>				
<i>Shenzhen Antaruixin</i>	838,258	1,762,062	548,539	669,477
<i>Vigilate</i>	1,812	187,118	1,685	2,000
<b>Total</b>	<b>1,914,938</b>	<b>4,252,745</b>	<b>2,809,857</b>	<b>2,058,827</b>

In accordance with Consob Resolution no. 17221 of 12 March 2010 and the provisions on related parties issued by Borsa Italiana S.p.A. in May 2012, the Board of Directors of Antares Vision S.p.A. adopted the Procedure for

transactions with related parties, the current version of which entered into force from the date of commencement of trading of the Parent Company's ordinary shares and warrants on the Euronext STAR Milan. It was approved on 28 April 2019 and can be viewed in the Governance section of the Company's website.

The transactions carried out with related parties are part of the Company's normal business and the typical activity of each party concerned and are carried out at normal market conditions. There are no atypical or unusual transactions to report.

## Compensation to board members

The fees due to the directors and the statutory auditors are shown in the following table:

COMPENSATION TO DIRECTORS AND STATUTORY AUDITORS		
Description	Directors (*)	Statutory auditors
Compensation for the period	2,216,231	130,099

*\* amount including the cost relating to Stock Option Plans*

## Information pursuant to art. 149-duodecies of the Consob's Issuers Regulation

The following table shows the fees for auditing services and services other than auditing rendered by EY S.p.A. and by entities belonging to its network:

FEES TO EY SPA		
Description	Entity that provided the service	('000) Euro
Audit	EY SpA.	193
Audit of non-financial statement	EY SpA.	16
Other services	EY SpA.	15
<b>Total fees</b>		<b>224</b>

## State aid

Art. 1, paragraph 125, third sentence, of Law no. 124 of 4.8.2017 provides that companies that receive subsidies, contributions, paid assignments and, in any case, economic advantages of any kind from public administrations and subjects referred to in the first sentence are required to publish these amounts in the explanatory notes to their consolidated financial statements.

In this regard, it should be noted that the Group has received the following contributions, subsidies, paid assignments or, in any case, economic benefits:

Title of measure	Type of measure	Amount in euro	Region	Grant date	Company
AVVISO PUBBLICO PER L'ASSEGNAZIONE DI VOUCHER AZIENDALI A CATALOGO PER INTERVENTI DI FORMAZIONE CONTINUA A VALERE SUL PROGRAMMA REGIONALE LOMBARDIA FSE+ 2021-2027	State Aid	16,500	Lombardia	14/03/2023	Antares Vision S.p.A.
AVVISO PUBBLICO PER L'ASSEGNAZIONE DI VOUCHER AZIENDALI A CATALOGO PER INTERVENTI DI FORMAZIONE CONTINUA A VALERE SUL PROGRAMMA REGIONALE LOMBARDIA FSE+ 2021-2027	State Aid	3,000	Lombardia	06/4/2023	Antares Vision S.p.A.
AVVISO PUBBLICO PER L'ASSEGNAZIONE DI VOUCHER AZIENDALI A CATALOGO PER INTERVENTI DI FORMAZIONE CONTINUA A VALERE SUL PROGRAMMA REGIONALE LOMBARDIA FSE+ 2021-2027	State Aid	16,500	Lombardia	23/02/2023	Antares Vision S.p.A.
esenzioni fiscali e crediti d'imposta adottati a seguito della crisi economica causata dall'epidemia di COVID-19 [con modifiche derivanti dalla decisione SA. 62668 e dalla decisione C(2022) 171 final su SA 101076) (*)	State Aid	53,172	Lombardia	04/11/2023	Antares Vision S.p.A.
Intervento del fondo per la crescita sostenibile a favore di progetti di ricerca e sviluppo realizzati nell'ambito di accordi sottoscritti dal Ministero dello sviluppo economico con le regioni e le altre amministrazioni pubbliche (*)	State Aid	1,704,375	Lombardia	03/05/2023	Antares Vision S.p.A.
Intervento del fondo per la crescita sostenibile a favore di progetti di ricerca e sviluppo realizzati nell'ambito di accordi sottoscritti dal Ministero dello sviluppo economico con le regioni e le altre amministrazioni pubbliche (*)	State Aid	1,290,000	Lombardia	03/05/2023	Antares Vision S.p.A.
esenzioni fiscali e crediti d'imposta adottati a seguito della crisi economica causata dall'epidemia di COVID-19 [con modifiche derivanti dalla decisione SA. 62668 e dalla decisione C(2022) 171 final su SA 101076) (**)	State Aid	60,634	Emilia-Romagna	11/4/2023	Ft System S.r.l.
esenzioni fiscali e crediti d'imposta adottati a seguito della crisi economica causata dall'epidemia di COVID-19 [con modifiche derivanti dalla decisione SA. 62668 e dalla decisione C(2022) 171 final su SA 101076) (**)	State Aid	17,820	Emilia-Romagna	19/04/2023	Pen - Tec S.r.l.
esenzioni fiscali e crediti d'imposta adottati a seguito della crisi economica causata dall'epidemia di COVID-19 [con modifiche derivanti dalla decisione SA. 62668 e dalla decisione C(2022) 171 final su SA 101076) (**)	State Aid	7,242	Emilia-Romagna	7/4/2023	AV Electronics S.r.l.
Contributo a fondo perduto [e modifiche ai sensi della decisione SA. 62668 e decisione C(2022) 171 final) SA 101076)	State Aid	17,955	Emilia-Romagna	31/05/2023	AV Electronics S.r.l.
<b>Total</b>		<b>3,187,198</b>			



## Subsequent events

### **Sale of the subsidiary T2 Software S.A.**

On 18 April 2024 Antares Vision Do Brasil LTDA signed the sale of 51% of T2 Software SA to its founding members, who already held the remaining 49%.

The decision to sell the company was motivated, first of all, by the fact that the SW product owned by T2 Software was no longer considered strategic or of interest for the future development of the Group.

Secondly, the lack of liquidity in T2 Software would have required the injection of substantial capital, not only to guarantee its business continuity, but also to continue the investments necessary for the development and relaunch of the product.

These investments would not have been justified given the suspension of traceability legislation in Brazil, considerably reducing the potential for future growth and hence the recoverability of the investments needed.

The sale was preceded by a capital increase by Antares Vision Do Brasil for approximately 140,000 euro. This increase in capital, of a significantly lower amount than the financial resources that would have been necessary for future development, was carried out to provide the liquidity necessary for the company to continue operating as a going concern.

### **Warrant conversion and special actions**

No requests to exercise warrants have been received in 2024.

On 19 April 2024, 60 months had passed from the effective date of the absorption of ALP.I S.p.A. by the Company (on 18 April 2019); this, without any change in the size of the share capital, triggered the automatic conversion of 250,000 special B shares into 250,000 ordinary shares and the cancellation of the 1,189,590 special C shares pursuant to articles 5.7 and 5.8 of the Articles of Association.

Antares Vision's share capital has therefore remained unchanged and amounts to 172,788.42 euro. It consists exclusively of 70,753,559 ordinary shares.

### **Absorption of Packital S.r.l. by FT System S.r.l.**

The absorption of Packital S.r.l. took effect on 1 May 2024 (“**Incorporated company**”) in FT System S.r.l. (“**Incorporating company**”). As shown in the merger plan, the date from which the operations of the Merged Company will be charged to the financial statements of the Merging Company has been set at 1 January 2024 (taking into account that both companies close their financial year on 31 December of each year).

For income tax purposes, pursuant to art. 172 ninth paragraph of the Presidential Decree 917 of 22 December 1986, the effects of the merger will take effect from 1 January 2024. The merger took place without any share exchange, as FT System holds the entire share capital of Packital S.r.l and the articles of association of the Merging Company had not undergone any changes since before the merger.

### **Social Plan**

On 7 May 2024, the Trade Union consultation procedure was commenced in accordance with Law 223/91 for the elimination of 54 positions at the Parent Company's headquarters in Travagliato. In the letter of communication to the local trade unions it was emphasized that "To deal with the social consequences of implementing the job reduction programme, AVIT confirms the possibility, considering the technical, organizational and production requirements, of evaluating voluntary redundancies, on the one hand, and, on the other, of encouraging the relocation of surplus employees to local companies by making introductions and/or implementing processes of outplacement". The joint review with the Trade Union representatives began on 15 May 2024.

In the early months of the year, Antares Vision applied a rigorous freeze on turn-over, which saw 38 employees leave, none at management level.

## Explanatory notes, final part

These explanatory notes, as well as the entire consolidated financial statements of which they form an integral part, give a true and fair view of the Antares Vision Group's financial position, cash flows and results for the year. We are available to provide any clarifications and information that may be necessary.

Travagliato, 27 May 2024

The Board of Directors

Gianluca Mazzantini

Emidio Zorzella

Alberto Grignolo

Cristina Spagna

Massimo Bonardi

Martina Monico

Fiammetta Roccia

Alioscia Berto

Fabio Forestelli

Fabiola Mascardi

*A signed copy of this document has been filed at the registered office of the Parent Company.*



# ANTARES VISION GROUP

## FINANCIAL STATEMENTS AT 31/12/2023

### **Antares Vision S.p.A.**

Registered office: Via del Ferro 16, Travagliato (BS), Italy

Authorised share capital Euro 172.788,42 subscribed and paid up for Euro 172.788,42

Brescia Companies Register, Tax Code and VAT no. 02890871201

Chamber of Commerce REA no. 000000523277

# **ACCOUNTING SCHEDULES OF ANTARES VISION S.P.A.**

Statement of financial position	Note	31/12/2023	31/12/2022 Restated (*)
<b>Attività</b>			
<b>Attività non correnti</b>			
Property, plant and equipment and right-of-use assets	1	22,556,086	19,057,893
Goodwill	2	12,322,156	0
Other intangible assets	3	17,566,442	15,344,965
Investments in associates, joint ventures and other companies	4	220,015,269	254,056,954
Non-current financial receivables from Group Companies	5	9,523,501	11,962,790
Deferred tax assets	6	4,876,134	7,139,531
Other non-current assets	7	5,424,551	5,915,352
<b>Total non-current assets</b>		<b>292,284,139</b>	<b>313,477,485</b>
<b>Current assets</b>			
Inventories	8	26,067,031	26,302,172
Trade receivables	9	64,258,462	58,077,838
<i>of which with related parties</i>		39,388,093	33,736,832
current financial receivables from Group Companies	10	13,129,726	8,081,607
Other receivables	11	5,456,920	5,586,060
<i>of which with related parties</i>		1,693,898	245,149
Other current financial assets	12	12,236,513	26,826,890
Cash and banks	13	16,782,558	11,044,751
<b>Total current assets</b>		<b>137,931,210</b>	<b>135,919,318</b>
<b>Total assets</b>		<b>430,215,349</b>	<b>449,396,803</b>
<b>Shareholders' equity and liabilities</b>			
<b>Shareholders' equity</b>			
Share capital	14	169,457	169,457
Other reserves	14	256,494,759	260,432,385
FTA reserve	14	-14,931,441	-14,931,441
Retained earnings	14	13,247,483	11,666,433
Profit/(loss) for the period	14	-43,544,450	-3,795,732
<b>Total shareholders' equity</b>	<b>14</b>	<b>211,435,808</b>	<b>253,541,102</b>
<b>Non-current Liabilities</b>			
Non-current loans and borrowings	15	0	1,746,884
Non-current lease liabilities	16	8,647,151	9,254,338
Other non-current financial liabilities	17	0	162,383
Retirement benefit obligations	18	6,153,362	4,927,639
Deferred tax liabilities	19	1,815,075	2,328,102
<b>Total non-current liabilities</b>		<b>16,615,588</b>	<b>18,419,346</b>
<b>current Liabilities</b>			
Current loans and borrowings	20	156,015,222	130,944,171
Current lease liabilities	21	1,696,963	1,495,024
Current provisions for risks and charges	22	626,022	509,335
Trade payables	23	22,623,632	24,588,318
<i>of which with related parties</i>		16,128,902	15,653,020
Advance payments	24	7,199,338	7,852,839
Other payables	25	14,002,777	12,046,668
<b>Total current liabilities</b>		<b>202,163,954</b>	<b>177,436,355</b>
<b>Total shareholders' equity and liabilities</b>		<b>430,215,349</b>	<b>449,396,803</b>

(\*) please refer to the chapter "Restatement for errors and changes in accounting principles (IAS 8)" for further information regarding the adjustments made to IAS 8

Income statement	Notes	2023	2022
Revenue	26	92,477,541	77,970,701
<i>of which with related parties</i>		20,067,053	19,397,576
Other income	27	2,480,640	1,767,878
Changes in finished and semi-finished	28	3,688,723	754,106
Raw materials and consumables	29	-34,472,839	-22,511,636
<i>of which with related parties</i>		-6,399,087	-5,850,548
Personnel costs	30	-34,488,417	-29,069,652
Amortisation and depreciation	31	-12,567,805	-5,189,508
Capitalized development costs	32	4,197,775	4,780,743
Sales and marketing costs	33	-4,095,215	-3,535,496
Service costs	34	-32,095,052	-31,976,908
<i>of which with related parties</i>		-6,447,106	-11,479,812
Other operating expenses	35	-1,756,230	-1,253,328
<b>Operating profit/(loss)</b>		<b>-16,630,879</b>	<b>-8,263,098</b>
Financial charges	36	-7,542,766	-3,839,659
<i>of which with related parties</i>		-682,596	0
Write-down of financial receivables from Group companies	37	-2,687,387	0
Financial income	38	3,959,386	7,135,113
<i>of which with related parties</i>		597,798	410,651
Foreign exchange gains and losses	39	-272,948	315,463
Income (charges) on investments	40	-21,144,389	0
<b>Profit/(loss) from continuing operations before tax</b>		<b>-44,318,983</b>	<b>-4,652,181</b>
<b>Income taxes</b>	<b>41</b>	<b>774,533</b>	<b>856,449</b>
<b>Total profit/(loss) after tax</b>		<b>-43,544,450</b>	<b>-3,795,732</b>
<b>Statement of other comprehensive income</b>		<b>2023</b>	<b>2023</b>
<b>Profit/(loss)</b>		<b>-43,544,450</b>	<b>-3,795,732</b>
<i>Other components of comprehensive income that will subsequently be reclassified to profit/(loss):</i>			
Loss/profit from cash flow edging		-1,164,350	6,881,449
Tax Effect		279,444	-1,651,548
<b>Total other components of comprehensive income that will subsequently be reclassified to profit/(loss) after tax</b>		<b>-884,906</b>	<b>5,229,901</b>
<i>Other components of comprehensive income that will not subsequently be reclassified to profit/(loss):</i>			
Revaluation of defined-benefit plans		-365,380	1,875,126
Tax effect		87,691	-450,030
<b>Total other components of comprehensive income that will not subsequently be reclassified to profit/(loss) after tax</b>		<b>-277,689</b>	<b>1,425,096</b>
<b>Total other comprehensive income after tax</b>		<b>-1,162,595</b>	<b>6,654,997</b>
<b>Total other comprehensive income after tax</b>		<b>-44,707,045</b>	<b>2,859,265</b>

Cash flow statement (indirect method)	31/12/2023	31/12/2022
<b>Profit/(loss) for the period</b>	<b>-43,544,450</b>	<b>-3,795,732</b>
Income tax	774,532	-856,449
Financial income	-3,959,385	-7,135,113
Financial charges	10,230,153	3,839,659
Depreciation and impairment loss on property, plant and equipment	1,210,642	908,866
Amortisation and impairment loss on intangible assets	4,582,376	4,024,896
Equity investment write-down	21,144,389	
TFR Payments and transfer	-77,011	-191,845
Other non-monetary movements	4,599,341	-1,930,485
(Increase)/decrease in inventories	-1,565,113	-4,511,929
(Increase)/decrease in trade receivables	-5,273,383	-18,824,592
(Increase)/decrease in other non-financial assets	2,807,612	2,221,326
Increase/decrease in trade payables	-2,652,733	5,905,164
Increase/(decrease) in other non-financial liabilities	-755,780	3,115,206
<b>NET CASH FLOWS FROM OPERATING ACTIVITIES</b>	<b>-12,478,810</b>	<b>-17,231,028</b>
<b>Investing activities:</b>		
Purchases of property, plant and equipment, net of disposals	-3,318,291	-5,293,233
Purchases of intangible assets, net of disposals	-6,323,748	-6,999,450
Purchases of investments in associates, joint ventures and other companies	-2,340,425	-16,428,044
Purchases of current financial assets	14,924,166	7,000,000
Business combinations, net of cash and banks acquired	1,819,479	
<b>NET CASH FLOWS FROM INVESTING ACTIVITIES</b>	<b>4,761,181</b>	<b>-21,720,727</b>
<b>Financing activities:</b>		
New loans and borrowings	30,214,351	11,912,013
Repayments of loans and borrowings and interest paid	-11,025,059	-7,351,769
Increase/(decrease) in other financial liabilities	-4,818,644	2,943,212
Decrease in financial liabilities	-915,212	
Other increases in capital (including share premium)		257
<b>CASH FLOWS FROM FINANCING ACTIVITIES</b>	<b>13,455,436</b>	<b>7,503,713</b>
<b>NET CHANGE IN CASH AND BANKS</b>	<b>5,737,807</b>	<b>-31,448,042</b>
Cash and banks at beginning of period	11,044,751	42,492,793
Cash and banks at end of period	16,782,558	11,044,751



**Statement of changes in shareholders' equity**

Shareholders' equity	31/12/2022	Allocation of prior year's profit/(loss)	Issue and exercise of warrants	Stock Options	Other comprehensive Income	Other changes	Profit/(loss)	31/12/2023
Share capital	169,457	-	-	-	-	-	-	169,457
Other reserves	260,432,385	-3,795,732	-	1,020,701	-1,162,594	-	-	256,494,759
Share premium reserve	209,467,141	-	-	-	-	-	-	209,467,141
Legal reserve	98,798	-	-	-	-	-	-	98,798
Extraordinary reserve	49,681,558	-3,795,732	-	-	-	-	-	45,885,826
OCI reserve	6,053,484	-	-	-	-1,162,594	-	-	4,890,890
Stock option plan reserve	1,396,537	-	-	1,020,701	-	-	-	2,417,238
Other reserves	-6,265,134	-	-	-	-	-	-	-6,265,134
FTA reserve	-14,931,441	-	-	-	-	-	-	-14,931,441
Retained earnings	11,666,433	-	-	-	-	1,581,050	-	13,247,483
Profit/(loss) for the year	-3,795,732	3,795,732	-	-	-	-	-43,544,450	-43,544,450
<b>Total shareholders' equity</b>	<b>253,541,102</b>	<b>-</b>	<b>-</b>	<b>1,020,701</b>	<b>-1,162,594</b>	<b>1,581,050</b>	<b>-43,544,450</b>	<b>211,435,808</b>

Shareholders' equity	31/12/2021	Allocation of prior year's profit/(loss)	Issue and exercise of warrants	Stock Options	Other comprehensive Income	Other changes	Profit/(loss)	31/12/2022
Share capital	169,451	-	6	-	-	-	-	169,457
Other reserves	253,266,795	-280,428	251	790,770	6,654,996	-	-	260,432,385
Share premium reserve	209,466,890	-	251	-	-	-	-	209,467,141
Legal reserve	98,798	-	-	-	-	-	-	98,798
Extraordinary reserve	49,961,986	-280,428	-	-	-	-	-	49,681,558
OCI reserve	-601,512	-	-	-	6,654,996	-	-	6,053,484
Stock option plan reserve	605,767	-	-	790,770	-	-	-	1,396,537
Other reserves	-6,265,134	-	-	-	-	-	-	-6,265,134
FTA reserve	-14,931,441	-	-	-	-	-	-	-14,931,441
Retained earnings	11,666,433	-	-	-	-	-	-	11,666,433
Profit/(loss) for the year	-280,428	280,428	-	-	-	-	-3,795,732	-3,795,732
<b>Total shareholders' equity</b>	<b>249,890,810</b>	<b>-</b>	<b>257</b>	<b>790,770</b>	<b>6,654,996</b>	<b>-</b>	<b>-3,795,732</b>	<b>253,541,102</b>

## EXPLANATORY NOTES TO THE FINANCIAL STATEMENTS OF ANTARES VISION S.P.A.

### CORPORATE INFORMATION

The core business of Antares Vision (referred as “**Antares Vision**” or the “**Company**”) is the production, installation and maintenance of inspection systems for quality control (“**Inspection**”), tracking solutions to fight counterfeiting and control of the supply chain (“**Track & Trace**”) and Smart Data Management in all the most demanding industrial sectors, from pharmaceuticals to biomedical devices, from food & beverage to cosmetics and luxury goods.

Antares Vision is a company that is incorporated and based in Italy, with registered office in Via del Ferro 16, Travagliato, Province of Brescia (BS).

On 14 May 2021, trading in the Antares Vision's ordinary shares and warrants began on the STAR segment of the Euronext Milan, organised and managed by Borsa Italiana S.p.A., by translisting from the Alternative Investment Market (“**AIM**”, now called Euronext Growth) where it had been listed since 18 April 2019.

Lastly, it should be noted that the Shareholders' Meeting of Antares Vision on 22 February 2021 (with effect from the start date of trading on the Mercato Telematico Azionario, today Euronext Milan) appointed EY S.p.A., with registered office in Via Meravigli 12, Milan, registered in the Ordinary Section of the Companies Register at the Milan Monza Brianza Lodi Chamber of Commerce, Tax code registration number and VAT number 00434000584, REA of Milan 606158, and at no. 00891231003 of the Register of Legal Auditors at the Ministry of Economy and Finance pursuant to art. 6 et seq. of Legislative Decree no. 39/2010, as amended by Legislative Decree no. 135/2016, as the company appointed to audit the accounts for the financial years from 2021 to 2029.

### Significant events

#### Legal and accounting audits in the American subsidiary rfxcel

As communicated to the market on 13 December 2023, starting from the second half of 2023, the management team has started an audit of the Government Software Hub business (“**Business L5**”), dedicated to supporting government authorities in implementing new drug traceability regulations in the United States, Africa, Asia and the Middle East.

This audit, which focused on the American branch rfxcel Corp., became necessary following the increasing delays in the collection of receivables of the L5 Business and was started with the aim of estimating the recoverability of such receivables, also in relation to the collection forecasts made by rfxcel's previous management.

The results of this audit, carried out with the assistance of law firm Goodwin Procter LLP and the accounting firm Charles River Associates, confirmed that part of rfxcel's revenues in 2021, 2022 and 2023, which appeared in the consolidated financial statements of Antares Vision, were accounted for in a manner that does not comply with the accounting principles, and are therefore considered errors to be corrected in accordance with IAS 8.

To summarise very briefly, the results of these checks have mainly revealed that certain members of the previous American management of rfxcel had untruthfully represented to Antares Vision the status of the contracts relating to the L5 Business. In particular, the internal investigation launched by the company revealed that rfxcel had issued invoices for services not actually carried out. Certain previous members of the subsidiary's American management had created documentation to certify the alleged execution of these services, with the consequent recording of approximately 50 million of revenue (in the period 2021-2023) which, based on the relevant accounting principles, should not have been accounted for. This conduct misled the parent company regarding the actual amount of rfxcel's revenue and the real stage of completion of the L5 Business.

Following an in-depth analysis of the internal accounting checks, again relating to the US rfxcel branch, the need emerged also to rectify certain revenues from customers who had nothing to do with the L5 Business. The figures subject to correction largely date back to the period prior to the acquisition of rfxcel by the Antares Vision Group. As a result of this audit, errors were found which fall into the definition of IAS 8 and which, for the purposes of adequate disclosure, required the preparation of restated consolidated financial statements for 2022 (also indicating the effects on the accounting balances relating to the 2021) as part of these 2023 consolidated financial statements. The effects of this restatement are represented in detail in the appropriate sections of this document. As a result of the above, with a view to discontinuity with the previous management of the American subsidiary, the parent company Antares Vision implemented a decisive reaction strategy which involved all of the Group's control bodies, each in their own area of competence, and which has so far entailed, inter alia:

- i) the immediate dismissal from the Group of the persons identified as responsible for such conduct,
- ii) the reorganisation of rfxcel's management,
- iii) timely information to the market on the probable impact of the irregularities on the Group's economic and financial situation.
- iv) the negotiation of certain amending agreements with the relevant banks which provide, among other things, a waiver for non-compliance with the covenants in 2022 and 2023 and their remodulation starting from 2024. These agreements were signed on 27 May 2024

As communicated to the market on 13 December 2023, starting from the second half of 2023, the management team of the parent company Antares Vision has started an audit of the Government Software Hub business ("**L5 Business**"), dedicated to supporting government authorities in implementing new drug traceability regulations in the United States, Africa, Asia and the Middle East.

Very briefly, the results of these checks mainly revealed that some members of the previous American management of rfxcel did not give Antares Vision a true and fair view of the contracts relating to the L5 Business. Invoices have been issued for services not carried out in violation of the applicable accounting principles, creating documentation to certify the alleged execution of such services and recording revenues of more than 50 million euro (in the period 2021-2023) which should not have been accounted for, based on the relevant accounting

principles. This conduct misled the parent company regarding the actual amount of rfxcel's revenue and the stage of completion of the L5 Business, which then reflected on the consolidated financial statements. These checks revealed errors that fall within the definition of IAS 8 and, for adequate disclosure, they require the preparation of restated consolidated financial statements for 2022 (also indicating the effects on 2021) as part of these 2023 consolidated financial statements. Details of the restatement are provided in the appropriate sections of this document.

#### **Medium/long-term loans: remodulation of the covenants**

On 15 January 2024 Antares Vision announced that work was underway on the preparation of the 2024 consolidated budget, for which top management decided (in light of the legal and accounting checks referred to above) to adopt a prudent approach with reference to the revenue of rfxcel's L5 Business. Such revenue was not considered in the budget, unless there was a high probability of collection (estimated on the basis of available information and careful checks with customers).

Regardless of the results of the check, the Board of Directors estimated that (by adopting the same prudent approach used in the 2024 budget when accounting for rfxcel's L5 revenue also in the second half of 2023), the impact on the Group's EBITDA would mean not achieving, for all medium-long term loans and bonds, the minimum threshold of EBITDA (approximately Euro 29 million) needed to ensure compliance with the covenants, which are based on the NFP/EBITDA ratio at 31 December 2023. Consequently, after approval of the consolidated financial statements at 31 December 2023, the lenders, based on the contractual terms, could have requested early repayment of the loans because of the failure to comply with the covenants.

For this reason, in order to support the Company in renegotiating its bonds and loans, Antares Vision appointed Mediobanca S.p.A. as financial advisor to carry out an analysis of the financial situation of the Antares Vision Group and help identify a reorganisation and optimisation strategy.

Failure to comply with the covenants was confirmed on 23 April 2024 with the communication of unaudited preliminary figures for 2023, which showed consolidated revenue of around Euro 215-220 million, an Adjusted EBITDA<sup>10</sup> of around Euro 13-15 million and a Net Financial Position (NFP) at 31 December 2023 of approximately Euro 103 million.

On 30 April 2024 Antares Vision communicated that an agreement in principle had been reached with the banks which envisaged a remodulation of the covenants for 2023 and for subsequent years.

Definitive agreements were formalized on 27 May 2024, thereby guaranteeing the business continuity of the Antares Vision Group. On that date, negotiations with the banks was completed and formal agreements were

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<sup>10</sup> Adjusted EBITDA calculated, as per Company practice, excluding non-recurring costs.

signed which provide for a waiver for failure to comply with the covenant based on the 2022 and 2023 financial statements. This envisaged a NFP/EBITDA ratio of not more than 3.5 and a remodulation from 2024 that provides for a new NFP/EBITDA ratio of not more than 5.75 for the testing period at 30 June 2024, not more than 4.5 for the testing periods at 31 December 2024 and 30 June 2025 and not more than 3.5 for the remaining testing periods.

#### **Strengthening management and Stock Grant**

During the first months of 2024, Antares Vision strengthened its management team by appointing new senior managers.

From 23 January 2024, Gianluca Mazzantini took on the position of General Manager and was subsequently appointed Chief Executive Officer (CEO), after being co-opted onto the Board of Directors by resolution of the Shareholders' Meeting held on 28 February 2024.

On the same date, the Shareholders' Meeting resolved to adopt a share incentive plan (**Plan**) in favour of Gianluca Mazzantini, through an increase in share capital with exclusion of the option right pursuant to art. 2442 paragraph 8 of the Italian Civil Code, for a maximum nominal amount of Euro 3,331.64, by issuing a maximum of 1,382,422 ordinary shares of the Company, reserved for subscription (which took place on 8 March 2024) by Gianluca Mazzantini as beneficiary of the Plan.

Also on 28 February 2024, Antares Vision announced the hiring of Carlo Corollo as the new Chief HR Officer and the signing of binding agreements with Stefano De Rosa as Group Chief Financial Officer and Head of Finance, Controlling, Administration and Investor Relations and with Alessandro Cazzaniga as Group Head of Controlling.

#### **Inspection pursuant to article 115, paragraph 1c) - Legislative Decree no. 58 of 24 February 1998**

On 5 March 2024, the National Commission for Companies and the Stock Exchange (CONSOB) started an inspection pursuant to article 115, paragraph 1c) of Legislative Decree no. 58 of 24 February 1998, concerning:

- the financial situation of Antares Vision Group,
- the items "goodwill", "other intangible assets", "trade receivables" and "revenue" recorded in the consolidated financial statements at 31 December 2022 and 30 June 2023,
- the state of implementation of the measures to adapt the organisational structure, internal control system and administrative-accounting system with regard to the improvement measures referred to in the report of the Board of Statutory Auditors on the 2022 financial statements.

The audit is still underway at the date of preparation of these financial statements. Management is strongly committed to collaborating with the Supervisory Authority and is providing full support to facilitate the verification process and guarantee an accurate evaluation of the facts subject to inspection.

### **Scaling down of activities at Antares Vision Rus OOO**

On 11 September 2023, Antares Vision announced that the growing complications on the Russian market had convinced the management team and the Board of Directors to start negotiations with a view to selling the activities in Russia to local management. The non-binding term sheet signed at the time provided for the sale of Antares Vision Rus OOO and, at the same time, (i) the signing of a distribution agreement and (ii) an option to buy back the company in the event that the Russian crisis is resolved successfully some time in the future. The term sheet also provided that all financial and trade receivables versus Antares Vision Group would be paid before the sale.

However, on 13 May 2024, Antares Vision informed the market that, with respect to these initial negotiations, an alternative to a management buy-out (MBO) was currently being evaluated, due to possible regulatory constraints that could jeopardize the sale, among other things. Among the various alternatives being analysed, the most probable is now the possible scale down/or liquidation of the Russian company.

This decision resulted in the write-down of the net exposure to trade and financial receivables due from this subsidiary at 31/12/2023 in the separate financial statements of Antares Vision S.p.A.

Antares Vision will continue to operate in Russia through direct exports of products intended only for the pharmaceutical market, for which it is possible to obtain specific exemptions and authorizations granted by the National Authority - UAMA.

### **Going-concern assumption**

The year ended 31 December 2023 shows a loss of 43,544 thousand euro, essentially generated by the impact of financial costs (6,271 thousand euro), the write-downs carried out during the year as a result of the impairment testing on investee companies (21,144 thousand euro), the write-downs of inventories and receivables (10,218 thousand euro), as well as the dynamics of operating costs (mainly personnel costs) which increased excessively compared with the growth of the business and, lastly, significant costs for non-recurring services linked to the reorganization (3,201 thousand euro).

Furthermore, due to the failure to comply with the covenants at 31 December 2023, bank borrowings have all been reclassified to current liabilities, both for the current year and for 2022, as, following the restatement, the covenants are not complied with in 2022 either. This resulted in the short-term reclassification of 130,803,559 euro for 2023 and 124,142,830 euro for 2022.

Given this situation, the Directors considered the following elements when preparing these financial statements:

- On 27 May 2024, Antares Vision Group completed the negotiation of certain amending agreements with the relevant banks which provide, *inter alia*, for a waiver for failure to comply with the 2022 and 2023 covenants and their remodulation starting in 2024.

- During the first few months of 2024, Antares Vision strengthened its management team by appointing new senior managers. Gianluca Mazzantini assumed the position of General Manager and was subsequently appointed CEO of the Company, after being co-opted onto the Board of Directors by resolution of the Shareholders' Meeting held on 28 February 2024. Furthermore, Carlo Corollo has been hired as the new Chief HR Officer, Stefano De Rosa as Group Chief Financial Officer and Head of Finance, Controlling, Administration and Investor Relations and Alessandro Cazzaniga as Group Head of Controlling.
- On 4 March 2024, the Board of Directors of Antares Vision Group approved the strategic guidelines and objectives of the 2024-2026 Business Plan, designed to: i) ensure sustainable growth over time, ii) guarantee rigorous cost control (including personnel costs, see paragraph "Social Plan"), aimed at improving the Company's profit margins, iii) improve cash flow. For further details on the guidelines of the Strategic Plan, please refer to the section of these financial statements entitled Business Outlook
- The prospects in terms of cash flow for the next 12 months are positive and consistent with the evolution of the Business Plan, which envisages the generation of positive and progressively rising operating cash flow from 2024 and free cash flow from 2025 (with a consequent improvement in the Net Financial Position by gradually reducing bank borrowings). This will allow the Company and the Group to handle its cash requirement in total autonomy, also considering the Group's substantial liquidity and financial assets, namely 56.6 million euro at 31 December 2023.
- The results of the first quarter of 2024 are in line with the business plan and reflect growth in consolidated turnover of 7.2% compared with the first quarter of 2023 and in the order backlog, with operating cash flow breaking even.

Considering these elements, and despite the presence of uncertainties deriving from the macroeconomic and geopolitical scenario - those typical of the sector and of any forecasting activity, which could influence the results that will actually be achieved - the Directors believe, also in light of the Business Plan's expectations, that the Company will have sufficient financial and capital resources to allow the financial statements for the year ended 31 December 2023 to be prepared on a going-concern basis.

## DECLARATION OF COMPLIANCE WITH INTERNATIONAL ACCOUNTING STANDARDS AND TRANSITION TO IFRS

These separate financial statements are to be drawn up in compliance with the International Financial Reporting Standards (IAS/IFRS) issued by the International Accounting Standards Board (IASB), as interpreted by the International Financial Reporting Committee (IFRIC) and implemented by the European Union (EU).

In addition to representing a further adaptation to the best practices of disclosure and transparency towards all stakeholders, the transition to IFRS was necessary following the translisting from Euronext Growth (Alternative Investment Market, "AIM" on the date of listing), where the Company was listed from 18 April 2019, to the STAR segment of Euronext Milan, organised and managed by Borsa Italiana S.p.A.

The financial statements consist of the statement of financial position, income statement, statement of other comprehensive income, statement of changes in shareholders' equity and the statement of cash flows, as well as these explanatory notes, together with the directors' report on operations.

The reporting currency is the Euro. Unless indicated otherwise, amounts are expressed in Euros.

### **Financial statements**

Antares Vision has adopted the following formats of financial statements:

- a statement of financial position that shows current and non-current assets and current and non-current liabilities separately;
- an income statement that classifies costs based on their nature;
- a statement of other comprehensive income, that shows revenue and cost items that are not recognised in the profit or loss for the period as requested or permitted by IFRS;
- a statement of cash flows that shows the cash flows from operations, financing and investing activities using the indirect method;
- a statement of changes in shareholders' equity.

An asset is current when:

- it is assumed that it will be realised, or that it is being held for sale or consumption, during the normal operating cycle;
- it is held mainly for trading purposes;
- it is assumed that it will be realised within twelve months from the period end; or
- it consists of cash or cash equivalents, unless it is forbidden to trade or use it to settle a liability for at least twelve months from the period end.

All other assets are classified as non-current.



A liability is current when:

- it is expected to be settled within its normal operating cycle;
- it is held mainly for trading purposes;
- it has to be settled within twelve months from the period end; or
- the entity does not have an unconditional right to defer settlement of the liability for at least twelve months from the period end.

The contractual terms of the liability, which could entail its extinction by issuing equity instruments at the counterparty's discretion, do not affect its classification.

Antares Vision classifies all other liabilities as non-current.

Deferred tax assets and liabilities are classified under non-current assets and liabilities.

Using these statements permits the best possible representation of the assets and liabilities, results and financial position of Antares Vision.

Lastly, with reference to the Consob Resolution no. 15519 of 27 July 2006, any transactions and balances with related parties are shown on the face of the financial statements.

### **Main events of the year**

#### *Restatement for errors and changes in accounting standards (IAS 8)*

These financial statements have been prepared with a restatement for errors in the 2022 financial statements, as an indirect effect of the audit begun in the second half of 2023 on the Government Software Hub business ("**L5 Business**"), which supports government authorities in implementing new drug traceability regulations in the United States, Africa, Asia and the Middle East.

This audit, which focused on the American branch rfxcel Corp., became necessary following the increasing delays in the collection of receivables of the L5 Business and was started with the aim of estimating the recoverability of such receivables, also in relation to the collection forecasts made by rfxcel's previous management.

The results of this audit, carried out with the assistance of law firm Goodwin Procter LLP and the accounting firm Charles River Associates, confirmed that part of rfxcel's revenues in 2021, 2022 and 2023, which appeared in the consolidated financial statements of Antares Vision, were accounted for in a manner that does not comply with the accounting principles, and are therefore considered errors to be corrected in accordance with IAS 8.

Following an in-depth analysis of the internal accounting checks, again relating to the US rfxcel branch, the need emerged also to rectify certain revenues from customers who had nothing to do with the L5 Business. The figures subject to correction largely date back to the period prior to the acquisition of rfxcel by the Antares Vision Group.

The restatement of the 2022 figures meant having to review compliance with the covenants on the bank borrowings and bonds and it emerged that for all existing loans the covenants would not have been respected in 2022. For this reason, as part of the restatement in accordance with IAS 8, the only impact on the separate financial statements was the reclassification of the debt subject to the covenants from non-current to current liabilities (so without any impact on the parent company's revenue), as illustrated below:

<b>RESTATEMENT ADJUSTMENTS</b>		
<b>Description</b>	<b>Year 2022</b>	<b>Year 2023</b>
Non-current loans and borrowings	-124.142.830	-130.803.559
<b>Total non-current liabilities</b>	<b>-124.142.830</b>	<b>-130.803.559</b>
Current loans and borrowings	124.142.830	130.803.559
<b>Total current liabilities</b>	<b>124.142.830</b>	<b>130.803.559</b>

Lastly, it should be noted that the investments held in US companies at 31/12/2023 also had to be remeasured, but this did not lead to any write-downs of the investments in 2022.

#### **Merger by absorption of Convel S.r.l. by Antares Vision S.p.A.**

The merger by absorption (the "**Merger**") of the subsidiary Convel S.r.l., a company specialising in automated inspection in the pharmaceutical industry ("**Convel**" or the "merged Company"), by Antares Vision S.p.A. took effect on 1 January 2023. The merger plan was approved by the two Boards of Directors on 20 June 2022 pursuant to art. 2505, second paragraph, of the Italian Civil Code.

The reason for the merger was the need to concentrate in the Parent Company the activities carried on separately by Convel, also with a view to rationalising the Group. These activities form part of the corporate purpose of Antares Vision S.p.A. and are already performed by it. The reason for the merger was the need to concentrate in the Parent Company the activities carried on separately by Convel, also with a view to rationalising the Group. These activities form part of the corporate purpose of Antares Vision S.p.A. and are already performed by it. (a) to consolidate production and commercial activities in the field of inspection machines for the pharmaceutical sector; (b) to optimise the management of resources and intra-group economic-financial flows deriving from the activities currently carried on by the individual companies; (c) to allow greater flexibility of internal processes; (d) to hold down operating costs by achieving economies of scale and maximising synergies in the various activities to avoid duplicating or overlapping certain corporate and administrative functions. The merged Company was wholly owned directly by Antares Vision S.p.A., so by applying the simplified merger procedure pursuant to art. 2505 of the Civil Code, it was not necessary to prepare the explanatory report of the administrative bodies of the company taking part in the Merger (art. 2501-quinques Civil Code), nor the experts' report on the adequacy of the exchange ratio (art. 2501-sexies Civil Code). Furthermore, as no Antares Vision S.p.A. shares are due to the shareholders of Convel, it was not necessary to determine an exchange ratio or the procedures for assigning the

shares, nor the date from which these shares will participate in the profits. The Merger process comes to an end with the cancellation of the share capital of the merged Company.

Starting from the effective date of the Merger, i.e. from 1 January 2023, Antares Vision took over all of the legal relationships - debit and credit - in the name of Convel. There are no particular advantages in favour of the directors of the companies participating in the merger.

As regards the accounting treatment of this transaction, in the financial statements of the merging company reference was made to Assirevi's document OPI 2 on mergers that involve a restructuring and so-called legal consolidation, based on the fact that a control relationship already existed between Antares Vision and Convel.

The merger is excluded from the scope of application of IFRS 3 Business Combinations as it does not involve any exchange with third parties. So, in determining the effects of the merger in the separate financial statements, we adopted Assirevi's preliminary guidelines in OPI document No. 2 (Revised) "Accounting treatment of mergers in the financial statements". According to these guidelines, in compliance with the principle of continuity of values, one has to take into due consideration the pre-existing control relationship between the companies involved in the merger (the merging company and the mergee company), as well as the cost incurred by the merging company for the original acquisition of the mergee. This cost, as well as its allocation to the present values of the assets and liabilities of the mergee company, can be found in the Group's consolidated financial statements.

Consequently, the difference on elimination of the cost of the investment incurred to acquire control and the corresponding net equity has been allocated for the corresponding amounts up to the net book value of the assets shown in the Group's consolidated financial statements.

The effects of the merger derive directly from the consolidated financial statements as it did not involve accounting for new values, but rather the continuity of the previous values shown in the consolidated financial statements, as explained in the introduction. For further details, please refer to the notes provided later in this document.

The merger resulted in the recording of goodwill amounting to EUR 12,322,156 and the recognition of retained earnings amounting to EUR 1,581,050.

For further details, please refer to the notes provided later in this document.

### **Accounting policies**

#### **Fair value measurement**

Fair value is the price that would be received for the sale of an asset, or paid for the transfer of a liability, in an orderly transaction between market participants at the measurement date. A fair value measurement assumes that the sale of the asset or transfer of the liability takes place in the principal market for the asset or liability or, in the absence of a principal market, in the most advantageous market for the asset or liability.

The principal market or the most advantageous market must be accessible for Antares Vision.

All assets and liabilities for which the fair value is measured or shown in the financial statements are categorised according to the fair value hierarchy, as follows:

- the insurance policies held by the Parent Company fall under the Level 2 hierarchy as they are determined using valuation techniques that make reference to variables that are observable on active markets.
- All of the other financial assets (Treasury bills) recognised in these financial statements fall under the Level 1 hierarchy as their *fair value* is determined with reference to variables that are observable on the market.
- All of the other financial liabilities recognised in these financial statements fall under the Level 3 hierarchy as their fair value is determined with reference to variables that are not observable on the market.

The financial statements show financial assets and liabilities and derivative instruments at fair value. For these items, Antares Vision determines whether transfers have occurred between levels of the hierarchy by reviewing the categorisation (based on the lowest level input, which is significant for fair value measurement in its entirety) at each reporting date.

Specifically:

- the warrants issued by the Company at the time of the listing on the AIM, now Euronext Growth, and subsequently admitted to trading on the MTA, now Euronext Milan, are recorded under non-current loans and borrowings fall under the Level 1 hierarchy as their fair value is directly observable from official market prices;
- the derivative instruments held by the Company to hedge interest rates and the EUR/USD exchange rate fall under the Level 2 hierarchy as they are determined using valuation techniques that make reference to variables that are observable on active markets. The reference value is the mark-to-market by which the value of the derivative is systematically adjusted on the basis of current market prices;
- the insurance policies and securities held by the Company fall partly into the Level 1 hierarchy (for government securities) and partly into the Level 3 hierarchy as their fair value is determined with reference to variables that are not observable on the market (for the other financial assets).
- All of the other financial assets and liabilities recognised in these financial statements fall under the Level 3 hierarchy as their fair value is determined with reference to variables that are not observable on the market.

## **Property, plant and equipment and right-of-use assets**

### Property, plant and equipment

Property, plant and equipment are recognised at historical cost, including directly attributable ancillary charges, and shown net of accumulated depreciation and impairment losses.

Depreciation is calculated on a straight-line basis over the estimated useful life of the asset. The depreciation rates applied, which are the same as last year, are summarised below:

- Temporary buildings and constructions: from 3% to 10%
- Plant and machinery: from 10% to 20%
- Industrial and commercial equipment: from 10% to 33%
- Other fixed assets:
  - Vehicles and internal means of transport: from 15% to 30%
  - Office furniture and machines and IT systems: from 12% to 30%

Land is not depreciated.

Ordinary maintenance costs are charged to the income statement for the period in which they are incurred. Costs that increase the value or extend the useful life of a fixed asset are capitalised and depreciated over the residual useful life of the fixed assets to which they refer.

The carrying amount of an item of property, plant and equipment and any significant component initially recognised is derecognised on disposal (i.e. on the date the acquirer obtains control) or when no future economic benefits are expected from its use or disposal. The gain or loss that arises when the asset is derecognised (calculated as the difference between the net carrying amount of the asset and the consideration received) is recognised in the income statement at the time that the asset is eliminated.

At least once a year and, in any case, at the end of each financial year, Antares Vision ascertains that there are no indicators of impairment of property, plant and equipment. If such indicators exist, Antares Vision estimates the recoverable value of the assets in question to determine the amount of any write-down. The recoverable amount is the higher of the price that would be obtained from a sale and the value in use calculated by discounting prospective cash flows, net of tax. If the reasons for the write-down no longer apply, the asset is written up to the value it would have had if the write-down had never taken place. Write-downs and write-ups are charged to the income statement for the period.

### Right-of-use asset

IFRS 16 was issued in January 2016 and replaces IAS 17 Leases, IFRIC 4 Determining whether an Arrangement contains a Lease, SIC-15 Operating Leases-Incentives and SIC-27 Evaluating the Substance of Transactions Involving the Legal Form of a Lease.

IFRS 16 sets out the principles for the recognition, measurement, presentation and disclosure of leases and requires lessees to account for all leases in accordance with a single accounting model similar to accounting for finance leases under IAS 17.

The standard includes two exceptions to recognition for lessees: leases of 'low value' assets (e.g. personal computers) and short-term leases (i.e. leases with a rental period of 12 months or less).

At the commencement date of a lease, the lessee recognises a rental liability (i.e. the lease liability) and an asset representing the right of use of the underlying asset during the lease term (i.e. the right-of-use asset). Lessees are required to recognise interest expense on the lease liability and depreciation on the right-of-use asset separately. Lessees are also required to reconsider the amount of the lease liability when certain events occur (e.g. a change in the lease term or a change in future lease payments resulting from a change in an index or rate used to determine such payments). The lessee will generally recognise the difference from re-measurement of the lease liability as an adjustment to the right-of-use asset.

Right-of-use assets are classified according to the nature of the asset involved in the lease contract. This means that, in these financial statements, rights of use for properties are included in Property, plant and equipment and rights of use for motor vehicles are included in Other assets.

### **Goodwill**

Goodwill represents the difference between the purchase price and the value of the assets and liabilities acquired through a business combination.

Goodwill represents an intangible asset with an indefinite useful life. It is not amortised but subjected to an impairment test at least once a year, or more frequently if there are signs of impairment.

Goodwill is initially recognised at cost represented by the excess of the total amount paid and the amount recognised for minority interests over the net identifiable assets acquired and liabilities assumed by the Parent Company. If the fair value of the net assets acquired exceeds the total consideration paid, Antares Vision Group again checks whether it has correctly identified all the assets acquired and all the liabilities assumed and reviews the procedures used to determine the amount to be recognised at the acquisition date. If the new valuation still shows that the fair value of the net assets acquired exceeds the consideration, the difference is recognised in the income statement as a gain.

After initial recognition, goodwill is measured at cost, net of accumulated impairment losses. To check if there is any impairment, the goodwill acquired in a business combination is allocated from the acquisition date to the reference CGU (Life Sciences and Cosmetics ("LS&C") in the case of Antares Vision S.p.A.).

If goodwill has been allocated to a cash-generating unit and the entity disposes of part of the assets of that unit, the goodwill associated with the asset disposed of is included in the carrying amount of the asset when determining the gain or loss on disposal. The goodwill associated with the divested business is determined on the basis of the related values of the divested business and the portion of the cash-generating unit retained.

#### **Other intangible assets**

Intangible assets acquired separately are initially recognised at cost, while those acquired through business combinations are recognised at fair value at the acquisition date. After initial recognition, intangible fixed assets are recognised at cost net of accumulated amortisation and impairment losses, if any. Intangible assets produced internally, with the exception of development costs, are not capitalised and are recognised in the income statement in the period they are incurred.

Intangible assets with a finite useful life are amortised over their useful life and are subject to impairment testing whenever there are indications of a possible impairment. The period and method of amortisation of an intangible asset with a finite useful life is reviewed at least at each financial year-end. Changes in the expected useful life or in the manner in which the future economic benefits associated with the asset will be realised are recognised through a change in the period or method of amortisation, as appropriate, and they are considered changes in accounting estimates.

Research costs are charged to the income statement in the period they are incurred. Development costs incurred in relation to a given project are recognised as intangible assets when Antares Vision is able to demonstrate:

- the technical possibility that the intangible asset will be completed, making it available for use or sale;
- the company's intention to complete the asset and its ability and intention to use or sell it;
- the way in which the asset will generate future economic benefits;
- the availability of resources to complete the asset;
- the ability to reliably assess the cost attributable to the asset during development.

After initial recognition, development activities are valued at cost less accumulated amortisation or impairment losses.

Amortisation is calculated on a straight-line basis over the estimated useful life of the intangible asset. The amortisation rates applied, which are the same as last year, are summarised below:

- Development costs: 20%
- Patents: 20%

An intangible asset is derecognised on disposal (i.e. when the buyer obtains control) or when no future economic benefits are expected from its use or disposal. Any gain or loss arising from derecognition of the asset (calculated

as the difference between the net disposal proceeds and the carrying amount of the asset) is included in the income statement.

Antares Vision periodically ascertains that there are no indicators of impairment of intangible fixed assets. If such indicators exist, Antares Vision estimates the recoverable value of the assets in question to determine the amount of any write-down. The recoverable amount is the higher of the price that would be obtained from a sale and the value in use calculated by discounting prospective cash flows, net of tax. If the reasons for the write-down no longer apply, the asset is written up to the value it would have had if the write-down had never taken place. Write-downs and write-ups are charged to the income statement.

### **Investments**

Investments in subsidiaries, associates and other companies are measured at cost, possibly adjusted for impairment.

The positive difference, at the time of acquisition, between the acquisition cost and the share of the subsidiary's shareholders' equity attributable to the Company is therefore included in the carrying value of the equity investment. Investments in subsidiaries are subject to impairment testing each time indicators of impairment are recognised. Where there is evidence of impairment of those investments, the impairment is recognised in the income statement as a write-down. If the impairments losses of the subsidiary exceeds the carrying amount of the investment, the value of the investment will be reduced to zero, and the portion of the additional losses is recognised as provisions under liabilities. If, subsequently, the impairment no longer applies or decreases, a write-up is recognised to the income statement up to the limit of the cost.

### **Deferred tax assets and liabilities**

Deferred tax liabilities are allocated according to the global liability allocation method. They are calculated on all temporary differences arising between the tax base of an asset or liability and its carrying amount in the financial statements.

Deferred tax assets on tax losses and unused tax credits that can be carried forward are recognised to the extent that future taxable income is likely to be available, against which they can be recovered.

Current and deferred tax assets and liabilities are offset when income taxes are applied by the same tax authority and when there is a legal right of offset. Deferred tax assets and liabilities are determined at the tax rates that are expected to apply in the periods when the temporary differences will be realised or extinguished.

### **Inventories**

Inventories are valued at the lower of cost and net realisable value.

The costs incurred to bring each asset to its current location and condition are recognised as follows:

- raw materials: purchase cost calculated using the weighted average cost method;



- finished and semi-finished products: direct cost of materials and labour plus a share of general production expenses, defined on the basis of normal production capacity, excluding financial charges.

Net realisable value is the estimated selling price in the ordinary course of business, less the estimated costs of completion and the estimated costs necessary to make the sale, as well as write-downs for obsolete and slow-moving goods.

### **Trade receivables, other receivables and other financial assets**

#### Initial recognition

The classification of financial assets at the time of initial recognition depends on the characteristics of the contractual cash flows of the financial assets and on the business model that Antares Vision uses for their management. With the exception of trade receivables that do not contain a significant financing component or for which Antares Vision has applied the practical expedient, Antares Vision initially evaluates a financial asset at its fair value, plus transaction costs in the case of a financial asset not at fair value through profit or loss.

Trade receivables that do not contain a significant financing component, such as receivables falling due within 12 months, are valued at the transaction price defined in accordance with IFRS 15 and described in the paragraph "Revenues from customer contracts".

In order for a financial asset to be classified and measured at amortised cost or at fair value recognised in other comprehensive income (FVOCI), it must generate cash flows that depend solely on the principal and interest on the amount of principal to be returned. Financial assets whose cash flows do not meet the above requirements are classified and measured at fair value through profit or loss.

#### Subsequent measurement

Financial assets classified and measured at amortised cost, including trade receivables, are held as part of a business model whose objective is to hold financial assets with a view to collecting their contractual cash flows. These assets are subsequently measured using the effective interest method and are subject to impairment. Gains and losses are recognised in the Income Statement when the asset is derecognised, modified or revalued.

Financial assets that are classified and measured at fair value through other comprehensive income ("FVOCI") are held as part of a business model whose objective is achieved through the collection of contractual cash flows and through the sale of financial assets. For assets from debt instruments measured at FVOCI, interest income, exchange rate differences and impairment losses, together with write-backs, are recognised in the income statement and calculated in the same way as financial assets measured at amortised cost. Other changes in fair value are recognised in OCI. At the time of elimination, the cumulative change in fair value recognised in OCI is reclassified to the income statement.

Financial instruments at fair value with changes through profit or loss ("FVT PL") are recognised in the statement of financial position at fair value and net changes in fair value are recognised in the income statement. This

category includes derivatives and listed equity investments that Antares Vision has not irrevocably chosen to classify at FVOCI. Dividends on equity investments are recognised as other income in the income statement when the right to payment has been established.

#### Derecognition

A financial asset (or, where applicable, part of a financial asset or part of a group of similar financial assets) is derecognised when the rights to receive cash flows from the asset are extinguished, or when Antares Vision Group has transferred to a third party the right to receive cash flows from the asset or has assumed the contractual obligation to pay them in full and without delay and (a) has transferred substantially all the risks and rewards of ownership of the financial asset, or (b) has neither transferred nor retained substantially all the risks and rewards of the asset, but has transferred control of the asset.

In cases where Antares Vision has transferred the rights to receive cash flows from an asset but has neither transferred nor retained substantially all the risks and benefits or has not lost control over it, the asset continues to be recognised in the financial statements to the extent of its residual involvement in the asset. In this case, Antares Vision also recognises an associated liability. The transferred asset and the associated liability are valued to reflect the rights and obligations that remain with the Company.

#### Impairment

Antares Vision records a write-down for expected credit losses (ECLs) for all financial assets represented by debt instruments not held at fair value through profit or loss. ECLs are based on the difference between the contractual cash flows due under the contract and all of the cash flows that Antares Vision expects to receive, discounted at an approximation of the original effective interest rate. Expected cash flows will include cash flows arising from the enforcement of collateral held or other credit guarantees that are an integral part of the contractual terms.

For trade receivables and contract assets, Antares Vision applies a simplified approach to the calculation of expected losses. In other words, Antares Vision does not monitor the changes in credit risk, but fully records the expected loss at each reference date.

#### **Cash and banks**

Cash and banks include cash on hand and short-term demand deposits, highly liquid deposits with a maturity of three months or less, which are readily convertible into a given amount of money and subject to insignificant risk or changes in value.

#### **Trade payables and other financial liabilities**

##### Initial recognition

Financial liabilities are classified on initial recognition as financial liabilities at fair value through profit or loss or as loans and borrowings.

All financial liabilities are initially recognised at fair value plus directly attributable transaction costs in the case of loans, borrowings and payables.

### Subsequent measurement

For subsequent measurement purposes, financial liabilities are classified in two categories:

- Financial liabilities at fair value through profit or loss (FVTPL);
- Financial liabilities at amortised cost (loans and borrowings)

Financial liabilities at fair value through profit or loss include liabilities held for trading and financial liabilities initially recognised at fair value through profit or loss. Liabilities held for trading are all liabilities assumed with the intention of extinguishing or transferring them in the short term. This category also includes derivative financial instruments taken out by Antares Vision that are not designated as hedging instruments and warrants. Gains or losses on liabilities held for trading are recognised in the income statement.

After initial recognition, loans are measured at amortised cost using the effective interest rate method. Gains and losses are recorded in the income statement when the liability is extinguished, as well as through the amortisation process. The amortised cost is calculated by recording the discount or premium on the acquisition and the fees or costs that are an integral part of the effective interest rate. Amortisation at the effective interest rate is included in financial charges in the income statement.

### Derecognition

A financial liability is derecognised when the obligation underlying the liability is extinguished, cancelled or fulfilled. Where an existing financial liability is replaced by another from the same lender, under substantially different conditions, or the conditions of an existing liability are substantially changed, this exchange or change is treated as a derecognition of the original liability, accompanied by the recognition of a new liability, with any differences between the carrying amounts recognised in the Income Statement.

### **Provisions for risks and charges**

Provisions for risks and charges are made when Antares Vision has to meet a current obligation (legal or implicit) resulting from a past event, it is probable that resources will be disbursed to meet this obligation and it is possible to make a reliable estimate of its amount. When Antares Vision believes that a provision for risks and charges will be partly or fully reimbursed, the indemnity is recognised separately under assets if, and only if, it is more or less certain. In this case, the cost of any provision is presented in the income statement net of the amount recognised for compensation.

If the effect of the value of money over time is significant, provisions are discounted using a discount rate that reflects, where appropriate, the risks specific to the liabilities. When the liability is discounted, the increase in the provision due to the passage of time is recognised as a financial expense.

A provision for product guarantees is recognised when the product is sold or a service has been provided to the customer. Initial recognition is based on past experience. The estimated warranty costs are reviewed annually.

### **Severance indemnity**

The employee severance indemnity recorded by Italian companies corresponds to the liability accrued in favour of employees in accordance with current legislation.

The Italian companies belonging to Antares Vision are not required to pay severance indemnity to the INPS Treasury Fund under Law no. 296 of 27 December 2006 because none of them exceeded the limit of 50 employees during 2006 or their first year of activity.

The portion not allocated to supplementary pension funds is therefore considered a defined benefit plan and it is subject to actuarial valuation. The portions allocated to supplementary pension funds are considered a defined contribution plan.

### **Share-based payments**

Some directors and employees of the Group headed up by Antares Vision receive part of their remuneration in the form of share-based payments, which means that some employees provide services in exchange for shares ("equity-settled transactions"). The cost of transactions settled with equity instruments is determined by the fair value at the date on which the assignment is made using an appropriate valuation method, as explained in the corresponding section of this document.

The accounting treatment differs based on whether it regards employees or directors of the Company or employees or directors of other Group Companies:

- in the first case the cost, together with the corresponding increase in equity, is recognised under personnel costs for the options assigned to Antares Vision's employees and under service costs for the options assigned to the Company's directors over the period during which the conditions for achievement of the objectives and/or provision of the service are satisfied;
- in the second case, the cost is recognised as an increase in investments in the Group company where the employee or director works, over the period in which the conditions are met relating to the achievement of the targets and/or the performance of work, offset by a corresponding increase in shareholders' equity.

The cumulative costs recognised for these transactions at the closing date of each financial period up to the vesting date are commensurate with the expiry of the vesting period and the best estimate of the number of equity instruments that will actually vest. The cost or revenue in the statement of profit or loss for the period represents the change in the cumulative cost recognised at the beginning and end of the year.

The service or performance conditions are not taken into consideration when defining the fair value of the plan at the grant date. However, the probability that these conditions will be met is taken into account in defining the best estimate of the number of capital instruments that will vest. Market conditions are reflected in the fair value at the grant date. Any other condition linked to the plan, which does not involve a service obligation, is not considered as

a vesting condition. The non-vesting conditions are reflected in the fair value of the plan and entail the immediate recognition of the cost of the plan, unless there are also service or performance conditions.

No cost is recognised for rights that do not vest as the performance and/or service conditions are not met. When the rights include a market condition or a non-vesting condition, these are treated as if they had vested regardless of whether the market conditions or other non-vesting conditions to which they are subject are complied with or not, it being understood that all the other performance and/or service conditions must be met.

If the conditions of the plan are changed, the minimum cost to be recognised is the fair value at the grant date without the change of plan, on the assumption that the original conditions of the plan are satisfied. In addition, there is a cost for each change that involves an increase in the total fair value of the payment plan, or that is in any case favourable for the employees; this cost is valued with reference to the date of the change. When a plan is cancelled by the entity or the counterparty, any residual element of the plan's fair value is immediately charged to the income statement.

#### **Translation of foreign currency items**

Monetary assets and liabilities denominated in foreign currency are recorded at the spot exchange rate at the year-end, with the related exchange gains and losses recognised in the income statement.

#### **Revenue from contracts with customers**

Antares Vision is involved in providing inspection systems for quality control, tracking solutions for anti-counterfeiting, supply chain control and smart data management. Gradual diversification of the business in recent years has led to a rising proportion of the service component, also through the Software as a Service (SaaS) model. Revenue from contracts with customers follow IFRS 15 - Revenue Recognition, which requires analysing the contracts according to a 5-step model which involves:

- identifying the contract with the customer;
- identifying the performance obligations included in the contract;
- establishing the price of the transaction;
- allocating the price to the performance obligations;
- recognising the revenue when the company satisfies the performance obligation.

Revenue from contracts with customers is recognised for an amount that reflects the consideration that Antares Vision Group expects to receive on fulfilment of the performance obligation.

#### Supply of goods

In the event that two performance obligations are recognised in the contract, the revenue relating to the supply of the asset is recognised with the transfer of the asset when the ownership or possession of the asset is transferred to the buyer, so generally on shipment, and the revenue relating to the installation service is recognised on

completion of the installation. If it is not possible to identify two performance obligations in the contract, one for the supply of the goods and the other for the installation, the revenue is recognised once the installation is completed.

#### SaaS

SaaS contracts provide for a commitment by Antares Vision to make proprietary software available to the customer and to provide implementation services, subscription support and maintenance and other professional services. With regard to the implementation and professional services, the revenue is recognised "at a point in time" when the service has been completed. With regard to the implementation and professional services, the revenue is recognised "at a point in time" when the service has been completed.

#### Other types of services (other than SaaS)

In the case of after-sales technical assistance, the revenue is recognised "at a point in time", when the service has been completed.

For other types of services (for example project activities such as SW migrations), the revenue is recognised "over time".

#### **Government grants**

Government grants are recognised when there is reasonable certainty that they will be received and that all of the conditions have been met. Grants related to cost components are recognised as revenues, but they are allocated over the years so as to match the costs they are intended to offset. A grant related to an asset is recognised as income on a straight-line basis over the expected useful life of the asset in question.

Where Antares Vision receives a non-monetary grant, the asset and the grant are recorded at nominal value and released to the income statement on a straight-line basis over the expected useful life of the asset.

#### **Income taxes**

Current tax assets and liabilities for the year are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate the amount are those in force at the reporting date.

Current taxes relating to items recognised directly in shareholders' equity are also recognised in shareholders' equity and not in the income statement. Management periodically assesses the position taken in the tax return in cases where tax rules are subject to interpretation and adjusts the provisions, where appropriate.

Other taxes not related to income, such as property taxes, are included in operating expenses.

Costs, revenues, assets and liabilities are normally recognised net of indirect taxes, such as value added tax. If the tax applied to the purchase of goods or services is non-deductible, it is recognised as part of the purchase cost of the asset or part of the cost recognised in the income statement. Trade receivables and payables include the applicable indirect tax.

The net amount of indirect taxes to be recovered or paid to the tax authorities is included in the balance sheet under receivables or payables.

### **Changes in international accounting standards**

Pursuant to IAS 8, in the following paragraph "Accounting standards, amendments and interpretations applicable by the company from this financial year", the amendments in force from 1 January 2023 are indicated and briefly explained. In the following paragraph, "Accounting standards, amendments and interpretations not yet approved by the European Union", details are provided of the accounting standards and interpretations already issued, but not yet approved by the European Union, and therefore not applicable for the preparation of the financial statements at 31 December 2023. Their impact, if any, will therefore be reflected in the financial statements of future years.

#### **Accounting standards issued and entered into force in 2023**

##### **Disclosure on accounting standards - Amendments to IAS 1 and IFRS Practice Statement 2**

In February 2021, the IASB issued amendments to IAS 1 and IFRS Practice Statement 2 Making Materiality Judgements, in which it provides guidelines and examples to help entities apply materiality judgements to disclosure on accounting standards. The amendments aim to help entities provide information on the more useful accounting policies by replacing the obligation for entities to provide their own "significant" accounting policies with the obligation to disclose their "relevant" accounting policies; in addition, guidelines are added on how entities apply the concept of relevance in making decisions regarding disclosure on accounting policies.

The amendments to IAS 1 are effective for financial years beginning on or after 1 January 2023. The amendments to Practice Statement 2 provide non-mandatory guidance on the application of materiality to accounting policy disclosures.

The changes did not have any impact on the Company's financial statements.

##### **Definition of accounting estimate - Amendments to IAS 8**

In February 2021, the IASB issued amendments to IAS 8, in which it introduces a definition of "accounting estimates". The amendments clarify the distinction between changes in accounting estimates and changes in accounting principles and correction of errors. In addition, they clarify how entities are to use measurement and input techniques to develop accounting estimates.

##### **Deferred taxes relating to assets and liabilities arising from a single transaction – Amendments to IAS 12**

In May 2021, the IASB issued amendments to IAS 12, restricting the scope of application of the initial recognition exception included in IAS 12, which will no longer have to be applied to those transactions that give rise to taxable and deductible temporary differences in equal measure.

The amendments will have to be applied to transactions that take place after or at the beginning of the comparative period presented. Furthermore, at the beginning of the comparative period presented, deferred tax assets (if there is sufficient taxable income) and deferred tax liabilities must be recognised for all deductible and taxable temporary differences associated with leasing and restoration provisions.

Antares Vision Group was not affected by these changes.

## **International Tax Reform – Pillar Two Model Rules - Amendments to IAS 12**

The amendments to IAS 12 were introduced in response to the OECD's Pillar Two Base Erosion and Profit Shifting (BEPS) rules and include:

- A temporary mandatory exemption from the recognition and disclosure requirements for deferred taxes resulting from the implementation of the Pillar Two rules in the jurisdictions where they apply;
- Disclosure requirements for the entities involved to help users of financial statements to better understand the income tax impacts of this legislation, prior to its coming into force.

The temporary mandatory exemption - which if used has to be disclosed - is applicable immediately. The other disclosure requirements apply for fiscal years beginning on or after 1 January 2023, but not for interim periods before 31 December 2023.

The change has no impact on the financial statements as the Company is not affected by the Pillar Two rules because its revenue comes to less than 750 million euro/year.

## **IFRS 17 – Insurance Contracts, including the amendments of 25 June 2020; Insurance Contracts: Initial application of IFRS 17 and IFRS 9 – Comparative information- Amendments to IFRS 17**

The new accounting standard for insurance contracts, IFRS 17, replaces IFRS 4 and applies to all types of insurance contracts (e.g. life, non-life, direct insurance and reinsurance), regardless of the type of entity issuing them, as well as to some guarantees and financial instruments with discretionary participation characteristics; some exceptions to the scope apply. The overall objective of IFRS 17 is to provide a more useful and consistent accounting model for insurance contracts for insurers.

This accounting standard does not apply to the Company as it does not carry on insurance activities.

## **Accounting standards issued and interpretations approved and applicable starting from subsequent financial years**

### **Amendments to IAS 1 - Presentation of Financial Statements**

On 23 January 2020, 15 July 2020 and 31 October 2022, the IASB issued three amendments to IAS 1 "Presentation of financial statements" to define more clearly the concept of liabilities and their classification between short and medium-long term. The amendments were approved on 20 December 2023. Emphasis is given to the temporal concept of transferring money or other resources to the counterparty to settle the liability. The following aspects were also clarified: what is meant by the right to defer the settlement deadline; that the right of deferral must exist at the end of the reporting period; the classification is not impacted by the likelihood with which the entity will exercise its right of deferral; only if an embedded derivative in a convertible liability is itself an equity instrument does the liability's maturity have no impact on its classification. Furthermore, latest amendment specifies that only the covenants that an entity must comply with by the reporting date will affect the classification of a liability



as current or non-current. These amendments will be applicable to financial statements for periods ending on or after 1 January 2024. Antares Vision is currently assessing the impacts of these amendments.

#### **Lease Liability in a Sale and Leaseback - Amendments to IFRS 16**

On 22 September 2022, the IASB issued an amendment to IFRS 16 "Leases", clarifying how to account for a sale and leaseback transaction involving variable payments based on the performance or use of the asset involved in the transaction. The amendment was approved on 21 November 2023 and will be applicable to financial statements for periods ending on or after 1 January 2024.

Antares Vision is currently assessing the impacts of these amendments.

#### **Discretionary assessments and use of estimates**

The preparation of financial statements requires the Directors to apply accounting principles and methods which, in certain circumstances, are based on assessments and estimates using historical experience and assumptions, which at the time are considered reasonable and realistic under the circumstances. The application of these estimates and assumptions has an effect on the values of assets and liabilities, costs and revenue recognised in the financial statements and on the disclosures on contingent assets and liabilities at the end of the year. Final results may differ from these estimates. Below there is a brief description of the financial statement items which require greater subjectivity on the part of the Directors when making estimates and for which a change in the conditions underlying the assumptions could have a significant effect on the restated financial aggregates.

- **Lease term and incremental borrowing rate (Note 2)**

Antares Vision determines the lease term as the non-cancellable period of the lease to which must be added the periods covered by the option to extend the lease, if there is reasonable certainty of exercising this option, and the periods covered by the option to terminate the lease if there is reasonable certainty of not exercising this option. Antares Vision has the possibility, for some of its leases, to extend the lease or terminate it early. Antares Vision applies its own judgement in assessing whether there is reasonable certainty of exercising the renewal options. Having said this, Antares Vision considers all the factors observed that may result in an economic incentive to exercise the renewal options or to terminate the contract. After the effective date, Antares Vision reviews the estimates of the lease term in the event of a significant event or significant change in circumstances under its control that could affect the ability to exercise (or not to exercise) the renewal or early cancellation option (for example, investments in improvements to leased assets or significant specific changes to the leased asset).

Antares Vision cannot easily determine the interest rate implicit in the lease, so it uses the incremental borrowing rate to measure the lease liability. The incremental borrowing rate is the interest rate that the lessee would have to pay for a loan, with a similar duration and similar security, needed to obtain an asset of similar value to the right-of-use asset in a similar economic context. The incremental borrowing rate therefore reflects what Antares Vision would have had to pay, and this requires an estimate to be made when no observable data exist or when rates need to be adjusted to reflect the terms and conditions of the lease. Antares Vision estimates the marginal lending

rate using observable data (such as market interest rates) if available, while making specific considerations about the conditions of the investee company.

In applying the accounting policies of Antares Vision, the directors made decisions based on the following discretionary assessments (excluding those involving estimates) that have a significant effect on the amounts recorded in the financial statements.

- **Recoverable amount of non-current assets (Notes 1, 3, 4, 5, 6)**

Non-current assets include property, plant and equipment, intangible assets, investments and other financial assets. The management periodically reviews the carrying amount of non-current assets held and used and the assets held for sale, when facts and circumstances require such revision. That activity is carried out using the estimates of cash flows expected from the use or sale of the asset and suitable discount rates to calculate the present value. When the carrying amount of a non-current asset is impaired, Antares Vision recognises a write-down for the excess value between the carrying amount of the asset and its recoverable amount through use or sale.

- **Impairment of non-financial assets (Note 2)**

An impairment loss occurs when the carrying amount of an asset or cash-generating unit exceeds its recoverable amount, which is the higher of its fair value less costs to sell and its value in use. The calculation of the value in use is based on a DCF model that involves discounting cash flows, which in turn derive from the budgets of the individual cash-generating units, excluding restructuring activities to which Antares Vision has not yet committed itself or significant future investments that will increase the results of the activity included in the cash-generating unit being assessed. The recoverable amount depends considerably on the discount rate used in the cash flow discounting model, as well as the expected future cash flows and the growth rate used for the extrapolation. The key assumptions used to determine the recoverable amount are provided below in these explanatory notes.

- **Provision for expected losses on trade receivables (Notes 8, 12)**

Trade receivables are adjusted by the allowance for doubtful accounts to take account of their recoverable value. Determining the amount of write-downs requires the Directors to make subjective assessments based on the documentation and information available regarding the solvency of customers, as well as experience and historical trends in collections in order to determine any expected losses (Expected Credit Loss or 'ECL') in accordance with IFRS 9.

- **Defined benefit plans (Note 6, 11)**

The cost of defined benefit pension plans and other post-employment benefits and the present value of the defined benefit obligation are determined using actuarial valuations. Actuarial valuation involves processing various assumptions that may differ from actual future developments. These assumptions include determination of the discount rate, future salary increases, mortality rates and future pension increases. Due to the complexity of the

valuation and its long-term nature, these estimates are extremely sensitive to changes in assumptions. All assumptions are reviewed annually.

Further details are provided below in these notes.

- **Fair value of financial instruments (Note 5)**

When the fair value of a financial asset or liability recognised in the statement of financial position cannot be measured based on prices in an active market, the fair value is determined using various measurement techniques, including the discounted cash flow model. The inputs included in this model are inferred from observable markets, where possible, but where this is not possible, a certain degree of estimation is required to define the fair value. The estimates include considerations of variables such as liquidity risk, credit risk and volatility. Changes in assumptions about these elements could have an impact on the fair value of financial instruments.

- **Write-downs of inventories (Note 7)**

Inventories that show signs of being obsolete and slow-moving are systematically assessed and, if their recoverable value is lower than their purchase or production cost, they are written down. Write-downs are calculated on the basis of management's assumptions and estimates, derived from experience and historical results.

- **Development costs (Notes 32, 3)**

Antares Vision Group capitalises costs related to projects for the development of new products. The initial capitalisation of costs is based on the fact that the directors' opinion on the technical and economic feasibility of the project is confirmed, usually when the project has reached a precise stage in the development plan.

- **Share-based payments (Notes 11, 13)**

Estimating the fair value of share-based payments means having to choose the most appropriate valuation model, which depends on the terms and conditions under which such instruments are granted. It also means identifying the data needed to feed the valuation model, including assumptions about the exercise period of the options, volatility and return on the shares.

The two share-based incentive plans <sup>11</sup> (the "First Stock Option Plan" and the "Second Stock Option Plan", jointly the "Plans"), approved by the Shareholders' Meeting fall within the scope of share-based payments. These are reserved for executive directors, top management and key employees of Antares Vision and the Group of which it is the parent, whose performances are more likely to influence the Company's results, given their roles and functions.

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<sup>11</sup> The First Stock Option Plan was approved by the Shareholders' Meeting of Antares Vision S.p.A. held on 20 May 2020. The Second Stock Option Plan was approved by the Shareholders' Meeting of Antares Vision S.p.A. held on 24 March 2021.

The valuation model used was Black & Scholes. The Black & Scholes valuation method is based on the construction of a portfolio of underlying assets and a certain number of options, in such a way that the expected return as a whole is insensitive to fluctuations in the price of the asset and is equivalent to the risk-free rate. The Black & Scholes valuation method determines possible prices for the underlying assets on maturity, as well as their respective probabilities of occurrence, assuming that they are distributed according to a normal distribution (or to be precise, a "log-normal distribution").

Refer to the corresponding section of this document regarding the options assigned and the subsequent changes.

- ***Income taxes (Note 21)***

Current tax assets and liabilities for the year are valued at the amount expected to be recovered or paid to the tax authorities. The tax rates and regulations used to calculate the amount are those in force at the reporting date in the countries in which Antares Vision operates and generates its taxable income.

Current taxes relating to items recognised directly in shareholders' equity are also recognised in shareholders' equity and not in the income statement. Management periodically assesses the position taken in the tax return in cases where tax rules are subject to interpretation and adjusts the provisions, where appropriate.

Deferred tax assets are recognised for unused tax losses, to the extent that it is probable that there will be sufficient taxable income in the future to allow such losses to be reabsorbed. Fairly complex estimates have to be made by management to determine the amount of tax assets that can be recognised on the basis of future taxable profits, their timing and the tax planning strategies that can be applied.

Other taxes not related to income, such as property taxes, are included in operating expenses. Costs, revenues, assets and liabilities are normally recognised net of indirect taxes, such as value added tax. If the tax applied to the purchase of goods or services is non-deductible, it is recognised as part of the purchase cost of the asset or part of the cost recognised in the income statement. Trade receivables and payables include the applicable indirect tax. The net amount of indirect taxes to be recovered or paid to the tax authorities is included in the balance sheet under receivables or payables.

- ***Revenue (Note 25)***

Revenue from contracts with customers follow IFRS 15 - Revenue Recognition, which requires analysing the contracts according to a 5-step model which involves:

- identifying the contract with the customer;
- identifying the performance obligations included in the contract;
- establishing the price of the transaction;
- allocating the price to the performance obligations;
- recognising the revenue when the company satisfies the performance obligation.

Revenue from contracts with customers is recognized for an amount that reflects the consideration that Antares Vision expects to receive on fulfilment of the performance obligation.

As regards the supply of assets, in the event that two performance obligations are recognised in the contract, the revenue relating to the supply of the asset is recognised with the transfer of the asset when the ownership or possession of the asset is transferred to the buyer, so generally on shipment, and the revenue relating to the installation service is recognised on completion of the installation. If it is not possible to identify two performance obligations in the contract, one for the supply of the goods and the other for the installation, the revenue is recognised once the installation is completed.

In the case of services, such as after-sales technical assistance, the revenue is recognised at a point in time when the service has been completed. For other types of services (e.g. project activities such as maintenance contracts) revenues are recognized as overtime.

The SaaS contracts involve a commitment by Antares Vision Group to make proprietary software available to the customer, as well as to provide implementation services, a Subscription service for support and maintenance, and other professional services. With regard to the implementation and professional services, the revenue is recognised at a point in time once the service has been fully rendered. As regards the subscription service, which includes a significant part of the revenue deriving from long-term subscription contracts (3-7 years), as well as the revenue for use of the licence for the period defined in the contract, the revenue is recognised over time for the duration of the contract. In the case of services other than SaaS services, such as after-sales technical assistance, the revenue is recognised at a point in time when the service has been completed.

- *Contingent liabilities (Notes 16, 18, 21, 25, 22)*

Antares Vision makes provision for a liability in the event of disputes when it deems it probable that a financial outlay will occur and when the amount of the resulting losses can be reasonably estimated. In the event that a financial outlay becomes possible but the amount cannot be determined, this fact is disclosed in the notes to the financial statements. For the assessment of contingent liabilities, management can make use of experts and consultants in legal and tax matters.

## Segment reporting

IFRS 8 requires that information be provided by segment, using the same bases on which internal management reports are prepared. Since Antares Vision operates in a single business sector "Life Science & Cosmetic", no further details are used for internal reporting.

## Capital management

For the purposes of managing the capital of Antares Vision, it was decided that this includes the issued share capital, special shares, the share premium reserve, warrants and all capital reserves attributable to the shareholders of the Company. The main objective of capital management is to maximise shareholder value. Antares Vision monitors equity using a gearing ratio, consisting of the ratio of net debt to total capital plus net debt. Antares Vision includes in net debt interest-bearing loans, borrowings, trade and other payables, less cash and cash equivalents, short-term deposits and current financial assets.

<b>CAPITAL MANAGEMENT</b>		
<b>Description</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
Interest-bearing loans and other loans (**)	166,359,336	143,299,916
Other non-current financial liabilities	0	162,383
Cash and cash equivalents	-16,782,558	-11,044,751
Current Securities available for sale	-12,236,513	-26,826,890
Other financial assets	0	-7,130,074
<b>Posizione finanziaria netta</b>	<b>137,340,265</b>	<b>98,460,584</b>
Trade and other payables	42,535,009	44,101,874
<b>Debito netto (A)</b>	<b>179,875,274</b>	<b>142,562,458</b>
Shareholders' equity	211,435,808	253,541,102
<b>Total capital</b>	<b>211,435,808</b>	<b>253,541,102</b>
<b>Capital and net debt (B)</b>	<b>391,311,082</b>	<b>396,103,560</b>
<b>Gearing ratio (C=A/B)</b>	<b>45.97%</b>	<b>35.99%</b>

The gearing ratio is 45.97%, compared with 35.99% in the comparison period. That result derives from the joint effect of various factors:

- investments in intangible fixed assets, mainly for development costs (Euro 4.2 million relating to projects not yet completed and therefore recorded under intangible fixed assets in process of formation) and for digital transformation (Euro 1.8 million), above all the introduction of the new ERP, the Go Live at the Parent Company took place in April 2023, and the new PLM, the latter not yet completed and therefore not yet subject to a modernization process;
- the acquisition of 15% of Isinnova, which involved a cash outlay of Euro 1,500 thousand;
- the acquisition of 38.18% of Light Scarl, which entailed a cash outlay of Euro 76 thousand;

- the purchase for Euro 1,200 thousand of land in the municipality of Sorbolo Mezzani, where one of the local units of the Parent Company is located, of which Euro 400 thousand already paid as a deposit in 2022;
- the negative result for the period of Euro 43,544 thousand;
- the sale of a property located in the municipality of Tobole for Euro 650,000;
- payment to the Parent Company of a Euro 20 million bank loan by a leading credit institution. This forms part of the broader debt refinancing strategy launched in the second half of 2021, when the bank loan in question was negotiated with the possibility of it being disbursed at a later date;
- the disbursement to Antares Vision S.p.A. of a subsidised loan of 1.1 million euro and a bank loan of 0.1 million euro as the fourth progress payment based on the stage of completion of the Smart Digital Platform R&D project.

Antares Vision S.p.A. is required to comply with financial covenants in line with market practice. These covenants were not respected at 31 December 2023, so the company proceeded to reclassify its financial debt under the financing contracts subject to covenants as current liabilities.

However, on 27 May 2024 Antares Vision Group completed negotiations with the banks and signed formal agreements which provide for a waiver for failure to comply with the covenants in 2022 and 2023. This envisaged a NFP/EBITDA ratio of not more than 3.5 and a remodulation from 2024 that provides for a new NFP/EBITDA ratio of not more than 5.75 for the testing period at 30 June 2024, not more than 4.5 for the testing periods at 31 December 2024 and 30 June 2025 and not more than 3.5 for the remaining testing periods, in line with the forecasts of the Business Plan.

## STATEMENT OF FINANCIAL POSITION

### Non-current assets

#### 1 Property, plant and equipment and right-of-use assets

During 2023, Antares Vision's investments in property, plant and equipment and right-of-use assets totalled Euro 22,556,086 (Euro 19,057,893 at 31 December 2022).

This item shows the following changes:

Land and buildings, for an amount of Euro 17,470,683 (Euro 16,289,721 at 31 December 2022), show the value of

PROPERTY, PLANT, MACHINERY AND RIGHT-OF-USE ASSETS					
Description	Land and buildings	Industrial and commercial equipment	Other fixed assets	Fixed assets under construction and advances	Total
Historical cost 31/12/2021	13.733.517	177.619	2.312.355	0	16.223.491
Accumulated depreciation 31/12/2021	-1.453.254	-142.164	-1.014.766	0	2.610.184
<b>Carrying amount 31/12/2021</b>	<b>12.280.263</b>	<b>35.455</b>	<b>1.297.589</b>	<b>0</b>	<b>18.833.675</b>
Increases	4.792.912		241.825	1.240.518	6.353.452
Depreciation for the period	-783.454	-24.656	-100.756		-908.866
<b>Total changes</b>	<b>4.009.458</b>	<b>53.541</b>	<b>141.069</b>	<b>1.240.518</b>	<b>5.444.586</b>
Historical cost 31/12/2022	18.526.429	255.816	2.554.180	1.240.518	22.576.943
Accumulated depreciation 31/12/202	-2.236.708	-166.820	-1.115.522		-3.519.050
<b>Carrying amount 31/12/2022</b>	<b>16.289.721</b>	<b>88.996</b>	<b>1.438.658</b>	<b>1.240.518</b>	<b>19.057.893</b>

PROPERTY, PLANT, MACHINERY AND RIGHT-OF-USE ASSETS					
Description	Land and buildings	Industrial and commercial equipment	Other fixed assets	Fixed assets under construction and advances	Total
Historical cost 31/12/2022	18,526,429	255,816	2,554,180	1,240,518	22,576,943
Accumulated depreciation 31/12/2022	-2,236,708	-166,820	-1,115,522		-3,519,050
<b>Carrying amount 31/12/2022</b>	<b>16,289,721</b>	<b>88,996</b>	<b>1,438,658</b>	<b>1,240,518</b>	<b>19,057,893</b>
Increases	476,857	18,325	1,245,694	2,934,082	4,674,957
Increase - Convel	845,346	14,736	23,263		883,345
Dismissions historical cost	-861,245		-58,606		-919,851
Decrementi del fondo amm.to	44,608		28,141		72,749
Transfer	1,240,518			-1,240,518	0
Depreciation for the period	-565,121	-40,307	-607,577		-1,213,005
<b>Total changes</b>	<b>1,180,962</b>	<b>-7,247</b>	<b>630,914</b>	<b>1,693,564</b>	<b>3,498,193</b>
Historical cost 31/12/2023	20,227,904	288,877	3,764,531	2,934,082	27,215,393
Accumulated depreciation 31/12/2023	-2,757,221	-207,127	-1,694,958	0	-4,659,306
<b>Carrying amount 31/12/2023</b>	<b>17,470,683</b>	<b>81,750</b>	<b>2,069,572</b>	<b>2,934,082</b>	<b>22,556,086</b>

the land and buildings owned by the Company, the buildings held under finance leases in compliance with IFRS 16, and the value in use of the long-term lease, rent and rental contracts that fall within the scope of application of this standard (which at 31 December 2023 amount to Euro 15,009,702), which may be increased by the amount



of any improvements made to the assets in accordance with the standard. During the year, there has been an increase in assets recognised in compliance with IFRS 16 for an amount of Euro 509,964.

The merger with Convel resulted in an increase of Euro 845,346, already net of the provision. During the course of the year, the Company purchased land in the municipality of Sorbolo Mezzani for Euro 1,270,193 and disposed of a property in the municipality of Torbole, no longer considered functional for production activities, for an amount of 650.000 Euro, generating a capital loss of Euro 141,757. The remainder of the difference is represented by expansion and modernisation works at the Travagliato and Sorbolo offices.

Industrial and commercial machinery and equipment are showing a balance of Euro 81,750, after new investments during the year of Euro 18,325 and an increase due to the merger with Convel of Euro 14,736, net of accumulated depreciation.

Other fixed assets amount to Euro 2,069,572 at 31 December 2023, compared with Euro 1,438,658 at 31 December 2022. The increase of Euro 23,262 is linked to the merger with Convel, while the remainder of the increase is due to the value in use of the new contracts for the lease, rent and long-term leasing of motor vehicles and capital assets that fall within the scope of IFRS 16, as well as investments in electronic office equipment made during the year and, to a lesser extent, furniture and fittings intended for new wing of the building where the Company's registered office is located.

Fixed assets under construction and advances include advances paid for the purchase of a machine for 2,456,816 euro, building concession rights for Euro 81,000, which will increase the cost of the building in question in accordance with IFRS 16, and advances for modernisation works on the Vicenza property amounting to Euro 396,266.

## **2 Goodwill**

Goodwill amounts to Euro 12,322,156 in December 2023 and is made up entirely of the amount generated following the absorption of the subsidiary Convel S.r.l. The recoverable amount of the goodwill recorded in the separate financial statements of Antares Vision S.p.A. was checked using a synthetic approach starting from indicators based on the estimates of value in use of the CGUs in the consolidated financial statements. The procedure can be summarised as follows:

- calculation of the Net Invested Capital of Antares Vision S.p.A. at 31.12.2023;
- identification of the (implicit) multiplier Enterprise Value/EBITDA 2024 expressed by the estimated value in use of the Life Sciences CGU (given that it is the main business of Antares Vision S.p.A.);
- identification of the forecast EBITDA based on the 2024 budget of Antares Vision S.p.A. (including central costs allocated to the individual entity on the basis of the Group's internal transfer pricing contracts);

- a synthetic estimate of the Enterprise Value of Antares Vision S.p.A. by applying the 2024 EV/EBITDA multiplier of the Life Sciences CGU

On the basis of this procedure, the recoverable value of goodwill is higher than the carrying value by 33%.

### 3 Other intangible assets

Other intangible assets only include assets with a finite life and at 31 December 2023 amount to Euro 17,566,442 (Euro 15,344,965 at 31 December 2022).

The composition and changes in other intangible assets are shown below:

Development costs amount to Euro 5,738,284, net of accumulated amortisation. There were no new

OTHER INTANGIBLE ASSETS					
Description	Development costs	Industrial patent rights	Concession, licenses, trademarks and similar rights	Fixed assets in course of formation and advances	TOTAL
Historical cost 31/12/2021	15.297.048	145.988	1.888.182	307.084	17.638.302
Accumulated depreciation 31/12/2021	-4.991.522	-145.988	-523.990		-5.661.500
<b>Carrying amount 31/12/2021</b>	<b>10.305.526</b>	<b>0</b>	<b>1.364.192</b>	<b>307.084</b>	<b>11.976.802</b>
Increases	2.585.961		447.556	4.359.542	7.393.060
Decreases	0				
Amortization for the period	-3.576.602		-448.294		-4.024.896
<b>Total changes</b>	<b>-990.641</b>	<b>-</b>	<b>-738</b>	<b>4.359.542</b>	<b>3.368.164</b>
Historical cost 31/12/2022	17.883.009	145.988	2.335.738	4.666.626	25.031.361
Accumulated depreciation 31/12/2022	-8.568.123	-145.988	-972.285	0	-9.686.396
<b>Carrying amount 31/12/2022</b>	<b>9.314.886</b>	<b>0</b>	<b>1.363.453</b>	<b>4.666.626</b>	<b>15.344.965</b>

capitalisations during the year, as all the development initiatives carried out in 2023 were still underway at the end of the year and are therefore still in fixed assets under construction. Industrial patent rights are fully amortised at 31 December 2023.

Concessions, licences, trademarks and similar rights include software for Euro 2,985,781, already net of accumulated amortisation. The increase, net of Euro 8,354 due to the merger with Convel, relates to the costs incurred to implement the new ERP, which came into operation on 31 March 2023.

OTHER INTANGIBLE ASSETS						
Description	Development costs	Industrial patent rights	Concession, licenses, trademarks and similar rights	Technologies	Fixed assets in course of formation and advances	TOTAL
Historical cost 31/12/2022	17.883.009	145.988	2.335.738		4.666.626	25.031.362
Accumulated depreciation 31/12/2022	-8.568.123	-145.988	-972.285			-9.686.397
<b>Carrying amount 31/12/2022</b>	<b>9.314.886</b>	<b>0</b>	<b>1.363.453</b>	<b>-</b>	<b>4.666.626</b>	<b>15.344.966</b>
Increases			1.345.320		4.978.428	6.323.748
Increases Convel			8.354	471.750		480.104
Decreases Historical cost						0
Decreases accumulated depreciation						0
Transfer			1.236.693		-1.236.693	0
Amortization for the period	-3.576.602		-968.038	-37.736		-4.582.376
<b>Total changes</b>	<b>-3.576.602</b>	<b>-</b>	<b>1.622.328</b>	<b>434.014</b>	<b>3.741.736</b>	<b>2.221.476</b>
Historical cost 31/12/2023	17.883.009	145.988	4.967.440	471.750	8.408.362	31.876.549
Accumulated depreciation 31/12/2023	-12.144.725	-145.988	-1.981.658	-37.736	0	-14.310.108
<b>Carrying amount 31/12/2023</b>	<b>5.738.284</b>	<b>0</b>	<b>2.985.781</b>	<b>434.014</b>	<b>8.408.362</b>	<b>17.566.442</b>

Fixed assets in course of formation and advances amount to Euro 8,408,362. The additions during 2023 relate for Euro 5,892 to implementation of the new Product Lifecycle Management (PLM) system, which should come into operation in 2024. The balance of Euro 4,892,536 relates to development costs incurred during 2023 on projects not yet completed at the end of the year. A detailed description of these development projects is provided in the report on operations. The directors of Antares Vision S.p.A. felt that it was acceptable to record new costs once there was reasonable certainty that they would be recovered in the future.

Lastly, Technologies increased during the year by Euro 434,014, equal to the balance at 31 December due to the merger with Convel.

#### **4 Investments**

The investments shown in the financial statements for the year ended 31 December 2023 amount to Euro 220,015,269 (Euro 254,056,954 at 31 December 2022). The item includes investments in subsidiaries, associates and other companies, all measured at cost.

Their composition and changes are as follows:

<b>INVESTMENTS</b>			
<b>Name</b>	<b>Investments in subsidiary</b>	<b>Investments in associates and other companies</b>	<b>Carrying amount</b>
Amount at 31/12/2021	230,286,443	7,044,255	237,330,698
Increase for new acquisitions or constitutions	20,810	2,750,000	2,770,810
Disposal or impairment losses	-	(150,000)	-150,000
Increase in capital	13,657,234	-	13,657,234
Increase for costs related to Stock Options Plans	448,212	-	448,212
<b>Amount at 31/12/2022</b>	<b>244,412,699</b>	<b>9,644,255</b>	<b>254,056,954</b>

<b>INVESTMENTS</b>			
<b>Name</b>	<b>Investments in subsidiary</b>	<b>Investments in associates and other companies</b>	<b>Carrying amount</b>
Amount at 31/12/2022	244,412,699	9,644,255	254,056,954
Increase for new acquisitions or constitutions	714,076	1,626,350	2,340,425
Disposal or impairment losses	-	-	0
Increase in capital	-	-	0
Other Movements	-	-	0
Merge operations - Convel	-15,730,337	-	-15,730,337
Increase for costs related to Stock Options Plans	492,616	-	492,616
Decrease due to impairments	-18,175,020	-2,969,369	-21,144,389
<b>Amount at 31/12/2023</b>	<b>211,714,034</b>	<b>8,301,236</b>	<b>220,015,269</b>

Accounting standard IAS 36 "Impairment of assets" requires verifying whether there are any signs that an asset or group of assets (including investments) may have suffered impairment. The Company therefore has to estimate the recoverable amount of the assets or group of assets. As regards the investments recorded in these financial statements, the Board of Directors of Antares Vision has carried out an impairment test to verify the sustainability of the value of Antares Vision's investments shown in the balance sheet in accordance with the general criteria indicated by IFRS/IAS and current best practice. The impairment test was carried out as part of the consolidated impairment test, applying to the EBITDA of the investee company estimated for 2024 the multiples deriving from those that are implicit in the value in use of the relevant Cash Generating Units. The impairment test led to a write-down of the carrying amount of the investments of Euro 18,120,578, relating to Antares Vision Inc. for Euro 2,369,596 and to FT System for Euro 15,750,982.

The following write-downs were also made:

- the investment in the associate Orobix for an amount of Euro 2,969,369, to bring it into line with its net equity. The write-down was necessary following the strategic decision by the Parent Company not to exercise the call option for the purchase of the majority of Orobix shares to allow it to start a fundraising process aimed at supporting and accelerating the future development of the company;

- the investment in the subsidiary Antares Vision Germany for Euro 33,384;
- the investment in the subsidiary Antares Vision Switzerland for Euro 20,810;
- the investment in the subsidiary Antares Vision Russia for Euro 137;
- the investment in Innovative Marketing Digital Solution for Euro 111.

The table below shows the investments in subsidiaries:

INVESTMENTS IN SUBSIDIARIES								
Name	Headquarters	Direct Investments	Shareholders' equity at 31/12/2022 (in euro)	Purchase cost and increases in capital	Capital Increases	Increase for costs related to Stock Options	Impairments	Original amount (in euro)
Antares Vision Inc. America	USA	100,00%	158.509.595	152.203.603	-	369.596	2.369.596	150.203.603
Imago Technologies GmbH	Germania	100,00%	8.374.097	3.227.138	-	77.058	-	3.304.196
Antares Vision do Brasil Ltda	Brasile	99,99%	-3.774.710	116.707	-	95.674	-	212.381
Antares Vision France Sas	Francia	100,00%	-1.103.974	10.000	-	50.427	-	60.427
Antares Vision Ireland Ltd	Irlanda	100,00%	44.828	10.000	-	0	-	10.000
Antares Vision Rus OOO	Russia	100,00%	-840.909	137	-	0	137	0
Antares Vision Asia Pacific Ltd	Hong Kong	100,00%	-2.365.008	1.170	-	102.106	-	103.276
FT System	Italia	100,00%	24.360.046	70.712.714	-	350.982	15.750.982	55.312.714
Tradeticity d.o.o	Croazia	82,80%	-94.536	932.083	-	52.589	-	984.672
AVI Excellence Private	India	100,00%	652.359	-	714.075	-	-	714.075
Antares Vision Germany	Germania	100,00%	34.352	25.000	-	8.384	33.384	0
Antares Vision India Private Limited	India	100,00%	361.694	780.281	-	28.409	-	808.690
Innovative Marketing Digital Solutions (IMDS) Uk Ltd	UK	70,00%	-25.999	111	-	0	111	0
Antares Vision Svizzera	Switzerland	100,00%	-176.076	20.810	-	0	20.810	0
<i>Total</i>				228.039.754	714.075	1.135.225	18.175.020	211.714.033

The changes compared with last year are related:

- for Euro 714,076 to the payment on 21 September 2023 of 100% of the share capital of AVI Excellence Private, an Indian company with registered office in Gujarat (India) incorporated on 21 August 2023;
- for Euro 492,616 to the cost of the stock options assigned to employees and directors of the companies of which Antares Vision is the Parent Company, posted as an increase in the value of the investment in the company of which the employee or director works over the period during which the conditions for achievement of the targets and/or provision of the service are satisfied, with the contra-entry being a corresponding increase in shareholders' equity. Please refer to the section on Share-based Payments for further details.

The decrease compared with the previous year is linked to the write-down of the original amount of the investments for a total of Euro 18,175,020.

Investments in associates and other companies amount to Euro 8,301,236.

INVESTMENTS IN ASSOCIATES AND OTHER COMPANIES				
Name	City in Italy or Foreign Country	Shareholders' equity at 31/12/2022 (in euro)	Interest held in %	Original amount
OROBIX	BERGAMO, ITALIA	748,349	37.5%	280,631
SIEMPHARMA	APRILIA (LT), ITALIA	2,188,697	45.0%	3,400,000
ISINNOVA	BRESCIA, ITALIA	(*)	15.0%	1,500,000
NEURALA	BOSTON (USA)	(*)	0.4%	244,255
FONDAZIONE AGRITECH	NAPOLI, ITALIA	(*)	(**)	100,000
FONDAZIONE RNA	PADOVA, ITALIA	(*)	(**)	200,000
OPTWO	BRESCIA, ITALIA	1,010,000	24.9%	1,000,000
LIGHT	BRESCIA, ITALIA	(*)	38.2%	76,350
RURALL	MILANO, ITALIA	5,968,518	25.0%	1,500,000
<b>Total</b>				<b>8,301,236</b>

(\*) not available

(\*\*) foundation to which membership fees are paid, so it is not possible to identify a percentage shareholding

Orobix S.r.l. is a company based in Bergamo that operates in artificial intelligence systems. Antares Vision acquired 37.5% of its share capital in December 2019 through an increase in capital. The investment is valued at Euro 280,631 after having been written down during the year for Euro 2,969,369 in line with its net equity (at 31 December 2023 the loss for the year amounted to Euro 327,163).

In July 2021 Antares Vision signed an agreement with three strategic partners (BF S.p.A., the most important Italian agro-industrial group, Bluarancio S.p.A., an Information Technology leader in the construction and management of platforms for the Italian agricultural sector, and SDF S.p.A., one of the world's leading manufacturers of tractors, harvesting machines and diesel engines) for the start-up of RurAll S.p.A., a recently established company jointly owned by the partners in equal shares. The projects are geared to making the entire Italian Agro-Food sector more efficient, guaranteeing quality and protecting it from counterfeiting, given that the sector is fundamental for the entire national economy and, consequently, for all consumers. The investment is recorded for Euro 1,500,000, of which Euro 750,000 paid in. At 31 December 2023, RurAll recorded a profit for the year of Euro 41,397.

Siempharma S.r.l. (an investment under joint control as there are shareholders' agreements to that effect) is a company operating in the sector of design and marketing of packaging machines, with Antares Vision holding 45% of the share capital. At 31 December 2023, this investment is shown in Antares Vision's financial statements at an amount of Euro 3,400,000. In 2023, Siempharma turned in a profit for the year of Euro 315,861.

Optwo S.r.l. is an innovative start-up for the development of a system which, through the use of proprietary software currently being developed and, to a certain extent, third-party software, makes it possible: (i) to collect, process and analyse data based on consumers' browsing habits, interests and purchasing preferences; (ii) for corporate customers to use the latest set of data, rendered suitably anonymous; and (iii) to plan, send and subsequently analyse the effectiveness of reports, notifications and advertising messages sent by corporate customers to end-consumers, based on the analyses previously carried out and in full compliance with the regulations on the protection of personal data. This investment is part of the so-called "customer engagement".

As of 31 December 2023, the relevant investment is recorded in the financial statements of Antares Vision for Euro 1,000,000 corresponding to the purchase cost. The net result in 2023 was a loss of Euro 301,446.

Neurala is an innovative start-up based in Boston, operating in artificial intelligence applied to vision technology for inspection. The investment allows Antares Vision to continue its progress in Artificial Intelligence (AI), which began with the entry into the share capital of Orobix. Neurala's research team has created the Lifelong-Deep Neural Network™ technology, which reduces the data requirements for developing AI models and enables continuous learning "in the cloud" or "on the premises". Neurala's AI can only be trained on specific categories of inspection problems with product images that are considered "acceptable" or "good", unlike traditional deep learning approaches that typically need examples of both good and bad products. In this way, the learning process is faster than with traditional approaches, reducing the time, costs and skills required to build and maintain customised artificial intelligence solutions applied to vision technologies in manufacturing. The investment is shown at the purchase cost of Euro 244,255.

On 20 March 2023, Antares Vision took over a 15% stake in Isinnova S.r.l., the Brescia-based technological start-up which enables and makes technological innovation accessible with projects such as life-saving oxygen masks during the Covid-19 emergency or low-cost prostheses for Ukraine. The total amount paid for this stake was Euro 1,500 thousand. Founded in 2014, Isinnova offers itself as a research and development centre and supplier of innovation services, defining itself as a "Knowledge-Intensive Business Service". It also plays the role of intermediary, to transfer ideas and technologies from one sector in which they are created to another that has a technical requirement or a problem to be solved.

In January 2023, Antares Vision purchased a 38.18% stake in Light Scarl for Euro 76,350, which represents the original amount at 31 December 2023.

The additional investment in the Agritech foundation of Euro 50,000 was made with the aim of creating highly innovative and strategic technological projects for the Company.

##### **5 Non-current financial receivables from Group Companies**

At 31 December 2023, non-current financial receivables from Group companies amounted to Euro 9,523,501 (Euro 11,962,790 at 31 December 2022). These represent the portion of intragroup loans disbursed by Antares Vision to its subsidiaries falling due beyond 12 months. The current portion is presented under Current financial receivables to Group Companies, analysed in Note 10. Please refer to the section on related-party transactions for a breakdown of this item.

Loans are settled at normal market conditions at the date of the agreement.

After careful analysis, the company took steps to write down receivables for an amount of Euro 2,357,770 as shown in the table:

NON-CURRENT FINANCIAL RECEIVABLE FROM GROUP COMPANIES					
Name	Receivable at 31/12/2022	Movements 2023	Credit al 31/12/2023	Write-down 2023	Receivable at 31/12/2023
Antares Vision Germany	500,000	-	500,000	-317,770	182,230
FT System S.r.l.	6,709,507	-2,912,852	3,796,655	-	3,796,655
Antares Vision Rus OOO	500,000	-	500,000	-500,000	0
Antares Vision Asia Pacific Ltd	1,200,000	-110,000	1,090,000	-1,090,000	0
Tradeticity d.o.o	-	-	-	-	0
Tradeticity Service d.o.o	160,000	-	160,000	-	160,000
Markirovka	250,000	-	250,000	-250,000	0
Antares Vision CHF	-	200,000	200,000	-200,000	0
rfXcel Corporation	-	5,384,615	5,384,615	-	5,384,615
Antares Vision Inc. America	2,643,283	-2,643,283	-	-	0
<b>Total</b>	<b>11,962,790</b>	<b>-81,520</b>	<b>11,881,270</b>	<b>-2,357,770</b>	<b>9,523,501</b>

## 6 Non-current financial assets

Non-current financial assets amount to Euro 4,876,134 (Euro 7,139,531 at 31 December 2022) and are related to derivatives receivable for Euro 4,865,026, the details of which are shown below. The total also includes Euro 11,107 of guarantee deposits paid to cover outstanding contracts.

Financials instrument	Main transaction	Risk covered	Accounting policy	Effective date of the contract	Contract expiry date	Acquired interest rate	Currency	Notional in foreign currency	Mark to market at 31/12/2023 *
Interest Rate Swap	Leasing	Interest rate risk	Speculative **	01/08/2016	01/02/2026	0.450%	Euro	1,969,864	93,909
Interest Rate Swap	Leasing	Interest rate risk	Speculative **	01/12/2019	01/12/2026	0.800%	Euro	2,325,818	139,039
Interest Rate Swap	Bank borrowing	Interest rate risk	Hedging	30/09/2021	29/09/2028	0.200%	Euro	30,000,000	2,172,907
Interest Rate Swap	Bank borrowing	Interest rate risk	Hedging	30/09/2021	30/09/2029	0.095%	Euro	28,800,000	2,321,838
Cross Currency Swap	Intercompany borrowing	Exchange rate risk	Speculative **	14/04/2023	30/04/2026	1.122%	US Dollar	5,950,000	137,333
<b>Total</b>									<b>4,865,026</b>

\* Mark to market means the present value of the future cash flows of the transaction at the reference date,  
*calculated on the basis of the discount factors relating to each flow and taken from the interest rate curve and the volatility curve existing on financial markets at the above date*

\*\* Although the purpose is hedging, not all the requirements for hedge accounting envisaged by IFRS 9 are met, so the usual accounting treatment of derivative instruments for speculative purpose was applied.

## 7 Deferred tax assets

Deferred tax assets (DTA) amount to Euro 5,424,551 (Euro 5,915,352 at 31 December 2022) and largely relate to the Company's tax losses, as well as the effects of applying IFRS.

The composition of this item and changes during the year are as follows:



DEFERRED TAX ASSETS			
Description	Deferred Tax assets on tax losses	Other deferred Tax assets	Total
Amount at 31/12/2022	5,593,939	321,413	<b>5,915,352</b>
<i>Change during the period</i>	-479,090	-11,711	-490,801
<b>Amount at 31/12/2023</b>	<b>5,114,849</b>	<b>309,702</b>	<b>5,424,551</b>

The amount of Euro 5,114,849 represents the tax loss arising from the tax consolidation of which the Company is the consolidator. The company generated tax losses amounting to Euro 7,921,171 for which it did not allocate deferred tax assets. The assessment of whether to recognise new DTA on the tax loss was carried out following the general principle of prudence and is the result of a Business Plan that foresees full use of the DTA to offset future taxable income over the medium term.

## Current assets

### 8 Inventories

Inventories at 31 December 2023 came to Euro 26,067,031 (Euro 26,302,172 at 31 December 2022), measured at the lower of purchase or production cost and estimated realisable value based on market trends.

The balance is made up as follows:

INVENTORIES					
Description	Raw material, ancillary and consumables	Work in progress and semi finished goods	Finished products and goods	Advances for stocks	Total Inventories
Amount at 31/12/2022	14,203,497	8,669,898	2,861,698	567,079	<b>26,302,172</b>
Change during the period	-5,150,163	2,170,871	1,517,852	-183,898	-1,645,338
<i>Efect of Merge with Convel</i>	319,876	1,090,322	-	-	1,410,198
<b>Amount at 31/12/2023</b>	<b>9,373,210</b>	<b>11,931,091</b>	<b>4,379,550</b>	<b>383,180</b>	<b>26,067,031</b>

The decrease net of the absorption of Convel (Euro 1,410,198) comes to Euro 1,645,338 and is mainly attributable to raw materials, ancillary and consumables which declined by Euro 5,150,163. Work in progress and semi-finished products, on the other hand, increased by Euro 2,170,871 net of the merger with Convel, which led to an increase of Euro 1,090,322. While finished products and goods posted an increase of Euro 1,517,852, mainly due to deliveries of machines to end customers scheduled for the end of 2023 but carried out in 2024, while advances on inventories decreased by Euro 183,898.

That value is recorded net of the related inventory provision of Euro 3,887,616 (Euro 442,023 at 31 December 2022) for obsolete or slow moving goods. The provision for write-downs of finished products is equal to 1,962,277 euro

(150,381 euro at 31 December 2022) while the provision for write-downs of raw materials is equal to 1,925,339 euro (291,642 euro at 31 December 2022). Note too that the extraordinary write-downs of inventories are the result of a new business strategy introduced in 2024 by the new management team. This strategy mainly aims at two objectives: firstly, to standardise the products offered to customers; secondly, to drastically reduce stocks. As a result, the more customised inventories, including those of finished products, semi-finished products and raw materials, were valued at their estimated realisable value, considering them obsolete with respect to the Company's new strategic direction.

## 9 Trade receivables

Trade receivables are all due within 12 months and have therefore been recorded at their estimated realisable value, without having to measure them at amortised cost or discount them.

The estimated realisable value corresponds to the difference between the nominal value and the allowance for doubtful accounts based on a review of individual receivable balances, taking into account past experience, specific by business and geographical area, as required by IFRS 9.

At 31 December 2023 this item amounts to Euro 64,258,462 (net of the provisions of Euro 6,808,201), compared with the balance of Euro 58,077,838 at 31 December 2022.

The changes in trade receivables are shown below:

<b>TRADE RECEIVABLES</b>			
Description	Trade receivables	Provision for credit risks	Total trade receivables
Amount at 31/12/2022	58,733,416	(655,578)	58,077,838
Change during the period	12,333,247	(6,152,623)	6,180,624
<b>Amount at 31/12/2023</b>	<b>71,066,663</b>	<b>(6,808,201)</b>	<b>64,258,462</b>

The trade receivable provision saw the following changes:

<b>TRADE RECEIVABLES PROVISION</b>	
Amount at 31/12/2022	655,578
Provisions	619,800
Uses/release	6,772,423
<b>Amount at 31/12/2023</b>	<b>6,808,201</b>

The increase in this item is mainly to do with the assessments made of intercompany receivables. After careful analysis, the Company deemed it appropriate to write down the receivables from the subsidiaries Antares Vision Russia for an amount of Euro 2,721 thousand, Antares Vision do Brasil for Euro 1,643 thousand and Antares Vision Asia Pacific for Euro 1,313 thousand.

Antares Vision makes a careful assessment of customers' solvency, constantly monitors credit exposure, also through the help of companies that issue credit ratings, and initiates immediate credit recovery procedures with

counterparties that have overdue payments, which are monitored on a weekly basis. It is rarely necessary to take legal action.

<b>RECEIVABLES AGEING ANALYSIS</b>				
	<b>2023</b>	<b>% Incidence</b>	<b>2022</b>	<b>% Incidence</b>
Not yet past due	38,579,152	54.3%	25,701,389	43.8%
Pat due between 0-30 days	1,923,353	2.7%	6,347,349	10.8%
Scaduto tra 31-60 gg	1,896,001	2.7%	2,990,303	5.1%
Scaduto tra 61-90 gg	3,151,629	4.4%	1,374,555	2.3%
Pat due between 91-180 days	4,328,784	6.1%	2,875,647	4.9%
Pat due between 181-365 days	5,833,188	8.2%	7,156,824	12.2%
Past due over a year	15,354,555	21.6%	12,287,349	20.9%
<b>Total net of the provision for doubtful a</b>	<b>71,066,663</b>	<b>100%</b>	<b>58,733,416</b>	<b>100%</b>
	(6,808,201)		(655,578)	
<b>Total trade receivables</b>	<b>64,258,462</b>		<b>58,077,838</b>	

Given the business model of Antares Vision, because of delays in the Site Acceptance Test (SAT), it is normal for past due amounts to exceed even a whole year, without this suggesting that the customer may be insolvent. Moreover, past due beyond 180 days is attributed to intercompany receivables and balances due from some customers who are also suppliers (commercial services and machinery installation services). Settling outstanding items with them takes place by offsetting debit and credit balances, so the tendency is to wait for similar balances to be run up.

Lastly, there are no situations of commercial dependence or significant concentration with individual customers; the receivables portfolio is also well distributed by geographical area, which mitigates any country risk.

#### **10 Current financial receivables from Group Companies**

Financial receivables from Group Companies amount to Euro 13,129,726 at 31 December 2023 (Euro 8,081,607 at 31 December 2022). They represent the portion of intragroup loans falling due within 12 months, disbursed by the Company to its subsidiaries as financial support in their start up phase. The portion falling due beyond 12 months is classified under Non-current financial receivables from Group Companies. Please refer to the section on related-party transactions for a breakdown of this item.

Loans are settled at normal market conditions.

During the year the Company wrote down current financial receivables from Group companies as per the table below:

CURRENT FINANCIAL RECEIVABLE FROM GROUP COMPANIES				
Name	Receivable at 31/12/2022	Movements 2023	Write-down 2023	Receivable at 31/12/2023
Antares Vision Germany	28,401	12,500	-40,901	0
Antares Vision do Brasil Ltda	4,564,101	218,755	-	4,782,856
FT System S.r.l.	-	2,330,282	-	2,330,282
Antares Vision Rus OOO	42,685	12,500	-55,185	0
Antares Vision Asia Pacific Ltd	67,230	140,000	-207,230	0
Tradeticity d.o.o	536,459	16,797	-	553,255
Tradeticity Service d.o.o	9,876	4,592	-	14,468
Antares Vision Inc. America	2,820,390	2,466,849	-	5,287,238
Markirovka	12,466	10,000	-22,466	0
Antares Vision CHF	-	3,836	-3,836	0
rfXcel Corporation	-	161,627	-	161,627
<b>Total</b>	<b>8,081,607</b>	<b>5,377,736</b>	<b>-329,617</b>	<b>13,129,726</b>

### 11 Other receivables

Other receivables amount to Euro 5,456,920 and compare with Euro 5,586,060 at 31 December 2022. This item is made up as follows:

OTHER RECEIVABLES				
Description	Tax receivable	Advance to suppliers	Other	Total other receivables
Amount at 31/12/2022	2,769,238	389,463	2,427,359	<b>5,586,060</b>
Change during the period	491,858	(142,253)	(478,745)	(129,140)
Amount at 31/12/2023	<b>3,261,096</b>	<b>247,210</b>	<b>1,948,614</b>	<b>5,456,920</b>

Tax receivables have gone from Euro 2,769,238 on 31 December 2022 to Euro 3,261,096 on 31 December 2023; this item includes receivables from companies that participate in the tax consolidation for a total of Euro 1,693,898. Advances (Euro 247,210 at 31 December 2023 and Euro 389,463 at 31 December 2022) include receivables for advances paid to service providers.

Other receivables have gone from Euro 2,427,359 at 31 December 2022 to Euro 1,948,614 at 31 December 2023. These comprise Euro 673,931 linked to operating grants not yet collected at the end of the year, but for which the Company has recognised the corresponding revenue in application IAS 20, as there is reasonable certainty that they will be received. This revenue is then reversed to income in line with the amortisation charged on the

capitalised costs. This item has also been affected by the collection of receivables from the disinvestment in Humans Garden (Euro 150,000 collected in January 2023).

## **12 Other current financial assets**

Other current financial assets amount to Euro 12,236,513 (Euro 26,826,890 at 31 December 2022).

The change during the year was negative for Euro 14,590,377 and was due to:

- the divestment by the Company of Euro 6,000,000 of certificates of deposit;
- the divestment by the Company of 18,141,290 of insurance policies;
- the investment by the Company of Euro 18,177,571 certificate of deposit.
- the fair value adjustment of securities and insurance policies held by the Parent Company, positive overall for Euro 336,821 and included in financial income.

As already indicated in the section on fair value measurement, the assets recorded in other current financial assets fall within the hierarchy of Level 1 as regards fixed income securities and Level 2 as regards insurance policies that at 31/12/2023 amount to Euro 2,858,012.

## **13 Cash and banks**

The balance of cash and banks recorded at nominal value amounts to € 16,782,558 which compares with Euro 11,044,751 last year.

The change in this item is linked, among other things, to the joint effect of:

- investments in intangible assets, mainly for development costs (Euro 4.9 million recorded under assets in process of formation) and for digital transformation projects (Euro 2.5 million of which Euro 1.6 million under assets process of formation at 31 December 2022), first of all the introduction of the new ERP and the new PLM, the latter not yet completed and therefore not yet subject to amortisation;
- the investments in minority interests, namely:
  - the acquisition of 15% of Isinnova , which involved a cash outlay of Euro 1,500 thousand;
  - the acquisition of 38.18% of Light Scarl , which entailed a cash outlay of Euro 76 thousand;
  - the capital increase in the subsidiaries AVI Excellence Private, a company created under Indian law with registered office in Gujarat (India), which involved the outlay of Euro 714 thousand in September 2023;
- investments for a new production line recorded in assets under construction for Euro 2.4 million, which was already recorded last year for Euro 0.7 million;

- the purchase for Euro 1,200 thousand of land in the municipality of Sorbolo Mezzani, where one of the local units of the Parent Company is located, of which Euro 400 thousand already paid as a deposit in 2022;
- payment of a Euro 20 million bank loan by a leading credit institution. This forms part of the broader debt refinancing strategy launched in the second half of 2021, when the bank loan in question was negotiated with the possibility of it being disbursed at a later date;
- payment of a subsidised loan of Euro 1.1 million and a bank loan of Euro 0.1 million relating to the fourth progress payment based on the stage of completion ("SAL") of the Smart Ward Platform R&D project ("**SWP**").
- the divestment by the Company of Euro 6,000,000 of certificates of deposit;
- the divestment by the Company of Euro 8,927,193 of insurance policies previously subscribed for efficient liquidity management.
- to the impact of the operating result which stands at Euro €16,630,879 as of 12/31/2023.

## Shareholders' equity

### **14 Share capital and reserves**

Shareholders' equity at 31 December 2023 amounts to Euro 211,435,808 and compares with a balance of Euro 253,541,102 at 31 December 2022.

The share capital is equal to Euro 169,457, fully paid up and with no change since 31 December 2022. The share premium reserve shown under other reserves has a balance at the end of the year of Euro 209,467,141, the same as last year

The extraordinary reserve changed due to allocation of the loss for the year at 31 December 2022.

Other reserves also include the negative reserve of Euro 9,050,000 established to offset the financial liabilities generated by the issue of warrants at the time of the listing of Antares Vision on the AIM market, now Euronext Growth, the negative reserve for treasury shares of Euro 342,272, set up in the first half of 2021 on the purchase of 33,916 treasury shares in accordance with IAS 32 and the reserve set up to offset the cost of the Stock Option Plans, which at 31 December 2023 comes to Euro 2,417,238. Retained earnings increased during the year by Euro 1,581,050, which is the amount recognised following the merger with Convel S.r.l.

The OCI Reserve amounts to Euro 4,890,890 after recognition of the effects of applying IAS 19 and the accounting treatment of hedging derivatives.

Please refer to Note 20 below for a more detailed discussion of the issue of warrants and the methods of exercising them, to the summary statement of changes in consolidated shareholders' equity and to the statement of other comprehensive income, included in the consolidated financial statements, for further information relating to other changes in shareholders' equity.

Availability and use of shareholders' equity

Pursuant to para. 7-bis of art. 2427 of the Italian Civil Code, the following table shows the various items of shareholders' equity, specifying the nature of each of them and the ways in which they can be used or distributed, as well as how they have been used in previous years:

Shareholders' equity	12/31/2023	Origin/Nature	Possibility of use	Distributable share	Share available
Share capital	169,457	Share capital			
Other reserves	256,494,759				
Share premium reserve	209,467,141	Capital reserve	A,B,C	209,467,141	209,467,141
Legal reserve	98,798	Retained earnings	A,B		98,798
Extraordinary reserve	45,885,826	Retained earnings	A,B,C	45,885,826	45,885,826
OCI Reserve	4,890,890	Capital reserve	B,E		4,890,890
Stock option plan reserve	2,417,238	Capital reserve	E		
Other reserves	-6,265,134				
FTA reserve	-14,931,441	Retained earnings	E		
Retained earnings	13,247,483	Retained earnings	A,B,C	13,247,483	13,247,483
Profit/(loss) for the year	-43,544,450				
<b>Total Shareholders' equity</b>	<b>211,435,808</b>				

A: for increase in capital

B: to cover losses

C: for distribution to shareholders

D: for other statutory restrictions

E: other

## Non-current liabilities

### 15 Non-current loans and borrowings

At 31 December 2023, Non-current loans and borrowings amounted to Euro 0 (Euro 1,746,884 at 31 December 2022). The composition is shown below:

NON CURRENT FINANCIAL RECEIVABLES FROM GROUP COMPANIES		
Description	Warrant	Total non current Financial Receivable
Amount at 31/12/2022 Restated	1,746,884	1,746,884
Change during the period	(1,746,884)	(1,746,884)
Amount at 31/12/2023	-	-

Non-current loans and borrowings consist of payables to banks falling due beyond 12 months (the portion falling due within the next financial year is classified under current loans and borrowings) and the financial liability generated by the issue of warrants in conjunction with the listing of Antares Vision on the AIM, now Euronext Growth.

With regard to the bond loan and certain of the bank loans, Antares Vision Group is required to comply with covenants on a consolidated basis, in line with market practice. The covenants were not complied with at the end of the year, so it was necessary to reclassify the non-current bank borrowings as current. This reclassification was also necessary for 2022 as the covenants were not complied with at 31 December 2022 either, because of the restatement made to the consolidated financial statements.

However, on 27 May 2024 Antares Vision Group completed negotiations with the banks and signed formal agreements which provide for a waiver for failure to comply with the covenants in 2022 and 2023. This envisaged a NFP/EBITDA ratio of not more than 3.5 and a remodulation from 2024 that provides for a new NFP/EBITDA ratio of not more than 5.75 for the testing period at 30 June 2024, not more than 4.5 for the testing periods at 31 December 2024 and 30 June 2025 and not more than 3.5 for the remaining testing periods, in line with the forecasts of the Business Plan.

During 2023, a bank loan of 20 million euro was then disbursed by a leading credit institution. This forms part of the broader debt refinancing strategy launched in the second half of 2021, as the bank loan in question was negotiated with the possibility of it being disbursed at a later date

During 2023, the company received a subsidised loan of 1.1 million euro, relating to the fourth progress payment of the Smart Ward Platform ("SWP") research and development project. Also in this case, the covenants were not complied with and the amount was reclassified under current liabilities.

The financial liability represented by the warrants is equal to zero at 31/12/2023, the residual amount of Euro 78,733 is classified under current loans and borrowings, as it can only be exercised up to and including 19 April 2024.

#### **16 Non-current lease liabilities**

Non-current lease liabilities amount to Euro 8,647,151 (Euro 9,254,338 at 31 December 2022). In past years, Antares Vision financed with a finance lease the costs associated with completion of the extraordinary maintenance and expansion works on the building where the Company's registered office is located; the financial liabilities for non-current leases represents the portion owed to the leasing company due beyond 12 months.

Antares Vision has adopted IFRS 16 for the accounting treatment of leases and rental contracts.

At the time of signing a contract, Antares Vision assesses whether it can be classified as a lease, i.e.:

- whether it confers an exclusive right to use an asset;
- whether a period within which the right of use can be exercised is identified;



- whether a fee is fixed for the enjoyment of that right.

Assets identified in this way are recorded at cost, including all initial direct expenses, and they are depreciated on a straight-line basis from the effective date until the end of the useful life of the asset underlying the contract or until expiry of the lease, whichever comes first. At the same time as the right of use is recorded under assets, Antares Vision enters the present value of the payments due, including the price of any purchase option, under lease liabilities. The value of the liabilities decreases as a result of payments made and can change if the contractual terms are amended. The discount rate used to determine the value of the liabilities is the incremental borrowing rate.

With regard to rental contracts for buildings and offices, since it is extremely likely, from a strategic point of view, that they will be extended, the duration has been calculated taking into account the optional period indicated in the contract. Contracts with a total duration of 12 months or less have been excluded from application of the standard, as have contracts for which the unit value of the underlying assets does not exceed Euro 5,000. The related fees are therefore recognised as costs over the duration of the contract.

The following table gives details of lease liabilities by year of maturity:

Non-current lease liabilities									
Description	Due in 2025	Due in 2026	Due in 2027	Due in 2028	Due in 2029	Due in 2030	Due in 2031	Due in 2032	Due in 2033
Leasing ICCREA	282,840	1,275,792	-	-	-	-	-	-	-
Leasing Unicredit	92,245	93,103	93,970	94,844	191,627	-	-	-	-
Leasing Unicredit	31,217	31,508	31,802	32,099	32,398	54,422	-	-	-
Leasing ICCREA	419,279	425,474	431,500	436,088	443,932	451,385	459,001	468,045	290,496
Leasing Unicredit	130,957	132,608	134,280	135,972	137,687	139,422	141,180	342,827	-
Rights-of-use IFRS 16	500,933	388,604	212,515	43,936	32,357	10,805	-	-	-
<b>Total</b>	<b>1,457,471</b>	<b>2,347,090</b>	<b>904,066</b>	<b>742,940</b>	<b>838,002</b>	<b>656,035</b>	<b>600,181</b>	<b>810,871</b>	<b>290,496</b>

### 17 Other non-current financial liabilities

At 31 December 2023, other non-current financial liabilities show a zero balance (Euro 162,383 at 31 December 2022).

### 18 Retirement benefit obligations

Retirement benefit obligations are shown in the financial statements for the year ended 31 December 2023 for Euro 6,153,362 which compares with the balance of Euro 4,927,639 at 31 December 2022.

This item consists of the severance indemnity (TFR) recognised for the benefit of employees of the Company. The change during the year is represented by the provision for the year, net of disbursements made and the effect of discounting the liability that existed at the reference date.

In application of IAS 19, paragraphs 67-69, the "accrued benefits" method was used for the valuation of severance indemnities using the "Projected Unit Credit" (PUC) criterion. This method is characterised by valuations that express the average present value of severance indemnities accrued on the basis of the service that the employee has rendered up to the time when the valuation was made and can be summarised in the following steps:

- projection for each employee in the payroll at the valuation date of the severance indemnities already set aside and of the future severance indemnities that will be accrued until the assumed time of payment, projecting the employee's remuneration;
- determination for each employee of the probable severance indemnity payments to be made by the Company in the event of termination of employment due to dismissal, resignation, disability, death and retirement, as well as in the event of advance payments requested by the employee;
- discounting to the valuation date of each probable payment;
- re-proportioning, for each employee, of the probable services and discounted on the basis of period of service accrued at the valuation date compared with the equivalent overall period of service at the assumed date of liquidation.

The individual demographic assumptions adopted were as follows:

<b>DEMOGRAPHIC ASSUMPTIONS</b>	
<i>Mortality</i>	<i>RG48 mortality published by the State General Accounting Office</i>
<i>Disability</i>	<i>INPS Tables broken down by age and gender</i>
<i>Retirement of age</i>	<i>Attained of AGO requirements</i>

The technical bases used are listed below:

<b>ECONOMIC ASSUMPTION</b>		
<b>Description</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<i>Annual discount rate</i>	<i>3.17%</i>	<i>3.77%</i>
<i>Annual inflation rate</i>	<i>2.00%</i>	<i>2.30%</i>
<i>Annual rate in severance indemnity (TFR)</i>	<i>3.00%</i>	<i>3.23%</i>
<i>Real annual salary increase rate</i>	<i>1.00%</i>	<i>1.00%</i>

The annual frequency of advances and turnover shown in the table below are based on Antares Vision's past experience and the results of a benchmarking analysis with similar companies:

<b>TURNOVER AND ADVANCES HYPOTHESIS</b>		
<b>Description</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<i>frequency of advances</i>	1.50%	1.50%
<i>frequency of turnover</i>	2.50%	2.50%

The following is a reconciliation of the IAS 19 valuations between the beginning and the end of the period:

<b>IAS 19 EVALUATIONS RECONCILIATIONS</b>		
<b>Description</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<b>Defined Benefit Obligation (DBO) inizio periodo (*)</b>	<b>4,927,639</b>	<b>5,888,876</b>
<i>Service Cost</i>	1,020,287	1,056,197
<i>Interest Cost</i>	191,094	103,660
<i>Benefits paid</i>	-417,790	-191,845
<i>Transfer or other adjustments</i>	-41,785	54,122
<b>Expected DBO end of period</b>	<b>5,679,445</b>	<b>6,802,765</b>
<i>A(G)/L from experience</i>	94,287	72,312
<i>A(G)/L from change of demographic assumptions</i>	0	0
<i>A(G)/L from discount rate exchange</i>	276,839	-1,947,438
<b>Defined Benefit Obligation (DBO) end of period</b>	<b>6,050,571</b>	<b>4,927,639</b>

The following is the **sensitivity** analysis carried out for each material assumption at the end of the year, showing the effects that could have come from changes in actuarial assumptions that are reasonably possible:

<b>SENSITIVITY ANALYSIS OF THE MAIN EVALUATION PARAMETERS</b>		
<b>Description</b>	<b>31/12/2023</b>	<b>31/12/2022</b>
<i>Turnover rate +1%</i>	6,181,565	4,973,114
<i>Turnover rate -1%</i>	6,133,859	4,873,400
<i>Inflation rate + 0,25%</i>	6,330,652	5,063,281
<i>Inflation rate - 0,25%</i>	5,996,633	4,797,394
<i>Discount rate +0,25%</i>	5,955,308	4,766,248
<i>Discount rate -0,25%</i>	6,376,581	5,097,895

The following is the sensitivity analysis carried out for each material assumption at the end of the year, showing the effects that could have come from changes in actuarial assumptions that are reasonably possible:

SERVICE COST AND DURATION		
Description	31/12/2023	31/12/2022
Service cost in the future	1,113,103	963,161
Duration	21.04	21.10

Lastly, as required by IAS 19, the estimated future disbursements of the plan are indicated below:

FUTURE DSBURSEMENTS		
Years	31/12/2023	31/12/2022
1	421,501	340,848
2	401,779	304,503
3	417,917	393,029
4	409,822	407,449
5	461,559	397,728

### 19 Deferred tax liabilities

At 31 December 2023, the deferred taxes recognised under liabilities in the statement of financial position amount to Euro 1,815,075 and compare with the balance of Euro 2,328,102 at 31 December 2022. They refer for Euro 1,003,563 to the accounting treatment of derivatives and for Euro 811,516 to the application of IFRS 16 on lease and rental contracts.

## Current liabilities

### 20 Current loans and borrowings

Current loans and borrowings amount to Euro 156,015,222 compared with Euro 130,944,171 last year.

The movements and composition of this item are shown below:

CURRENT FINANCIAL RECEIVABLES FROM GROUP COMPANIES				
Description	Long term loan (within 12 months)	Credit card	Warrant	Total current Financial Receivable
<b>Amount at 31/12/2022 Restated</b>	<b>130,803,670</b>	<b>140,501</b>	<b>-</b>	<b>130,944,171</b>
Change during the period	25,056,549	(64,231)	78,733	25,071,051
<b>Amount at 31/12/2023</b>	<b>155,860,219</b>	<b>76,270</b>	<b>78,733</b>	<b>156,015,222</b>

The item includes the reclassification of the portion due beyond 12 months of bank loans for which Antares Vision had covenants which were not complied with at 31 December 2023 and 2022. The amount of Euro 76,270 refers to the balance due on corporate credit cards. The financial liability represented by the warrants amounts to Euro 78,733 at 31/12/2023.

In this regard, it should be noted that the Shareholders' Meeting of Antares Vision S.p.A. held on 5 February 2019 approved an increase in capital, with the exclusion of pre-emption rights pursuant to article 2441, paragraph 5, of the Italian Civil Code, to service the exercise of the warrants, in a divisible manner, for a maximum nominal amount

of Euro 3,255.60 through the issue of up to 1,356,500 conversion shares. The regulation for the exercise and conversion of warrants was updated by the Board of Directors of the Parent Company on 28 April 2021 on the occasion of the translisting to Euronext STAR Milan.

Warrant holders can decide whether to exercise their warrants in total or in part by asking to subscribe shares at the subscription price (Euro 0.10 per share), provided that the average monthly price is higher than the strike price (Euro 9.50 per share). On exercise, warrant holders will be assigned conversion shares on the basis of the exercise ratio calculated according to the following formula:

$$\frac{\text{Prezzo Medio Mensile} - \text{Prezzo Strike}}{\text{Prezzo Medio Mensile} - \text{Prezzo di Sottoscrizione}}$$

If the acceleration condition in the above formula occurs, the average monthly price will be replaced by the acceleration price (Euro 13 per share). The warrant expiration date is the first of the following dates to occur: (i) the first trading day after 5 years from 18 April 2019 (the date of the business combination with Alp.I and (ii) the first trading day after 30 calendar days have passed from the date of publication of the acceleration notice. Since these are financial instruments that, once exercised, may give the right to delivery of a variable number of shares, they do not fall within the definition of equity instruments in IAS 32, paragraph 16. As a result, they must be classified as a financial liability offset by a corresponding change in shareholders' equity. Subsequent adjustments to the financial liability will be booked to the income statement.

The table below shows the amounts that make up this item. The change of Euro 1,668,151 was recorded under financial income:

Description	n. Warrant	Price	Finacial liabilities
<b>Amount at 31/12/2022</b>	<b>2,460,400</b>	<b>0.710</b>	<b>1,746,884</b>
Period Variation			- 1,668,151
<b>Amount at 31/12/2023</b>	<b>2,460,400</b>	<b>0.032</b>	<b>78,733</b>

## **21 Current lease liabilities**

Current lease liabilities amount to Euro 1,696,963 (Euro 1,495,024 at 31 December 2022), which is the portion due within 12 months of payables to leasing companies following the application of IFRS 16.

## **22 Current provisions for risks and charges**

At 31 December 2023, current provisions for risks and charges amount to Euro 626,022 and compare with the balance of Euro 509.335 at 31 December 2022. Its composition and changes are shown below:

CURRENT PROVISION FOR RISKS AND CHANGES			
Description	Product warranty fund	Provision for agents' severance indemnity	Total
<b>Valore al 31/12/2022</b>	<b>447,867</b>	<b>61,468</b>	<b>509,335</b>
Uses of the period	(440,311)	(61,468)	(501,779)
Provisions for the period	535,599	82,866	618,465
<b>Amount at 31/12/2023</b>	<b>543,155</b>	<b>82,866</b>	<b>626,021</b>

The provision for product warranties relates to the estimated charges for servicing and repairs to be carried out under warranty on machinery already delivered; the calculation was made on the basis of historical trends and at 31 December 2023 amount to Euro 543,155.

This item also includes the provision for agents' severance indemnity on agency contracts for Euro 82,866.

### 23 Trade payables

The balance of trade payables is equal to Euro 22,623,632 (Euro 24,588,318 at 31 December 2022), all with a duration of less than twelve months. A lower concentration of purchases in the latter part of the year compared with the previous year contributed to the decrease in this item. The general increase in prices had a limited impact.

### 24 Advances

The balance of advances is equal to 7,199,338 euro at 31/12/2023 and compares with a balance of 7,852,839 euro at 31/12/2022. This item includes the amounts collected from customers as advances for sales in progress. Please note that in the previous year advances were included in other payables. They have been restated to facilitate comparison between the two years.

### 25 Other payables

Other payables amount to Euro 14,002,777 compared with Euro 12,046,668 at 31 December 2022.

The composition of this item is shown below:

OTHER PAYABLES						
Description	Payables to personnel	Payable to social institutions	Contract Liabilities	Tax payable	Other Payables	Total
<b>Amount at 31/12/2022</b>	<b>4,634,236</b>	<b>2,092,322</b>	<b>1,408,400</b>	<b>730,438</b>	<b>3,181,272</b>	<b>12,046,668</b>
Changes during the period	719,550	386,364	625,047	-46,493	271,641	1,956,109
<b>Amount at 31/12/2023</b>	<b>5,353,786</b>	<b>2,478,686</b>	<b>2,033,447</b>	<b>683,945</b>	<b>3,452,913</b>	<b>14,002,777</b>

Payables to personnel include payables for wages and salaries due at the end of the year.

Payables to social security institutions amount to Euro 2,478,686 (Euro 2,092,322 at 31 December 2022) and mainly include payables to INPS and INAIL.

Deferrals relating to grants amount to Euro 2,033,447 and include deferrals on the grants assigned for the tax credit on research and development and the non-repayable contributions linked to the Digital Agenda tender, which includes the Smart Ward Platform project, and to the FCS tender - Agreements for innovation promoted by the Ministry of Economic Development which includes the TFP Agrifood project.

Tax payables include direct taxes due, net of any advances paid, and the amounts withheld from employees' salaries.

Other payables include accrued and deferred income in which the portions of costs and revenue not pertaining to the financial year are accounted for and contractual liabilities amounting to Euro 1,290,737 which correspond to the value of the goods (net of the cost of goods sold) delivered to the customer, but for which installation has not yet been completed. The changes are reported below:.

## INCOME STATEMENT

### 26 Revenue

Revenue at 31 December 2023 amounts to 92,477,541 euro, compared with the balance of 77,970,701 euro at 31 December 2022 and shows an increase on an annual basis of 18.60%.

Given Antares Vision's operations on international markets, it is considered appropriate to provide a breakdown of revenue by geographical area:

Revenues by geographical area				
Geographic area	Year 2023	%	Year 2022	%
Italia	21,462,041	23,2%	19088000	24,5%
Europa	40,961,535	44,3%	31128701	39,9%
Americhe	20,448,322	22,1%	18118000	23,2%
Asia e Oceania	4,669,174	5,00%	5534000	7,1%
Africa e Medio Oriente	4,936,469	5,3%	4102000	5,3%
<b>TOTAL</b>	<b>92,477,541</b>	<b>100,0%</b>	<b>77970701</b>	<b>100.00%</b>

Italy and Europe are growing thanks to inspection solutions for quality control and services and the continuous growth in Track & Trace for which a transformation is underway from a first installation business to a recurring business with high margins. The Americas are starting to benefit not only from the growth in the FMCG sector and inspection in the pharmaceutical sector, but also from the entry into force of regulations on the tracking of pharmaceutical products, which began in Brazil in 2022 for aggregation and tracking (albeit on a voluntary basis) and in the United States for aggregation in 2023.

### 27 Other income

At 31 December 2023, other income amounts to Euro 2,480,640, compared with Euro 1,767,878 of the previous year.

The composition and changes of the item are shown below:

OTHER INCOME			
Description	Contribution to the financial Year	Other Revenues	Total
Amount at 31/12/2022	1,378,542	389,336	1,767,878
Amount at 31/12/2023	2,061,040	419,600	<b>2,480,640</b>
Change	682,498	30,264	712,762

Among operating grants, the following are recorded:



- Euro 1,021,306 for the non-refundable grants linked to the Digital Agenda tender, which includes the Smart Ward Platform ("SWP") project, and the FCS - Innovation Agreements promoted by the Ministry of Economic Development which include the TFP Agrifood project;
- Euro 1,039,734 of the share pertaining to the year of the tax credit for Research and Development, appropriately deferred for the part of the costs capitalised in accordance with the IAS 20 "Accounting for Government Grants and Disclosure of Government Assistance".

## 28 Change in finished and semi-finished products

The Change in finished and semi-finished products is a positive Euro 3,688,723, compared with Euro 754,106 in the comparison period. Their composition and changes are shown below:

CHANGE IN INVENTORIES OF FINISHED AND SEMI-FINISHED PRODUCTS			
Description	Change in inventories of finished products	Change in inventories of semi-finished products and work in progress	Total
Amount at 31/12/2022	204,923	549,184	754,107
Amount at 31/12/2023	1,420,850	2,267,873	<b>3,688,723</b>
Change	1,215,927	1,718,689	2,934,616

The change in inventories of finished products is positive for 1,420,850 euro as is the change in inventories of semi-finished products and products in progress which is positive for 2,267,873 euro.

## 29 Raw materials and consumables

Raw materials and consumables amount to Euro 34,472,839, compared with Euro 22,511,636 in the previous year. Please refer to note 8 for further details relating to the changes in the inventory provision. The breakdown and changes are illustrated below:

RAW MATERIAL AND CONSUMABLES				
Description	Change in inventories of raw materials	Goods	Consumable	Total
Amount at 31/12/2022	-4,014,338	25,202,519	1,323,455	22,511,636
Amount at 31/12/2023	5,150,163	28,029,557	1,293,119	<b>34,472,839</b>
Change	9,164,501	2,827,038	-30,336	11,961,203

### 30 Personnel costs

At 31 December 2023 Personnel costs amounted to Euro 34,488,417 compared with Euro 29,069,652 at 31 December 2022. Changes in this item are shown below:

PERSONNEL COSTS	
Description	Total Personnel Costs
Amount at 31/12/2022	24,459,119
Amount at 31/12/2023	29,069,652
Change	4,610,533

The increase in personnel costs (18.7%) is attributable to the hiring plan implemented by the Company which was mainly aimed at developing processes and business lines, now partially no longer included in the estimates of the new Business Plan.

### 31 Amortisation and depreciation

At 31 December 2023, the balance of amortisation and depreciation amounts to Euro 12,567,805 compared with Euro 5,189,508 at 31 December 2022.

AMORTISATION AND DEPRECIATION				
Description	Ammortamenti immobilizzazioni immateriali	Depreciation	Write-downs	Total
Amount at 31/12/2022	3,368,193	625,587	255,746	5,189,508
Amount at 31/12/2023	4,024,896	908,866	6,772,423	11,706,185
Change	656,703	283,279	6,516,677	7,456,659

Amortisation amounts to Euro 4,582,376, compared with Euro 4,024,896 in the comparative period. As illustrated in detail in Note 2 above, the increase in the item is linked to the amortisation as a result of the investments in development costs and in proprietary software.

Depreciation of Euro 1,213,005 is made up principally of depreciation on buildings (Euro 565,121 at 31 December 2023 compared with Euro 783,454 at 31 December 2022).

Write-downs refer to:

- the write-downs of trade receivables from third parties for 1.074.999 Euro;
- the write-downs of receivables from Antares Vision do Brasil for 1.643.221 Euro;
- the write-downs of receivables from Antares Vision Asia Pacific for 1.313.396 Euro;

- the write-downs of receivables from Russian subsidiaries carried out following the worsening of the Russian-Ukrainian conflict, in particular the write-down of the trade receivables from Antares Vision Russia of 2.718.764 Euro and of the trade receivables from Innovative Marketing Digital Solution of 22.043 Euro.

The Company carefully evaluates the solvency of its customers, constantly monitoring credit exposure and activating immediate debt collection procedures with counterparties for past due accounts. The composition of customers is such that there are no situations of commercial dependence: receivables are well distributed by geographical area and customer group.

### **32 Capitalised development costs**

Capitalised development costs amount to Euro 4,197,775, entirely represented by personnel costs, compared with Euro 4,780,743 in the previous year.

In the context of the development and reinforcement of its competitive positioning, investments in research (fully charged to the income statement) and development (capitalised) are inherent to the business of Antares Vision, and allow the Company to constantly expand its portfolio of technologies and solutions employed through the employment of human resources and specific skills. The capitalised development costs that are presented under the item in question are personnel costs incurred during the year that meet the conditions set out in IAS 38 for capitalisation and are linked to innovative projects that Antares Vision expects to provide positive impacts in terms of higher future revenue. For a detailed discussion of development projects, please refer to the directors' report.

### **33 Sales and marketing costs**

At 31 December 2023, Sales and marketing costs amount to Euro 4,095,215, compared with the balance of Euro 3,535,496 in the comparison period.

<b>SALES AND MARKETING COSTS</b>	
Description	Sales and Marketing Costs
Amount at 31/12/2022	3,535,496
Amount at 31/12/2023	4,095,215
This Change	559,719

This item includes the cost of promotions, advertising and trade fairs, entertainment expenses and the commission paid to foreign agents, sales representatives and business promoters, which Antares Vision uses to gain contracts in particular markets and geographical areas.

### 34 Service costs

At 31 December 2023 service costs amount to Euro 32,095,052, an increase compared with the balance of Euro 31,976,908 the previous year.

Changes in this item are shown in the following table:

Service Costs	
Description	Sales and Marketing Costs
Amount at 31/12/2022	31,976,908
Amount at 31/12/2023	32,095,052
Change	118,144

It is worthwhile giving the breakdown of this item below:

SERVICE COSTS											
Descrizione	Installation costs	External processing	Travel Expenses	Software licenses and fees	Costs for collaborators	Consulting and professional fees	General expenses and utilities	Compensation to board members	Other services costs	Intercompany services	Total
Amount at 31/12/2022	1,354,003	3,019,132	3,614,561	3,787,461	2,143,845	1,695,734	2,536,974	1,287,944	8,899,811	3,637,442	31,976,908
Amount at 31/12/2023	1,621,729	2,647,157	4,738,022	5,257,861	2,272,462	5,007,406	2,215,849	1,124,521	2,685,303	4,524,741	32,095,052
Change	267,727	-371,975	1,123,461	1,470,400	128,617	3,311,672	-321,125	-163,423	-6,214,508	887,299	118,144

The strong increase of Euro 3,311,672 in consultancy and professional fees depends on the exceptional costs that the Company incurred during the 2023, mainly linked to the restructuring and reorganization of the group.

The installation costs and a large part of the travel costs are linked to the costs of Site Acceptance Tests (SAT) at customers' factories.

Other costs for services show a decrease of Euro 6,214,508 mainly due to lower intragroup chargebacks.

### 35 Other operating expenses

Other operating expenses amount to Euro 1,756,230 (Euro 1,253,328 at 31 December 2022) show the following changes during the year:

OTHER OPERATING EXPENSES	
Description	Sales and
Amount at	1,253,328
Amount at	1,756,230
Change	502,902

The breakdown is shown in the table below:

<b>OTHER OPERATING EXPENSES</b>				
<b>Description</b>	<b>Accruals to</b>	<b>Taxes not on</b>	<b>Other</b>	<b>Totale</b>
Amount at 31/12/2022	531,882	148,233	573,213	1,253,328
Amount at 31/12/2023	535,600	163,438	1,057,192	1,756,230
Change	3,718	15,205	483,979	502,902

The allocation for product warranties was recorded under provisions for Euro 535,600.

Taxes not on income for the year are substantially in line with the comparative period.

Other management costs amount to 1,057,192 euro and compare with the amount of 573,213 euro in the previous year. The difference is mainly due to contingent liabilities for reversals of revenues relating to previous years and for costs relating to previous years which in 2023 amounted to €496,930.

### **36 Financial charges**

Financial charges amount to Euro 7,542,766, compared with Euro 3,839,659 the previous year. The increase compared with the previous year is mainly due to the write-downs carried out on financial receivables existing in some subsidiaries of the Group, as described below.

This item includes:

- interest payable on loans for Euro 5,881,750;
- the interest cost component relating to the application of IAS 19 for Euro 284,246;
- Financial charges for interests on cash pooling of the American subsidiaries for Euro 682,596;
- the fair value adjustment of derivatives for Euro 218,730 as they have to be accounted for as speculative instruments, given that they do not satisfy all of the requirements for hedge accounting under IFRS 9;
- interest expense on leases for Euro 265,039;
- Other financial charges for Euro 210,605.

### **37 Write-down of financial receivables from Group companies**

After careful analysis, the Company proceeded to carry out the following write-downs of financial receivables from Group companies for a total of Euro 2,687,387:

- the write-down of Euro 1,297,230 made on financial receivables outstanding with Antares Vision Asia Pacific Ltd;

- the write-down of Euro 358,670 made on financial receivables outstanding with Antares Vision Germany;
- the write-down of Euro 203,836 made on financial receivables outstanding with Antares Vision Swiss;
- the write-down of Euro 555.185 made on financial receivables outstanding with Antares Vision Russia.
- The write-down of Euro 272.466 made on financial receivable outstanding with Markirovka As A Service LLC.

### **38 Financial income**

At 31 December 2023, financial income amounts to Euro 3,959,386 compared with Euro 7,135,113 at 31 December 2022. The following are included in this item:

- The fair value adjustment of the warrants issued by the Parent Company at the same time as the listing on the Euronext Growth market (called the AIM at the time the negotiations commenced) and still in circulation at the end of the half year. As already mentioned in Note 20 on non-current loans and borrowings, to which reference should be made, since these are financial instruments whose exercise gives the right to a variable number of shares, the difference of Euro 1,668,151 with respect to the value of the financial liability at 31 December 2022 has to be shown in the income statement;
- the positive effect of Euro 1,229,171 resulting from the accounting treatment of derivatives held by the Parent Company. The technical characteristics, risks covered, accounting policy and mark-to-market adjustment at the end of the period are explained in Note 5 as regards positive derivatives and in Note 15 as regards negative derivatives;
- interest income on loans to subsidiaries of Euro 597,798;
- the positive effect deriving from the fair value adjustment of securities and insurance policies held by the Parent Company for Euro 187,698;
- interest of Euro 43,118 pertaining to the period on certificates of deposit held by the Parent Company.
- Interest income on current accounts, securities and other receivables amounted to 84,214 euro.

### **39 Foreign exchange gains and losses**

Foreign exchange gains and losses show a negative net balance of Euro 272,948 (positive for Euro 315,463 at 31 December 2022), of which Euro 255,907 unrealised. They include the exchange differences generated on the

payment of foreign currency assets and liabilities or when they are translated at rates that differ from those used to translate them at the time of initial recognition.

#### 40 Income (charges) on investments

The charges on investments amount to Euro 21,144,389 and include the write-downs of investment in subsidiary companies for an amount of Euro 18,175,020. and write-downs of investments in subsidiary companies amounting to Euro 2,969,369.

For further information, please refer to note 4 – Equity investments.

#### 41 Income taxes

Income taxes as at 31 December 2023 were negative for euro 774,533 (negative for euro 856,449 as at 31 December 2022).

As previously mentioned, no deferred tax assets were recognised on the tax loss generated by the Company in 2023. Deferred tax assets of €76,747 were allocated as a result of temporary differences recognised in application of IFRS.

It should be noted that no deferred tax assets were recognised in relation to the tax loss, excess ROL and excess ACE deduction accrued in the year ended 31 December 2023.

The reconciliation between the theoretical tax burden and the actual tax burden is shown below:

Reconciliation between balance sheet tax burden and theoretical tax burden		
Determination of IRES taxable income		
Description	Value	Taxes
<b>Profit before tax</b>	<b>-44.318.983</b>	
<b>Theoretical tax burden (24%)</b>		<b>-10.636.556</b>
<b>Temporary differences deductible in subsequent years:</b>		
Directors' remuneration	72.524	
Write-downs	3.540.882	
Allocation to funds	30.298.921	

Excess Non-Deductible Interest Expense	1.815.758	
Depreciation of buildings	490.402	
Amortisation of right of use	389.140	
Finished goods inventories	0	
Negative exchange differences	256.604	
<b>Total</b>		<b>8.847.415</b>
	<b>36.864.231</b>	
<b>Temporary differences taxable in subsequent years:</b>		
Untaxed revenues - IFRS 15	0	
Positive exchange differences	696	
<b>Total</b>		<b>167</b>
	<b>696</b>	
<b>Reversal of temporary differences from previous years:</b>		
Utilisation of tax losses from previous years	0	
<b>Total</b>		<b>0</b>
	<b>-</b>	
<b>Differences that will not be reversed in subsequent years:</b>		
Share of vehicle operating costs and expenses	270.400	
Share of fixed and mobile telephony operating costs and expenses	43.562	
liberal disbursements	62.145	
Fines and Penalties	10.307	
Non-deductible portion of hotel expenses	187.598	
Actuarial gain TFR		
Untaxed surplus assets	-1.039.734	
<b>Total</b>	<b>- 465.722</b>	<b>-111.773</b>
<b>Taxable IRES as at 31/12/2023</b>	<b>-7.921.171</b>	
<b>Current IRES for the year recognised in the budget</b>		<b>0</b>
<b>Calculated IRES difference - IRES balance sheet</b>		<b>-10.636.556</b>



<b>Difference for deferred tax assets not set aside on tax losses for the year (*)</b>		<b>-1.901.081</b>
<b>Calculated IRES - IRES Balance Sheet</b>		<b>-8.735.475</b>
<b>Determination of IRAP taxable income</b>		
<b>Description</b>	<b>Value</b>	<b>Taxes</b>
<b>Difference between value and cost of production</b>	<b>-16.630.879</b>	
Personnel costs	34.575.640	
Directors' Fees	1.104.896	
Costs not relevant for IRAP purposes	6.772.423	
Revenues already taxed - Closing inventory PF IFRS 15 effect		
Provisions	95.288	
Municipal Property Tax	93.576	
Other non-deductible costs	398.050	
Non-taxable revenues	-1.152.375	
Deductions Article 11(1)(a) of Legislative Decree No. 446	-30.842.399	
Net taxable items as an industrial holding company	-3.281.669	
<b>Taxable IRAP</b>	<b>- 8.867.449</b>	
Tax burden(%)		
<b>IRAP due for the year entered in the budget</b>		<b>0</b>
<b>Difference for tax corresponding to negative net production value (**)</b>		<b>-493.917</b>
<b>Calculated IRAP - IRAP Balance Sheet</b>		<b>493.917</b>

(\*) the difference is equal to the deferred tax assets of the year corresponding to the tax loss, not recognised in the financial statements, due to the uncertainty of recovery in the next 5 years

(\*\*) The negative IRAP net production value is not carried forward and therefore the actual charge is the greater of 0 and the IRAP for the year

## Share-based payments

### **Stock Option Plans**

On 20 May 2020, the Shareholders' Meeting of Antares Vision S.p.A. approved the guidelines of a share-based incentive plan called the "2020-2022 Stock Option Plan" (the "**First Stock Option Plan**") reserved for executive directors and employees of the Parent Company and of the companies controlled by it. The Shareholders' Meeting of Antares Vision S.p.A. on 24 March 2021 approved a second share-based incentive plan (the "**Second Stock Option Plan**") and, together with the First Stock Option Plan, the "**Stock Option Plans**"), reserved for the executive directors of the Parent Company and key employees of the Parent Company and of the companies controlled by it. Stock Option Plans consist of assigning to specific beneficiaries identified by name a certain number of options that vest and gave the right to acquire/or subscribe shares of the Parent Company on the achievement of specific and predetermined objectives (the "Objectives") and the purchase/subscription of shares at a pre-established price, taking into account the average of the closing prices recorded in the last month prior to the date of assignment of the options.

The Objectives to which vesting of the options is subject are:

consolidated turnover and EBITDA;

quantitative and qualitative objectives assigned individually to each beneficiary according to the role that they fill.

For each of the objectives illustrated above, weighting and target result levels are established. On reaching the minimum level (equal to 70%) for each of the turnover, EBITDA and individual quantitative objectives, the number of options vest will be the sum of the percentages of achievement of each quantitative and qualitative objective, weighted by the assigned weight. Below this minimum threshold of 70%, no option will vest. The vesting of the options presupposes a constant relationship with the Parent Company or subsidiaries during the vesting period.

Termination of the relationship during the vesting period entails the loss of options, except for some specific cases. For employees, the vesting period is 36 months starting from the assignment of each of the 3 annual tranches. For executive directors, the vesting period is 48 months starting from the assignment of each cycle of each of the 3 annual tranches. However, it should be remembered that the executive directors of the Parent Company have waived their options so that they can be assigned to Group employees. This decision was made by the directors involved having regard not only to the functions of the Plan and the structure of their respective remuneration, but also to their capacity as shareholders of Antares Vision S.p.A. (albeit indirectly, as they personally hold shares in Regolo S.p.A., the parent company of Antares Vision S.p.A.), which is such as to ensure and in any case to incentivise adequate alignment with the interests of the Group and the shareholders in general.

The valuation model used was Black & Scholes. The Black & Scholes valuation method is based on the construction of a portfolio of underlying assets and a certain number of options, in such a way that the expected return as a whole is insensitive to fluctuations in the price of the asset and is equivalent to the risk-free rate. The

Black & Scholes valuation method determines possible prices for the underlying assets on maturity, as well as their respective probabilities of occurrence, assuming that they are distributed according to a normal distribution (or to be precise, a "log-normal distribution").

The accounting treatment differs based on whether it regards employees or directors of the Company or employees or directors of other Group Companies:

in the first case the cost, together with the corresponding increase in equity, is recognised under personnel costs for the options assigned to Antares Vision's employees (Euro 491,808 at 31 December 2023) and under service costs for the options assigned to the Company's directors (Euro 36,276 at 31 December 2023) over the period during which the conditions for achievement of the objectives and/or provision of the service are satisfied;

in the second case, the cost is recognised as an increase in investments in the Group company where the employee or director works, over the period in which the conditions are met relating to the achievement of the targets and/or the performance of work, offset by a corresponding increase in shareholders' equity. The increase in investments at 31 December 2023, as illustrated in Note 4, comes to Euro 492,616.

The cumulative costs recognised for these transactions at the closing date of each financial period up to the vesting date are commensurate with the expiry of the vesting period and the best estimate of the number of equity instruments that will actually vest. The cost or revenue in the statement of profit or loss for the period represents the change in the cumulative cost recognised at the beginning and end of the year.

#### Changes during the year

The following table shows the number and weighted average exercise prices (WAEP) of options during the year:

Stock option Plans	31/12/2023		31/12/2022	
	Number	PMPE	Number	PMPE
Outstanding at the beginning of the period	1.673.026	2,63	1.063.000	2,31
I tranche of SOP I	253.922	2,24	312.000	2,24
II tranche of SOP I	281.247	2,48	333.000	2,48
III tranche of SOP I	369.000	2,96		
I tranche of SOP II	326.857	2,22	418.000	2,22
II tranche of SOP II	442.000	2,96		
granted during the period			835.000	2,96
I tranche of SOP I				
II tranche of SOP I			369.000	2,96
III tranche of SOP I				
I tranche of SOP II				
II tranche of SOP II			466.000	2,96
cancelled during the period	194.480	2,63	224.794	
I tranche of SOP I		2,24	58.078	2,24
II tranche of SOP I	3.550	2,48	51.573	2,48
III tranche of SOP I	44.000	2,96	-	-
I tranche of SOP II	23.930	2,22	91.143	2,22
II tranche of SOP II	123.000	2,96	24.000	2,96

exercised during the period	-	-	-	-
expired during the period	-	-	-	-
outstanding at the end of the period	1.478.546	2,63	1.673.026	2,63
I tranche del I SOP	253.922	2,24	253.922	2,24
II tranche del I SOP	277.697	2,48	281.247	2,48
III tranche del I SOP	325.000	2,96	369.000	2,96
I tranche del II SOP	302.927	2,22	326.857	2,22
II tranche del II SOP	319.000	2,96	442.000	2,96
exercitable at the end of the period	-	-	-	-

The tables below list the information fed into the models used to develop the plans and the corresponding tranches.

	FIRST STOCK OPTION PLAN				SECOND STOCK OPTION PLAN	
	I TRANCHE		II TRANCHE	III TRANCHE	I TRANCHE	II TRANCHE
	Directors	Employees	Employees	Employees	Employees	Employees
Weighted fair value at the measurement date (€)	2.2416	2.2361	2.4818	2.9631	2.2164	2.9631
Exercise price of the option (€)	11.4480	11.4140	12.0341	9.5538	12.0700	9.5538
Dividend expected (€)	0.2850	-	0.3086	-	-	-
Expected volatility	0.2801	0.3047	0.2922	0.3090	0.2944	0.3090
Risk free interest rate	(0.0040)	(0.0040)	(0.0040)	0.0140	(0.0040)	0.0140
Expected useful life of the options (in years)	4.4466	2.7753	3.6192	3.4082	2.8548	3.4082
Weighted average price per share (€)	10.8705	11.4140	11.8914	10.5000	11.5986	10.5000
Model adopted	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes

## OTHER INFORMATION

### Guarantees given, commitments and other contingent liabilities

At 31 December 2023, the Group had provided guarantees to its customers consisting of Euro 104,600 in performance bonds to guarantee the execution of contracts and the proper operation of the machinery sold, Euro 1,713,629 in advance bonds for advances already received from customers and Euro 162,724 for bank guarantees given for tenders.

We would also point out that during the year the Company issued a letter of patronage to the associate Orobix with which it undertakes not to dispose of its investment in Orobix without having previously informed the bank and to exercise voting and supervision rights so that Orobix Srl can always meet its obligations towards the bank. This letter of patronage was provided to facilitate a Euro 1,000,000 loan taken out by Orobix with a duration of 36 months, including a 6 month grace period. In any case, Antares Vision does not provide a guarantee for this loan.

## Information on risk

### **Market risk**

The competitive context in which Antares Vision Group operates takes on different forms depending on the market sector and geographical area of reference. In fact, depending on the situation, the Group is faced with a competitive scenario that features a number of large global players or medium to small local players that carry out, even if only partially, activities that are identical or in any case related to those carried out by Antares Vision Group. There is therefore a risk that Antares Vision's position on the market could be contested by competitors, with the consequent loss of part of our clientèle.

Management believes that the range of solutions (hardware and software) of the Track & Trace business, in which the Group is a leader, combined with the state-of-the-art technology of our Inspection systems, our Smart Data Management services, as well as the completeness of our before and after-sales assistance, combined with our continuously accumulated experience and the presence of highly specialised technical personnel, constitute a strong competitive advantage in contrasting the competition and are an obstacle to entry of new commercial players in the short term.

It is worth mentioning that the conflict between Russia and Ukraine is certainly an element of concern, as the outcome and consequences of this event are not yet clear, both on the fate of the world economy and on the business of Antares Vision Group.

### **Credit risk**

Antares Vision Group is exposed to potential losses caused by counterparties not fulfilling their obligations. Should a significant part of the customers delay or fail to honour payments within the agreed terms and methods, this would have a negative impact on the financial situation of Antares Vision Group.

The trade credit risk is monitored through formalised procedures that guarantee control over the expected collection flows and any recovery action that may be needed. Furthermore, most of Antares Vision Group's customers are primary pharmaceutical and industrial companies, characterised by a high level of financial solidity, which makes the risk of their insolvency remote with regard to the amounts that they owe Antares Vision Group. In the case of counterparties operating in countries with a high country risk, Antares Vision Group makes use of international payment instruments, such as letters of credit, aimed at guaranteeing correct and timely collection. The current conflict between Russia and Ukraine could lead to a risk of insolvency, which however is to be considered limited in view of the fact that receivables are very contained as a percentage of total receivables. From a sanctions point of view, management, under the constant supervision of the Board of Directors and the control bodies, has worked to ensure full compliance with the restrictions, adopting a procedure that formalises

and strengthens the operational best practices that have already been in place for some time. For the pharmaceutical sector, in particular, the Parent Company always makes sure that it obtains specific authorisations from the national authority - UAMA (unit for the authorisation of military materials) for the export of materials, software and services intended for pharmaceutical use.

### **Liquidity risk**

Antares Vision Group obtains its financial resources from the flows deriving from its operations and through bank borrowings.

To pursue its strategy through the many acquisitions aimed at diversifying the business, from September 2021, the Parent Company has completely refinanced its debt with an average duration of approximately 6.4 years, with an average fixed cost (post-hedging) of approximately 2.0% without significant repayments of principal for the subsequent four years.

For these loans, compliance with Financial Covenants is required which as of 31 December 2023 have not been met; for this reason, non-current debt has all been reclassified as current, both for the current year and for 2022 as, following the restatement, the covenants were not complied with in 2022 either.

However, on 27 May 2024 Antares Vision Group completed negotiations with the banks and signed formal agreements which provide for a waiver for failure to comply with the covenants in 2022 and 2023. This envisaged a NFP/EBITDA ratio of not more than 3.5 and a remodulation from 2024 that provides for a new NFP/EBITDA ratio of not more than 5.75 for the testing period at 30 June 2024, not more than 4.5 for the testing periods at 31 December 2024 and 30 June 2025 and not more than 3.5 for the remaining testing periods.

As for the other Group companies, Antares Vision Asia Pacific can take advantage of a credit facility with a primary bank, guaranteed by the Parent Company, for an amount of up to Euro 500 thousand, currently used only to issue advance bonds in favour of customers.

### **Interest-rate risk**

Antares Vision Group is exposed to the risk of changes in interest rates with a consequent increase in financial expense on debt, which it uses through medium/long-term loan agreements and property lease contracts characterised by variable interest rates.

In order to reduce the amount of debt subject to interest rate fluctuations, Antares Vision Group has adopted hedging policies using derivatives (interest rate swaps or IRS) to hedge this type of risk.

The following table shows the breakdown of current and non-current bank borrowings between the floating rate and fixed rate components at 31 December 2023:

amounts in thousands of Euro	31/12/2022	% Incidence
Fixed rate loans	120,052	92%
Floating rate loans	10,589	8%
<b>Total bank loans</b>	<b>130,642</b>	<b>100%</b>

amounts in thousands of Euro	31/12/2023	% Incidence
Fixed rate loans	115,557	80%
Floating rate loans	29,720	20%
<b>Total bank loans</b>	<b>145,277</b>	<b>100%</b>

In detail, bank loans and borrowings are provided under the following conditions:

Amounts in thousands of Euro - 2023 figures

Bank	Start date	Expiry date	Type	Rate	Residual capital to be repaid 31/12/2023
Banca Nazionale del Lavoro	3/25/2021	6/30/2027	FLOATING NOT HEDGED	Euribor 6m + spread 1.5% no floor	40,888
Banca Nazionale del Lavoro	3/25/2021	6/30/2027	FIXED	0.80%	15,958
INTESA SAN PAOLO	9/30/2021	9/30/2028	FLOATING HEDGED	Euribor 6m + spread 1.65% no floor	39,000
Banca Nazionale del Lavoro	9/30/2021	9/30/2028	FLOATING HEDGED	Euribor 6m + spread 1.70% no floor	15,088
Banca Nazionale del Lavoro	3/25/2021	6/30/2027	FLOATING NOT HEDGED	Euribor 6m + spread 1.5% no floor	40,888
Banca Nazionale del Lavoro	3/25/2021	6/30/2027	FIXED	0.80%	15,958
BCC DEL GARDA	9/28/2022	12/31/2029	FLOATING NOT HEDGED	Euribor 6m + spread 1.85% no floor	10,000
Banca Nazionale del Lavoro	9/28/2023	9/30/2028	FLOATING HEDGED	Euribor 6m + spread 1.65% no floor	39,000
Banca Nazionale del Lavoro	9/28/2023	9/30/2028	FLOATING NOT HEDGED	Euribor 6m + spread 1.85% no floor	39,000
PRICCO.it	19/30/2022	9/30/2025	FIXED	1.86%	40,088
PRICCO.it	17/31/2022	12/31/2025	FIXED	1.96%	15,088
BCC DEL GARDA	1/28/2022	12/31/2029	FLOATING NOT HEDGED	Euribor 6m + spread 1.85% no floor	10,000

The company has carried out a sensitivity analysis to a reasonably possible change in interest rates. Maintaining the other variables constant, the results are as follows:

#### Bank loans - amounts in thousands of Euro - analysis refers to 2022

Increase in basis points	Financial charges	Profit (loss) before taxes
+50 b.p.	-53	-53
-50 b.p.	53	53
+100 b.p.	-106	-106
-100 b.p.	106	106

**Bank loans - amounts in thousands of Euro - analysis refers to 2023**

Increase in basis points	Financial charges	Profit (loss) before taxes
+50 b.p.	-170	-170
-50 b.p.	170	170
+100 b.p.	-339	-339
-100 b.p.	339	339

Notional tax effect	Profit/(loss) for the period
81	-258
-81	258

**Foreign exchange risk**

Antares Vision Group operates internationally and is therefore exposed to the exchange rate risk generated by changes in the value of trade and financial flows in currencies other than the reporting currencies of the individual companies.

The currencies in which most of the Group's revenue originates are the Euro, the US dollar, the Brazilian real, the Russian rouble and the Hong Kong dollar. Foreign subsidiaries have been showing a tendency to incur costs for installation and assistance services, commercial and promotion costs and personnel costs in currencies other than the Euro (mainly in USD), which are naturally covered by sales made in USD by the same companies. This tendency helped to reduce the impact of exchange rate differences incurred by the Group.

Against revenue expressed prevalently in Euro, Antares Vision Group also bears a significant part of its costs in Euro, mainly for production and management of the corporate structure. The management of Antares Vision Group is therefore of the opinion that the currency balance is in equilibrium.

The main exchange ratios affecting Antares Vision Group concern:

- Euro/US Dollar: for commercial transactions by companies operating in the Euro Area on the American market and vice versa;
- Euro/Brazilian Real: for commercial and financial transactions by companies operating in the Euro Area on the Brazilian market and vice versa;  
Euro/Russian rouble: for commercial and financial transactions by companies operating in the Euro Area on the Russian market and vice versa.

It was not deemed necessary to carry out a sensitivity analysis on the exchange rate risk as the amount is not material.



### **Tax risk**

It cannot be ruled out that the Group may be required to deal with liabilities resulting from tax disputes of various kinds. In this case the Group could be called upon to settle extraordinary liabilities, which would have both economic and financial effects. Analysis of the risk associated with tax disputes is carried out periodically by the Group in coordination with the external consultants appointed specifically for the purpose; potential impacts, if probable, are reflected in the provisions for risks and charges.

### **Legal risk**

The type of legal disputes to which the Group is exposed can essentially be divided into two large groups: disputes of a commercial nature with customers involving differences of opinion over the nature or quantity of the goods and services supplied, interpretation of contractual clauses or supporting documentation, or other kinds of disputes. With reference to the first type of disputes, the risks are the subject of careful analysis with the support of external consultants and potential impacts are reflected in the provision for doubtful accounts. The other disputes refer to various types of requests that may be received by Group companies following an alleged violation of regulatory or contractual obligations. Any resulting economic impacts are reflected in the item Provisions for risks and charges.

### **Environmental risk**

Antares Vision Group's business involves production processes with a low impact on the territory in terms of consumption of natural resources, production of industrial waste and the emission of polluting substances. In certain cases of exceptional climatic events, or in the presence of serious breakdowns or malfunctioning in the plants, Antares Vision Group's industrial production could cause damage to third parties, accidents and/or environmental damage, in addition to a slowdown in activities, exposing the Group to obligations involving compensation and/or reclamation, as well as to liability, possibly even of a criminal nature. Antares Vision Group strives to prevent this type of risk by adopting measures deemed adequate by its management and in line with industry practices.

Alongside the various internal environmental projects, as a further commitment by the Group to achieve, maintain and share concrete and transparent sustainability objectives, starting from 31 December 2021 Antares Vision Group prepares its Consolidated Non-Financial Report, subject to review by an independent auditing firm, pursuant to Legislative Decree 254/2016.

As regards the risks and consequences of climate change, a summary of the information provided in the Consolidated Non-Financial Statement is provided below, to which reference should be made for further information. The Communication of the European Commission "Guidelines on the disclosure of non-financial information: Supplement concerning the reporting of climate-related information (2019 / C 209/01)" constitutes a supplement to the guidelines issued by the Commission itself in 2017 for the non-financial reporting required by

EU Directive 95/2014. This Communication contains the (non-binding) guidelines for the information to be provided by companies on climate change, integrating the recommendations of the Task Force on Climate-related Financial Disclosures - TCFD) of the Financial Stability Board.

Antares Vision Group's role is that of a market player that enables sustainability. The need to mitigate climate change and adapt to it offers Antares Vision Group above all a variety of excellent opportunities, which derive from the role that Antares Vision Group plays for the efficient use of natural resources and energy: adoption of the principles of the circular economy in the use of materials (reduction of waste and consequent reduction of the energy needed for production processes), monitoring of supply chains and the life cycle of products.

The current AV Group reporting system provides the following information:

- Energy consumption: direct GRI 302-1
- Direct and indirect emissions (GHG Scope 1 and Scope 2) GRI 305-1 GRI 305-2
- Indirect GHG Scope 3 emissions: category mapping for the purposes of subsequent reporting scheduled for the 2024 report.
- Energy intensity and emission indices GRI 302-3 GRI 305-4

At present no specific targets and climate strategies have been defined; the ISO 14001 environmental management system, certification renewed by the Parent Company, also provides for measures to improve the energy profile, which over time have been implemented by the Company.

From a risk perspective, transition risks may arise linked to changes in production models and the supply chain. Management believes that the Antares Vision Group's positioning and its capacity for innovation (research and development of new materials) enable it to significantly mitigate these risks.

Antares Vision Group has not yet developed specific medium/long-term scenarios that quantify the resilience and the economic and financial effects of increases in temperatures of 2°C or less and a scenario of more than 2°C (20)<sup>[1]</sup>.

Financial implications of climate change: as mentioned in connection with the TCFD's document, the impacts of climate change represent above all an opportunity for Antares Vision Group, thanks to its role and the purposes of the solutions that it offers, as well as Antares Vision Group's contributions towards a more responsible use of resources. So in the short to medium term, all else being equal, taking into account the commitment made by AV Group companies to mitigate the effects of climate change and a general awareness of the importance of this issue, it is reasonable to expect that the financial impacts for Antares Vision Group may well be positive (in terms of strengthening the business and penetrating new markets).

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<sup>[1]</sup> TCFD recommendation, strategy

## Management supervision and coordination activities

Despite the fact that article 2497-sexies of the Italian Civil Code states that "it is presumed, unless there is evidence to the contrary, that the activity of management supervision and coordination of companies is carried out by the company or body required to consolidate their financial statements or which in any case controls them pursuant to article 2359", Antares Vision operates in conditions of corporate and entrepreneurial autonomy with respect to its parent company Dorado S.r.l. For example, the Issuer autonomously manages the treasury and commercial relations with its customers and suppliers and does not make use of any service provided by its parent company.

## Information on the companies that prepare the consolidated financial statements of the largest group of companies

Pursuant to article 2427, paragraph 1, numbers 22-quinquies) and 22-sexies) it should be noted that the company that draws up the consolidated financial statements of the largest group of companies of which Antares Vision is part as a subsidiary is Dorado S.r.l., with registered office in Via del Ferro 16, Travagliato (Brescia), where the consolidated financial statements are filed.

## Related-party transactions

As regards dealings between the Company and related parties, in accordance with IAS 24, we provide the following information on 2023:

RELATED PARTY TRANSACTIONS											
Name		ECONOMIC RELATIONS					FINANCIAL RELATION				
		Revenues	Financial income	Financial costs	Raw Material and consumables	Service costs	Non-current financial receivables	Current financial receivables	Other Receivables (*)	Trade receivables	Trade payables
Antares Vision Inc. America	Direct or indirect subsidiary	-	13.166	629.979	-	-	-	5.287.238	-	3.326.522	886
Antares Vision North America LLC	Direct or indirect subsidiary	9.028.774	-	-	1.636.609	60.761	-	-	-	7.119.510	1.253.278
Imago Technologies GmbH	Direct or indirect subsidiary	9.946	-	-	3.586.576	19.787	-	-	-	92.667	2.069.179
Antares Vision do Brasil Ltda	Direct or indirect subsidiary	2.154.902	218.755	-	-	80.703	-	4.782.856	-	3.481.742	-
Antares Vision France Sas	Direct or indirect subsidiary	3.837.297	-	-	-	318.300	-	-	-	4.259.919	1.023.926
Antares Vision Ireland Ltd	Direct or indirect subsidiary	32.141	-	-	-	282.200	-	-	-	18.455	193.022
Antares Vision Rus OOO	Direct or indirect subsidiary	1.900.739	12.500	-	-	1.265.326	-	-	-	3.242.522	521.658
Antares Vision Asia Pacific Ltd	Direct or indirect subsidiary	2.368.185	30.000	-	-	267.786	-	-	-	6.653.202	2.924.679
Antares Thailandia	Direct or indirect subsidiary	38.079	-	-	-	-	-	-	-	38.079	-
FT System S.r.l.	Direct or indirect subsidiary	2.968.194	114.026	-	443.771	98.042	3.796.655	2.330.282	1.477.335	1.824.135	105.438
FT System North America LLC	Direct or indirect subsidiary	484.817	-	52.617	-	-	-	-	-	484.817	-
FT Hexagon	Direct or indirect subsidiary	130.450	-	-	-	-	-	-	-	129.057	-
Pen-tec S.r.l.	Direct or indirect subsidiary	56.593	-	-	-	-	-	-	143.331	50.567	-
AV ELECTRONICS	Direct or indirect subsidiary	76.768	-	-	24.885	4.700	-	-	73.232	76.768	14.061
Packital	Direct or indirect subsidiary	136.412	-	-	-	-	-	-	-	135.847	-
Wavision	Direct or indirect subsidiary	3.834	-	-	-	-	-	-	-	3.834	-
Tradeticity d.o.o	Direct or indirect subsidiary	-	16.797	-	-	488.233	-	553.255	-	-	190.456
Tradeticity Service d.o.o	Direct or indirect subsidiary	-	4.592	-	-	503.433	160.000	14.468	-	-	32.264
Antares Vision Germany	Direct or indirect subsidiary	116.382	12.500	-	-	615.150	182.230	-	-	65.457	243.750
Applied Vision Corporation	Direct or indirect subsidiary	1.299.856	-	-	-	-	-	-	-	1.491.588	-
rFXcel Corporation	Direct or indirect subsidiary	1.962.301	161.627	-	-	547.963	5.384.616	161.627	-	4.076.250	891.406
ACSIS	Direct or indirect subsidiary	439.205	-	-	-	-	-	-	-	439.205	-
Antares Vision India Private Limited	Direct or indirect subsidiary	355.902	-	-	21.013	546.780	-	-	-	426.354	60.092
AVSAGL	Direct or indirect subsidiary	-	3.836	-	-	-	-	-	-	-	-
Antares Korea	Direct or indirect subsidiary	21.287	-	-	-	22.198	-	-	-	21.287	7.489
Shenzhen Andaruixin Technology	Joint Venture	177.589	-	-	241.515	-	-	-	-	-	-
Smart Point	Direct or indirect subsidiary	-	-	-	-	11.300	-	-	-	-	11.300
Markirovka As a Service	Direct or indirect subsidiary	-	10.000	-	-	-	-	-	-	-	-
Orobix	Affiliated Company	14.552	-	-	38.000	677.274	-	-	-	2.440	585.770
Siempharma	Affiliated Company	344.580	-	-	6.182.825	622.172	-	-	-	1.880.709	2.053.521
Rural	Affiliated Company	22.840	-	-	-	-	-	-	-	27.865	-
Isinova	Affiliated Company	-	-	-	-	45.000	-	-	-	-	31.200
Vigilate	Subsidiary of Subsidiary	-	-	-	585	-	-	-	-	187.118	-
		20.067.053	597.798	682.596	6.399.087	6.477.106	9.523.501	13.129.726	1.693.898	39.388.093	16.128.902

\* This is the receivable from Tax Pooling

At 31 December 2022, related-party transactions were as follows:

RELATED-PARTY TRANSACTIONS 2022										
Name	Type	ECONOMIC RELATIONS					FINANCIAL RELATIONS			
		Revenue	Financial income	Raw materials and consumables	Service costs	Trade receivables	Non-current financial receivables	Current financial receivables	Other receivables (*)	Trade payables
Antares Vision Inc. America	Direct or indirect subsidiary	-	13,233	-	-	3,326,522	2,643,283	2,820,790	-	866
Antares Vision North America LLC	Direct or indirect subsidiary	10,033,995	-	-	344,180	10,881,296	-	-	-	388,581
Imago Technologies GmbH	Direct or indirect subsidiary	91,262	-	2,614,589	19,865	68,306	-	-	-	843,143
Antares Vision do Brasil Ltda	Direct or indirect subsidiary	1,185,532	219,153	110,403	1,712,409	4,360,534	-	4,564,101	-	1,822,842
T2 SOFTWARE	Direct or indirect subsidiary	-	-	-	74,958	-	-	-	-	-
Antares Vision France Sas	Direct or indirect subsidiary	1,204,006	4,651	-	2,404,634	3,356,603	-	-	-	4,831,091
Antares Vision Ireland Ltd	Direct or indirect subsidiary	13,686	-	-	306,154	13,686	-	-	-	160,518
Antares Vision Rica OOO	Direct or indirect subsidiary	116,086	12,900	-	1,236,228	1,324,577	500,000	42,685	-	-
Antares Vision Asia Pacific Ltd	Direct or indirect subsidiary	1,519,019	30,008	-	1,949,783	4,722,041	1,200,000	67,230	-	3,951,048
FT System S.r.l.	Direct or indirect subsidiary	1,000,959	87,219	337,176	213,071	496,626	6,709,507	-	129,313	377,362
FT System North America LLC	Direct or indirect subsidiary	8,960	-	-	-	8,960	-	-	-	-
FT Hexagon	Direct or indirect subsidiary	21,136	-	-	-	4,263	-	-	-	-
Pen-loc S.r.l.	Direct or indirect subsidiary	1,050	-	-	-	1,281	-	-	96,775	-
Techrel S.r.l.	Direct or indirect subsidiary	-	-	31,920	17,210	-	-	-	3,868	20,411
Tranfectivity d.o.o.	Direct or indirect subsidiary	-	16,797	-	356,311	-	-	536,459	-	127,783
Tranfectivity Service d.o.o.	Direct or indirect subsidiary	-	4,992	-	351,382	55,165	160,000	8,876	-	48,869
Convel S.r.l.	Direct or indirect subsidiary	61,728	-	880,781	70,711	131,666	-	-	15,180	988,722
Antares Vision Germany	Direct or indirect subsidiary	50,925	12,500	-	1,160,043	50,925	500,000	28,401	-	760,443
Innovative Marking Digital Solutions	Direct or indirect subsidiary	-	-	-	-	12,300	-	-	-	-
Applied Vision Corporation	Direct or indirect subsidiary	191,732	-	-	-	191,732	-	-	-	-
eXcel Corporation	Direct or indirect subsidiary	1,546,939	-	-	340,443	2,113,948	-	-	-	340,443
Antares Vision India Private Limited	Direct or indirect subsidiary	61,211	-	50,753	303,228	195,717	-	-	-	119,279
Makzovka As a Service	Direct or indirect subsidiary	-	10,000	-	-	-	250,000	12,466	-	-
Orbitix	Associate	41,053	-	-	354,210	10,090	-	-	-	89,085
Sterispharma	Associate	1,546,297	-	1,723,431	181,893	2,293,476	-	-	-	965,794
Vigilate	Subsidiary of parent company	2,000	-	1,485	200	187,118	-	-	-	1,812
		18,897,576	418,651	3,450,548	11,479,812	33,736,832	11,963,760	8,081,607	243,149	15,633,030

(\*) This is a receivable from the tax consolidation

In accordance with Consob Resolution no. 17221 of 12 March 2010 and the provisions on related parties issued by Borsa Italiana S.p.A. in May 2012, the Board of Directors of Antares Vision adopted the Procedure for transactions with related parties, the current version of which entered into force from the date of commencement of trading of the Company's ordinary shares and Warrants on the STAR segment of the MTA, now Euronext STAR Milan. It was approved on 28 April 2019 and can be viewed on the Company's website at the following link, in the Investors section<sup>12</sup>.

The transactions carried out with related parties are part of the Company's normal business and the typical activity of each party concerned and are carried out at normal market conditions. There are no atypical or unusual transactions to report.

With specific reference to the transactions of Antares Vision with subsidiaries and associates, greater details are provided in the explanatory notes to the single items of the Statement of financial position and the Income Statement, and mainly refer to:

- transactions connected with sales of products and services;

<sup>12</sup> <https://it.antaresvision.com/investitori/governance/1928/procedure-e-regolamenti>

- provision of services to subsidiaries
- financial transactions, represented by loans disbursed to subsidiaries;
- credit and debit transactions deriving from the National Tax Consolidation Contract that Antares Vision signed with several Italian subsidiaries.

## Compensation to board members and the independent auditors

The total amount of the fees due to directors and the independent auditors (EY S.p.A.) is shown in the table below:

COMPENSATION TO BOARD MEMBER AND THE INDEPENDENT AUDITORS ('000 €)				
Description	Directors	Directors stock options	Statutory auditors	Independent auditors (*)
Compensation for the year	1.026	36	62	194

*\* Amount inclusive of fees to the audit of the separate financial statement of Antares Vision SpA, of the consolidated half year and full year financial statement, the non-financial Statement, the certification of compliance with the ESEF format and the statement of expenses of incurred R&D activities.*

## State aid

Art. 1, paragraph 125, third sentence, of Law no. 124 of 4.8.2017 provides that companies that receive subsidies, contributions, paid assignments and, in any case, economic advantages of any kind from public administrations and subjects referred to in the first sentence are required to publish these amounts in the explanatory notes to their financial statements.

In this regard, it should be noted that the Company has received the following contributions, subsidies, paid assignments or, in any case, economic benefits (shown by date of when they were granted):

Title of measure	Type of measure	Amount in euro	Region	Grant date
AVVISO PUBBLICO PER L'ASSEGNAZIONE DI VOUCHER AZIENDALI A CATALOGO PER INTERVENTI DI FORMAZIONE CONTINUA A VALERE SUL PROGRAMMA REGIONALE LOMBARDIA FSE+ 2021-2027	State Aid	16,500	Lombardy	14/03/2023
AVVISO PUBBLICO PER L'ASSEGNAZIONE DI VOUCHER AZIENDALI A CATALOGO PER INTERVENTI DI FORMAZIONE CONTINUA A VALERE SUL PROGRAMMA REGIONALE LOMBARDIA FSE+ 2021-2027	State Aid	3,000	Lombardy	06/4/2023
AVVISO PUBBLICO PER L'ASSEGNAZIONE DI VOUCHER AZIENDALI A CATALOGO PER INTERVENTI DI FORMAZIONE CONTINUA A VALERE SUL PROGRAMMA REGIONALE LOMBARDIA FSE+ 2021-2027	State Aid	16,500	Lombardy	23/02/2023
esenzioni fiscali e crediti d'imposta adottati a seguito della crisi economica causata dall'epidemia di COVID-19 [con modifiche derivanti dalla decisione SA. 62668 e dalla decisione C(2022) 171 final su SA 101076]	State Aid	53,172	Lombardy	11/4/2023
Intervento del fondo per la crescita sostenibile a favore di progetti di ricerca e sviluppo realizzati nell'ambito di accordi sottoscritti dal Ministero dello sviluppo economico con le regioni e le altre amministrazioni pubbliche	State Aid	1,704,375	Lombardy	03/05/2023
Intervento del fondo per la crescita sostenibile a favore di progetti di ricerca e sviluppo realizzati nell'ambito di accordi sottoscritti dal Ministero dello sviluppo economico con le regioni e le altre amministrazioni pubbliche	State Aid	1,290,000	Lombardy	03/05/2023
<b>Total</b>		<b>3,083,547</b>		

## Subsequent events

### Conversion of warrants and special shares

No requests to exercise warrants were received during 2023.

On 19 April 2024, 60 months passed from the effective date of the absorption of ALP.I S.p.A. by the Company (on 18 April 2019). Consequently, the merger took place without any change in the share capital, automatic conversion of the 250,000 special B shares into 250,000 ordinary shares and cancellation of the 1,189,590 special C shares pursuant to articles 5.7 and 5.8 of the Articles of Association.

As a result, the share capital of Antares Vision remained the same at Euro 172,788.42, made up exclusively of 70,753,559 ordinary shares.

### Social Plan

On 7 May 2024, the Trade Union consultation procedure was commenced in accordance with Law 223/91 for the elimination of 54 positions at the Parent Company's headquarters in Travagliato. In the letter of communication to the local trade unions it was emphasized that "To deal with the social consequences of implementing the job reduction programme, AVIT confirms the possibility, considering the technical, organizational and production requirements, of evaluating voluntary redundancies, on the one hand, and, on the other, of encouraging the

relocation of surplus employees to local companies by making introductions and/or implementing processes of outplacement". The joint review with the Trade Union representatives began on 15 May.

In the early months of the year, Antares Vision applied a rigorous freeze on turn-over, which saw 38 employees leave, none at management level.



## Explanatory notes, final part

These explanatory notes, as well as the entire financial statements of which they are an integral part, give a true and fair view of the Company's financial position and results for the period.

We are available to provide any clarifications and information that may be necessary. We hereby submit for your approval the proposal to allocate all of the loss for 2023 of Euro 43,544,450 to the Extraordinary Reserve.

Travagliato, 27 May 2024

The Board of Directors

Gianluca Mazzantini

Emidio Zorzella

Massimo Bonardi

Alioscia Berto

Alberto Grignolo

Martina Monico

Fabio Forestelli

Cristina Spagna

Fiammetta Roccia

Fabiola Mascardi

*The signed document has been filed at the registered office of the Company.*



# Antares Vision S.p.A.

Consolidated financial statements as at December 31, 2023

Independent auditor's report pursuant to article 14 of  
Legislative Decree n. 39, dated 27 January 2010, and article  
10 of EU Regulation n. 537/2014

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014  
(Translation from the original Italian text)

To the Shareholders of  
Antares Vision S.p.A.

## Report on the Audit of the Consolidated Financial Statements

### Opinion

We have audited the consolidated financial statements of Antares Vision Group (the Group), which comprise the consolidated statement of financial position as at December 31, 2023, the consolidated income statement, the consolidated statement of other comprehensive income, the consolidated statement of changes in equity and the consolidated cash flow statement for the year then ended, and notes to the consolidated financial statements, including material accounting policy information.

In our opinion, the consolidated financial statements give a true and fair view of the financial position of the Group as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Consolidated Financial Statements* section of our report. We are independent of Antares Vision S.p.A. in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the consolidated financial statements of the current period. These matters were addressed in the context of our audit of the consolidated financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

Key Audit Matter	Audit Response
<p>Restatement for Errors and Changes in Accounting Principles (IAS 8)</p> <p>Following an internal investigation and in compliance with IAS 8, comparative data for the fiscal years 2021 and 2022 presented in the consolidated financial statements of Antares Vision Group as of December 31, 2023, have been restated, mainly in connection with revenues and trade receivables related to the government software hub business ("L5 Business") conducted by the subsidiary RfXcel Corporation ("RfXcel"), as well as the related taxes.</p> <p>In particular, the internal investigation revealed that RfXcel had issued invoices for services not actually carried out and that certain previous members of the subsidiary's American management had created documentation to certify the alleged execution of these services, causing the consequent recording of revenue which, based on the relevant accounting principles, should not have been accounted for.</p> <p>The restatement of the 2022 data resulted in non-compliance with financial covenants; therefore, medium to long-term financial liabilities subject to these covenants were reclassified as current liabilities as of December 31, 2022, for EUR 124.1 million.</p> <p>Considering the complexity of the matter and its accounting implications, we deemed it represented a key audit matter.</p> <p>The financial statement disclosure related to the aforementioned restatement is reported in the paragraph "Restatement for errors and changes in accounting standards (IAS 8)" of the explanatory notes to the consolidated financial statements.</p>	<p>Our audit procedures in response to the key audit matter included, among others:</p> <ul style="list-style-type: none"> <li>• understanding the elements underlying the directors' assessment of such matter;</li> <li>• meetings with the governance bodies and with the Board of Directors' committee in charge of the relations with the third parties responsible for the independent investigations, in order to monitor the progress of the ongoing investigation;</li> <li>• obtaining and assessing the report prepared by the law firm Goodwin Procter LLP, supported by the accounting consultancy firm Charles River Associates, containing the results of the independent investigation conducted;</li> <li>• assessment of the accounting implications of the restatement.</li> </ul> <p>Finally, we reviewed the disclosures provided in the explanatory notes to the consolidated financial statements as of December 31, 2023.</p> <p>In carrying out the aforementioned procedures, we relied on the support of EY experts in forensics, valuation, and tax matters.</p>
<p>Valuation of goodwill</p> <p>The goodwill reported in the consolidated financial statements of Antares Vision Group as of December 31, 2023, amounts to EUR 96.8 million, net of impairment losses recorded during the year totaling EUR 66.3 million. Starting from the 2023 financial year, Antares Vision Group undertook an organizational restructuring process that resulted in the identification of four operating segments and the definition of a new internal reporting system for analyzing their respective performances.</p>	<p>Our audit procedures in response to the key audit matter included, among others:</p> <ul style="list-style-type: none"> <li>• understanding the procedures and key controls implemented by the Group regarding the valuation of goodwill;</li> <li>• verifying the adequacy of the scope of the CGUs and the allocation of the carrying amounts of assets and liabilities to them;</li> <li>• assessing the reasonableness of the future cash flow forecasts for the five-year explicit</li> </ul>

For the purpose of testing the recoverability of goodwill, as required by IAS 36, management identified, starting from the 2023 financial year, four separate Cash Generating Units (“CGU”), which correspond to the four operating segments.

The new organizational structure, the four operating segments, and the four CGUs are reflected in the strategic guidelines and the 2024-2026 business plan, approved by the Board of Directors of Antares Vision S.p.A. on March 4, 2024 (the “Business Plan”).

The processes and methods for evaluating and determining the recoverable value of the CGUs, in terms of value in use, are based on sometimes complex assumptions that, by their nature, involve the judgment of the Directors, particularly with reference to: i) the forecast of future cash flows for a five-year period (based on the Business Plan for the 2024-2026 period and, for 2027 and 2028, developed based on the average growth rate of volumes implicit in the forecasts for the two preceding years), ii) the determination of normalized cash flows underlying the estimate of the terminal value, and iii) the determination of long-term growth and discount rates applied to the forecasts of future cash flows.

Given the judgment required and the complexity of the assumptions used in estimating the recoverable value of goodwill, we deemed it represented a key audit matter.

The financial statement disclosure related to goodwill is reported in the paragraph “Goodwill” and in note 2. “Goodwill” of the explanatory notes to the consolidated financial statements.

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#### Revenue recognition

The consolidated financial statements of Antares Vision Group as of December 31, 2023, include revenues from contracts with customers amounting to EUR 210 million.

The Group enters contracts with customers that may include commitments to deliver machinery and software, to permit the use of software, and to provide implementation, support, and other professional services, as well as installation and assistance services.

The processes and methods of revenue recognition for such contracts with customers,

forecast period and the reasonableness of the assumptions used to determine the normalized cash flows underlying the terminal value estimate;

- ensuring the consistency of the future cash flow forecasts of the CGUs with the Business Plan;
- testing the determination of long-term growth rates and discount rates.

In carrying out the procedures, we relied on the assistance of our EY valuation experts, who performed an independent recalculation and conducted sensitivity analyses on the key assumptions to determine the changes in assumptions that could significantly impact the assessment of the recoverable amount.

Finally, we reviewed the disclosures provided in the explanatory notes to the consolidated financial statements as of December 31, 2023.

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Our audit procedures in response to the key audit matter included, among others:

- understanding the procedure and key controls implemented by the Group regarding revenue recognition;
  - for a sample of transactions, we conducted the following procedures: reading contracts or equivalent documentation, verifying the identification of obligations and conditions for revenue recognition related to these performance obligations, verifying the measurement of revenue, its recognition, and
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including the identification of contractual obligations and related revenues, are based on sometimes complex assumptions that inherently require the judgment of the Directors.

Considering the judgment required and the complexity of the assumptions used in determining revenue recognition for these contracts, we deemed it represented a key audit matter.

The financial statement disclosure related to revenues is reported in the paragraph "Revenue from contracts with customers" and in note 27. "Revenue" of the explanatory notes to the consolidated financial statements.

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#### Assessment on going concern

The consolidated financial statements of Antares Vision Group as of December 31, 2023, reported a net equity of EUR 167.7 million, inclusive of a net loss for the year of EUR 99.9 million and a net financial position of EUR 109.1 million, of which EUR 165.7 million relates to financial liabilities and EUR 56.6 million to cash, banks and other current financial assets. Financial liabilities are mostly recorded within current liabilities (EUR 151.1 million), due to the non-compliance with certain financial covenants. In this regard, on May 27, 2024 the Group obtained a waiver and redesigned such financial covenants starting from 2024.

The Business Plan includes positive cash perspectives for the next 12 months, consistent with the expected development of the business, the generation of positive and progressively increasing operating cash flow starting from 2024, and positive net cash flow (resulting in a progressive reduction of net financial debt) starting from 2025.

The assumptions underlying the development of the Business Plan and, therefore, the subsequent evaluations regarding the going concern assumption, are characterized by a high level of uncertainty inherent in forecasting data based on future events. Considering the evaluations and judgments required by the directors in developing the assumptions and preparing forecast data, and their potential future implications on the going concern assumption, we deemed it represented a key audit matter.

The financial statement disclosure regarding business continuity is provided in the paragraph "Going-concern assumption" of the explanatory notes to the consolidated financial statements.

the mathematical accuracy of the provisions made.

Finally, we reviewed the disclosures provided in the explanatory notes to the consolidated financial statements as of December 31, 2023.

Our audit procedures in response to the key audit matter included, among others:

- understanding the key elements of the directors' assessment regarding the adoption of the going concern assumption;
- obtaining and reviewing the agreements signed on May 27, 2024, with the relevant financial institutions;
- analysis of the economic and financial forecasts for future periods included in the Business Plan and the reasonableness of the key assumptions underlying those forecasts, with the support of our valuation experts;
- assessment of the cash flow plan prepared by the directors;
- analysis of the quarterly financial results as of March 31, 2024, and the current order backlog;
- review of the corporate books of Antares Vision S.p.A.

Finally, we reviewed the information provided in the explanatory notes to the consolidated financial statements as of December 31, 2023.

## Responsibilities of Directors and Those Charged with Governance for the Consolidated Financial Statements

The Directors are responsible for the preparation of the consolidated financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Group's ability to continue as a going concern and, when preparing the consolidated financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the consolidated financial statements on a going concern basis unless they either intend to liquidate the Parent Company Antares Vision S.p.A. or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee ("Collegio Sindacale") is responsible, within the terms provided by the law, for overseeing the Group's financial reporting process.

## Auditor's Responsibilities for the Audit of the Consolidated Financial Statements

Our objectives are to obtain reasonable assurance about whether the consolidated financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor's report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these consolidated financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the consolidated financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Group's internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors' use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Group's ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor's report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor's report. However, future events or conditions may cause the Group to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the consolidated financial statements, including the disclosures, and whether the consolidated financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

- we have obtained sufficient appropriate audit evidence regarding the financial information of the entities within the Group to express an opinion on the consolidated financial statements. We are responsible for the direction, supervision and performance of the group audit. We remain solely responsible for our audit opinion.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor's report.

## Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Antares Vision S.p.A., in the general meeting held on February 22, 2021, engaged us to perform the audits of the consolidated financial statements for each of the years ending December 31, 2021 to December 31, 2029.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Group in conducting the audit.

We confirm that the opinion on the consolidated financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

## Report on compliance with other legal and regulatory requirements

### Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Antares Vision S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF - European Single Electronic Format) (the "Delegated Regulation") to the consolidated financial statements, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the consolidated financial statements as at December 31, 2023 with the provisions of the Delegated Regulation.

In our opinion, the consolidated financial statements as at December 31, 2023 have been prepared in the XHTML format and have been marked-up, in all material aspects, in compliance with the provisions of the Delegated Regulation.

Due to certain technical limitations, some information included in the explanatory notes to the consolidated financial statements when extracted from the XHTML format to an XBRL instance may not be reproduced in an identical manner with respect to the corresponding information presented in the consolidated financial statements in XHTML format.



Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Antares Vision S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Antares Vision Group as at December 31, 2023, including their consistency with the related consolidated financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the consolidated financial statements of Antares Vision Group as at December 31, 2023 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the consolidated financial statements of Antares Vision Group as at December 31, 2023 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.

Statement pursuant to article 4 of Consob Regulation implementing Legislative Decree n. 254, dated 30 December 2016

The Directors of Antares Vision S.p.A. are responsible for the preparation of the non-financial information pursuant to Legislative Decree n. 254, dated 30 December 2016. We have verified that non-financial information have been approved by Directors.

Pursuant to article 3, paragraph 10, of Legislative Decree n. 254, dated 30 December 2016, such non-financial information are subject to a separate compliance report signed by us.

Brescia, June 19<sup>th</sup>, 2024

EY S.p.A.  
Signed by: Andrea Barchi, Auditor

*This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*



# Antares Vision S.p.A.

Financial statements as at December 31, 2023

Independent auditor's report pursuant to article 14 of  
Legislative Decree n. 39, dated 27 January 2010, and article  
10 of EU Regulation n. 537/2014

Independent auditor's report pursuant to article 14 of Legislative Decree n. 39, dated 27 January 2010 and article 10 of EU Regulation n. 537/2014  
(Translation from the original Italian text)

To the Shareholders of  
Antares Vision S.p.A.

## Report on the Audit of the Financial Statements

### Opinion

We have audited the financial statements of Antares Vision S.p.A. (the Company), which comprise the statement of financial position as at December 31, 2023, the income statement, the statement of other comprehensive income, the statement of changes in equity and the cash flows statement for the year then ended, and notes to the financial statements, including material accounting policy information.

In our opinion, the financial statements give a true and fair view of the financial position of the Company as at December 31, 2023, and of its financial performance and its cash flows for the year then ended in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005.

### Basis for Opinion

We conducted our audit in accordance with International Standards on Auditing (ISA Italia). Our responsibilities under those standards are further described in the *Auditor's Responsibilities for the Audit of the Financial Statements* section of our report. We are independent of the Company in accordance with the regulations and standards on ethics and independence applicable to audits of financial statements under Italian Laws. We believe that the audit evidence we have obtained is sufficient and appropriate to provide a basis for our opinion.

### Key Audit Matters

Key audit matters are those matters that, in our professional judgment, were of most significance in our audit of the financial statements of the current period. These matters were addressed in the context of our audit of the financial statements as a whole, and in forming our opinion thereon, and we do not provide a separate opinion on these matters.

We identified the following key audit matters:

Key Audit Matter	Audit Response
<p>Restatement for Errors and Changes in Accounting Principles (IAS 8)</p> <p>Following an internal investigation and in compliance with IAS 8, comparative data for the years 2021 and 2022 presented in the consolidated financial statements of Antares Vision Group as of December 31, 2023, have been restated, mainly in connection with revenues and trade receivables related to the government software hub business ("L5 Business ") conducted by the subsidiary RfXcel Corporation ("RfXcel"), as well as the related taxes.</p> <p>In particular, the internal investigation revealed that RfXcel had issued invoices for services not actually carried out and that certain previous members of the subsidiary's American management had created documentation to certify the alleged execution of these services, causing the consequent recording of revenue which, based on the relevant accounting principles, should not have been accounted for.</p> <p>The restatement of the financial statements for the year ended December 31, 2022, resulted in non-compliance with financial covenants measured on the consolidated balance sheet. Therefore, medium to long-term financial debts disclosed in the financial statements and subject to these covenants were reclassified as current liabilities for EUR 124.1 million. Considering the complexity of the matter and its accounting implications, we deemed it a key audit matter.</p> <p>The financial statement disclosure regarding the aforementioned restatement is provided in the paragraph " Restatement for errors and changes in accounting standards (IAS 8)" of the explanatory notes to the financial statements.</p>	<p>Our audit procedures in response to the key audit matter included, among others:</p> <ul style="list-style-type: none"> <li>• understanding the elements underlying the directors' assessment of such matter;</li> <li>• meetings with the governance bodies and with the Board of Directors' committee in charge of the relations with the third parties responsible for the independent investigations, in order to monitor the progress of the ongoing investigation;</li> <li>• obtaining and assessing the report prepared by the law firm Goodwin Procter LLP, supported by the accounting consultancy firm Charles River Associates, containing the findings of the independent investigation conducted;</li> <li>• assessment of the accounting implications of the restatement.</li> </ul> <p>Finally, we examined the information provided in the explanatory notes to the financial statements as of December 31, 2023.</p> <p>In carrying out the aforementioned procedures, we relied on the support of EY experts in forensics, valuation, and tax matters.</p>
<p>Valuation of investments in subsidiaries and goodwill</p> <p>The investments in controlled companies recorded in the Company's financial statements at cost, amount to EUR 211.7 million, net of impairment losses recorded during the year amounting to EUR 18.2 million. The goodwill reported in Antares Vision S.p.A. financial statements as of December 31, 2023, amounts to EUR 12.3 million.</p> <p>The recoverable amounts of the investments held in Antares Vision Inc. and FT System Srl,</p>	<p>Our audit procedures in response to the key audit matter included, among other things:</p> <ul style="list-style-type: none"> <li>• understanding the procedures and key controls implemented by the Company regarding the valuation of investments and goodwill;</li> <li>• assessing the reasonableness of the multiples and earnings used by the Directors to estimate the recoverable value of investments and the net invested capital of the parent company;</li> </ul>

and the invested capital of Antares Vision S.p.A., have been determined using the multiples method.

The processes and methods for the valuation and determination of the recoverable value of investments and goodwill are based on sometimes complex assumptions that inherently involve the judgment of the Directors, particularly concerning the estimation of multiples and the forecast of the Company's and subsidiaries' earnings. Considering the judgment required and the complexity of the assumptions used in estimating the recoverable amounts of investments and goodwill, we deemed it represented a key audit matter.

The financial statement disclosure related to investments is provided in the "Investments" paragraph and in note 4. "Investments" of the explanatory notes to the financial statements.

The financial statement disclosure related to goodwill is provided in the "Goodwill" paragraph and in note 2. "Goodwill" of the explanatory notes to the financial statements.

In carrying out the procedures, we relied on the assistance of our EY valuation experts, who performed an independent recalculation and conducted sensitivity analyses on the key assumptions to determine the changes in assumptions that could significantly impact the assessment of the recoverable amount.

Finally, we reviewed the disclosures provided in the explanatory notes to the financial statements as of December 31, 2023.

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#### Revenue recognition

The financial statements of Antares Vision S.p.A. as of December 31, 2023, include revenues from contracts with customers amounting to EUR 92.5 million.

The Company enters contracts with customers that may involve commitments to deliver machinery and software, as well as to provide installation and support services.

The processes and methods for revenue recognition for such contracts with customers, including the identification of contractual obligations and related revenues, are based on sometimes complex assumptions that inherently require the judgment of the Directors.

Considering the judgment required and the complexity of the assumptions used in determining revenue recognition for these contracts, we deemed it represented a key audit matter.

The financial statement disclosure regarding revenues is provided in the paragraph "Revenue from contracts with customers" and in note 26. "Revenue" of the explanatory notes to the financial statements.

Our audit procedures in response to the key audit matter included, among others:

- understanding the procedure and key controls implemented by the Company regarding revenue recognition;
- for a sample of transactions, we conducted the following procedures: reading contracts or equivalent documentation, verifying the identification of obligations and conditions for revenue recognition related to these performance obligations, verifying the measurement of revenue, its recognition, and the mathematical accuracy of the provisions made.

Finally, we reviewed the disclosures provided in the explanatory notes to the financial statements as of December 31, 2023.

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#### Assessment on going concern

The financial statements of Antares Vision S.p.A. as of December 31, 2023, reported a net equity of EUR 211.4 million, inclusive of a net loss for the year of EUR 43.5 million and a net financial position of EUR 137.3 million, of which

Our audit procedures in response to the key audit matter included, among others:

- understanding the key elements of the directors' assessment regarding the adoption of the going concern assumption;

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EUR 166.3 million relates to financial liabilities and EUR 29 million to cash, banks and other current financial assets. Financial liabilities are mostly recorded within current liabilities (EUR 157.7 million), due to the non-compliance with certain financial covenants. In this regard, on May 27, 2024, the Company obtained a waiver and redesigned such financial covenants starting from 2024.

On March 4, 2024, the Board of Directors of Antares Vision S.p.A. approved the strategic guidelines and the 2024-2026 business plan ("the Business Plan"), which includes positive cash perspectives for the next 12 months, consistent with the expected development of the business, the generation of positive and progressively increasing operating cash flow starting from 2024, and positive net cash flow (resulting in a progressive reduction of net financial debt) starting from 2025.

The assumptions underlying the development of the Business Plan and, therefore, the subsequent evaluations regarding the going concern assumption, are characterized by a high level of uncertainty inherent in forecasting data based on future events. Considering the evaluations and judgments required by the directors in developing the assumptions and preparing forecast data and their potential future implications on the going concern assumption, we deemed it represented a key audit matter.

The financial statement disclosure regarding going concern is provided in the paragraph "Going-concern assumption" of the explanatory notes to the financial statements.

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- obtaining and reviewing the agreements signed on May 27, 2024 with the relevant financial institutions;
- analysis of the economic and financial forecasts for future periods included in the Business Plan and the reasonableness of the key assumptions underlying those forecasts, with the support of our valuation experts;
- assessment of the cash flow plan prepared by the directors;
- analysis of the quarterly financial results as of March 31, 2024, and the current order backlog;
- review of the corporate books of Antares Vision S.p.A..

Finally, we reviewed the information provided in the explanatory notes to the financial statements as of December 31, 2023.

## Responsibilities of Directors and Those Charged with Governance for the Financial Statements

The Directors are responsible for the preparation of the financial statements that give a true and fair view in accordance with International Financial Reporting Standards as adopted by the European Union and with the regulations issued for implementing art. 9 of Legislative Decree n. 38/2005, and, within the terms provided by the law, for such internal control as they determine is necessary to enable the preparation of financial statements that are free from material misstatement, whether due to fraud or error.

The Directors are responsible for assessing the Company's ability to continue as a going concern and, when preparing the financial statements, for the appropriateness of the going concern assumption, and for appropriate disclosure thereof. The Directors prepare the financial statements on a going concern basis unless they either intend to liquidate the Company or to cease operations, or have no realistic alternative but to do so.

The statutory audit committee (“Collegio Sindacale”) is responsible, within the terms provided by the law, for overseeing the Company’s financial reporting process.

## Auditor’s Responsibilities for the Audit of the Financial Statements

Our objectives are to obtain reasonable assurance about whether the financial statements as a whole are free from material misstatement, whether due to fraud or error and to issue an auditor’s report that includes our opinion. Reasonable assurance is a high level of assurance, but is not a guarantee that an audit conducted in accordance with International Standards on Auditing (ISA Italia) will always detect a material misstatement when it exists. Misstatements can arise from fraud or error and are considered material if, individually or in aggregate, they could reasonably be expected to influence the economic decisions of users taken on the basis of these financial statements.

As part of an audit in accordance with International Standards on Auditing (ISA Italia), we have exercised professional judgment and maintained professional skepticism throughout the audit. In addition:

- we have identified and assessed the risks of material misstatement of the financial statements, whether due to fraud or error, designed and performed audit procedures responsive to those risks, and obtained audit evidence that is sufficient and appropriate to provide a basis for our opinion. The risk of not detecting a material misstatement resulting from fraud is higher than for one resulting from error, as fraud may involve collusion, forgery, intentional omissions, misrepresentations, or the override of internal control;
- we have obtained an understanding of internal control relevant to the audit in order to design audit procedures that are appropriate in the circumstances, but not for the purpose of expressing an opinion on the effectiveness of the Company’s internal control;
- we have evaluated the appropriateness of accounting policies used and the reasonableness of accounting estimates and related disclosures made by the Directors;
- we have concluded on the appropriateness of Directors’ use of the going concern basis of accounting and, based on the audit evidence obtained, whether a material uncertainty exists related to events or conditions that may cast significant doubt on the Company’s ability to continue as a going concern. If we conclude that a material uncertainty exists, we are required to draw attention in our auditor’s report to the related disclosures in the financial statements or, if such disclosures are inadequate, to consider this matter in forming our opinion. Our conclusions are based on the audit evidence obtained up to the date of our auditor’s report. However, future events or conditions may cause the Company to cease to continue as a going concern;
- we have evaluated the overall presentation, structure and content of the financial statements, including the disclosures, and whether the financial statements represent the underlying transactions and events in a manner that achieves fair presentation.

We have communicated with those charged with governance, identified at an appropriate level as required by ISA Italia, regarding, among other matters, the planned scope and timing of the audit and significant audit findings, including any significant deficiencies in internal control that we identify during our audit.

We have provided those charged with governance with a statement that we have complied with the ethical and independence requirements applicable in Italy, and we have communicated them all matters that may reasonably be thought to bear on our independence, and where applicable, the actions taken to eliminate relevant risks or the safeguard measures applied.

From the matters communicated with those charged with governance, we have determined those matters that were of most significance in the audit of the financial statements of the current period and are therefore the key audit matters. We have described these matters in our auditor’s report.

## Additional information pursuant to article 10 of EU Regulation n. 537/14

The shareholders of Antares Vision S.p.A., in the general meeting held on February 22, 2021, engaged us to perform the audits of the financial statements for each of the years ending December 31, 2021 to December 31, 2029.

We declare that we have not provided prohibited non-audit services, referred to article 5, par. 1, of EU Regulation n. 537/2014, and that we have remained independent of the Company in conducting the audit.

We confirm that the opinion on the financial statements included in this report is consistent with the content of the additional report to the audit committee (Collegio Sindacale) in their capacity as audit committee, prepared pursuant to article 11 of the EU Regulation n. 537/2014.

## Report on compliance with other legal and regulatory requirements

### Opinion on the compliance with Delegated Regulation (EU) 2019/815

The Directors of Antares Vision S.p.A. are responsible for applying the provisions of the European Commission Delegated Regulations (EU) 2019/815 for the regulatory technical standards on the specification of a single electronic reporting format (ESEF – European Single Electronic Format) (the “Delegated Regulation”) to the financial statements, to be included in the annual financial report.

We have performed the procedures under the auditing standard SA Italia n. 700B, in order to express an opinion on the compliance of the financial statements as at December 31, 2023 with the provisions of the Delegated Regulation.

In our opinion, the financial statements as at December 31, 2023 have been prepared in the XHTML format in compliance with the provisions of the Delegated Regulation.

### Opinion pursuant to article 14, paragraph 2, subparagraph e), of Legislative Decree n. 39 dated 27 January 2010 and of article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998

The Directors of Antares Vision S.p.A. are responsible for the preparation of the Report on Operations and of the Report on Corporate Governance and Ownership Structure of Antares Vision S.p.A. as at December 31, 2023, including their consistency with the related financial statements and their compliance with the applicable laws and regulations.

We have performed the procedures required under audit standard SA Italia n. 720B, in order to express an opinion on the consistency of the Report on Operations and of specific information included in the Report on Corporate Governance and Ownership Structure as provided for by article 123-bis, paragraph 4, of Legislative Decree n. 58, dated 24 February 1998, with the financial statements of Antares Vision S.p.A. as at December 31, 2023 and on their compliance with the applicable laws and regulations, and in order to assess whether they contain material misstatements.

In our opinion, the Report on Operations and the above mentioned specific information included in the Report on Corporate Governance and Ownership Structure are consistent with the financial statements of Antares Vision S.p.A. as at December 31, 2023 and comply with the applicable laws and regulations.

With reference to the statement required by art. 14, paragraph 2, subparagraph e), of Legislative Decree n. 39, dated 27 January 2010, based on our knowledge and understanding of the entity and its environment obtained through our audit, we have no matters to report.



Statement pursuant to article 4 of Consob Regulation implementing Legislative Decree n. 254, dated 30 December 2016

The Directors of Antares Vision S.p.A. are responsible for the preparation of the non-financial information pursuant to Legislative Decree n. 254, dated 30 December 2016. We have verified that non-financial information have been approved by Directors.

Pursuant to article 3, paragraph 10, of Legislative Decree n. 254, dated 30 December 2016, such non-financial information are subject to a separate compliance report signed by us.

Brescia, June 19<sup>th</sup>, 2024

EY S.p.A.  
Signed by: Andrea Barchi, Auditor

*This independent auditor's report has been translated into the English language solely for the convenience of international readers. Accordingly, only the original text in Italian language is authoritative.*

## **RELAZIONE DEL COLLEGIO SINDACALE ALL'ASSEMBLEA DEI SOCI**

**ai sensi dell'art. 153 T.U.F. e dell'art. 2429, co. 2, c.c.**

**ANTARES VISION S.P.A.**

Signori Azionisti,

con la presente relazione (di seguito anche la "Relazione") il Collegio Sindacale di Antares Vision S.p.A. (di seguito anche la "Società"), Vi riferisce sull'attività di vigilanza svolta nel corso dell'esercizio che si è chiuso il 31 dicembre 2023 e sui relativi esiti, secondo quanto prescritto dalla legge e dai principi di riferimento. Il Collegio ha svolto la propria attività istituzionale in ossequio alle norme e ai principi di comportamento raccomandati dal Consiglio Nazionale dei Dottori Commercialisti e degli Esperti Contabili e redige la presente Relazione tenendo conto anche delle indicazioni fornite dalla Comunicazione Consob n. DEM 1025564 del 6 aprile 2001, e successive integrazioni, in considerazione del fatto che le azioni della Società sono quotate sul Mercato Telematico Azionario - Segmento STAR. Inoltre, avendo la Società adottato il modello di governance tradizionale, il Collegio Sindacale si identifica con il "Comitato per il controllo interno e la revisione contabile" cui competono ulteriori specifiche funzioni di controllo e monitoraggio in tema di informativa finanziaria e revisione legale previste dall'art. 19 del D. Lgs. 27 gennaio 2010 n. 39, così come modificato dal D.Lgs. 17 luglio 2016, n.135.

### **1. Premessa.**

Il Collegio Sindacale è stato nominato - ai sensi di legge e di Statuto - in base a liste presentate dagli Azionisti, tenuto conto anche delle previsioni in materia di equilibrio tra i generi, dall'Assemblea degli azionisti di Antares Vision S.p.A. in data 22 febbraio 2021 (con effetti dalla data di avvio delle negoziazioni sul Mercato Telematico Azionario, oggi Euronext Star Milan). In data 13 dicembre 2023, il Presidente del Collegio Sindacale, dott. Enrico Broli, ed il Sindaco Supplente, dott. Paolo Belleri, hanno rassegnato le proprie dimissioni con effetto immediato. Per l'effetto di quanto precede, ai sensi di legge e di statuto, il dott. Germano Giancarli è diventato Presidente del Collegio Sindacale ed è subentrata nella carica di Sindaco Effettivo la Dott.ssa Ramona Corti, anch'ella inserita, quale Sindaco Supplente, nell'unica lista presentata dall'azionista di maggioranza Regolo S.p.A. all'Assemblea ordinaria degli Azionisti del 22 febbraio 2021.

L'Assemblea ordinaria degli Azionisti del 28 febbraio 2024 ha, *inter alia*, provveduto ad integrare il

Collegio Sindacale ai sensi dell'art. 2401 del Codice Civile, confermando la dott.ssa Ramona Corti quale Sindaco Effettivo, il dott. Germano Giancarli quale Presidente del Collegio Sindacale e ha nominato la dott.ssa Raffaella Piraccini e il dott. Francesco Mazzoletti quali Sindaci Supplenti. Il Collegio Sindacale, nella composizione sopra delineata, resterà in carica sino alla scadenza del Collegio Sindacale attualmente in carica e, dunque, sino alla data dell'Assemblea convocata per l'approvazione del bilancio relativo all'esercizio chiuso al 31 dicembre 2023.

L'Assemblea degli Azionisti di Antares Vision S.p.A. in data 22 febbraio 2021 (con effetto dalla data di avvio delle negoziazioni sul Mercato Telematico Azionario, oggi Euronext Star Milan) ha nominato EY S.p.A., con sede legale in Roma, Via Lombardia n. 31, iscritta al Registro delle Imprese di Roma, numero di iscrizione, codice fiscale e partita IVA 00434000584 e al n. 70945 del Registro dei Revisori Legali presso il Ministero dell'Economia e delle Finanze di cui agli artt. 6 e seguenti del D.Lgs. n. 39/2010, come modificato dal D.Lgs. n. 135/2016, quale società incaricata dalla revisione dei conti per gli esercizi dal 2021 al 2029.

Il Collegio ha esaminato il bilancio d'esercizio al 31 dicembre 2023, composto dai seguenti documenti che sono stati predisposti dagli Amministratori e trasmessi al Collegio Sindacale:

- Progetto di Bilancio di esercizio al 31/12/2023;
- Bilancio consolidato al 31/12/2023 ;
- Dichiarazione Non Finanziaria ex D. Lgs. 30/12/2016 n. 254.

## ***2. Attività di vigilanza sull'osservanza della legge e dello statuto***

Nel corso dell'esercizio 2023, il Collegio ha svolto l'attività di vigilanza prevista dalla normativa vigente con particolare riferimento all'art. 2403 del Codice Civile e – per quanto applicabile – all'art. 149 del D. Lgs. 58/98 1° e 2° comma e successive modifiche o integrazioni, ed ha vigilato, per gli aspetti di competenza, sull'osservanza della legge e dello statuto.

Il Collegio ha inoltre vigilato sull'osservanza degli obblighi informativi in materia di informazioni regolamentate, privilegiate o richieste dall'autorità di vigilanza.

Il Collegio ha programmato le proprie attività alla luce del quadro normativo di riferimento, nonché dando corso alle verifiche ritenute più opportune in relazione alle dimensioni strutturali della Società e

alla natura e alle modalità di perseguimento dell'oggetto sociale.

L'esercizio delle attività di controllo è avvenuto anche attraverso:

- incontri periodici con i responsabili delle funzioni aziendali, organizzati al fine di acquisire le informazioni e i dati di volta in volta utili e opportuni;
- la partecipazione alle riunioni dell'Assemblea degli Azionisti e alle adunanze del Consiglio di Amministrazione e dei comitati endoconsiliari;
- lo scambio informativo periodico con la Società di Revisione, anche in ossequio a quanto previsto dalla normativa;
- lo scambio di informazioni con l'Organismo di Vigilanza e con la Funzione di *Internal Audit*.

Il Collegio rammenta che il Consiglio di Amministrazione ha istituito al proprio interno un Comitato per le Nomine e la Remunerazione ed un Comitato Controllo, Rischi e Sostenibilità (che svolge anche le funzioni di Comitato per le Operazioni con Parti Correlate) con funzioni consultive, propositive e istruttorie, secondo le disposizioni degli articoli 4, 5 e 6 del Codice di Autodisciplina.

Più in dettaglio, nel corso dell'esercizio 2023, il Collegio Sindacale:

- ha partecipato a 15 riunioni del Consiglio di Amministrazione e a 1 Assemblea degli Azionisti;
- ha svolto l'attività di vigilanza attraverso 26 riunioni del Collegio Sindacale (compresa l'attività sul bilancio di esercizio);
- ha partecipato a 8 riunioni del Comitato Controllo, Rischi e Sostenibilità;
- ha partecipato a 4 riunioni del Comitato Nomine e Remunerazione.

Il Collegio Sindacale ha svolto le proprie attività con un approccio *risk-based* finalizzato a individuare e valutare gli eventuali elementi di maggiore criticità con una frequenza di intervento graduato secondo la rilevanza del rischio percepito.

### **3. Attività di vigilanza sull'osservanza della legge e dello statuto**

Il Collegio Sindacale ha acquisito dagli Amministratori, anche tramite la partecipazione alle riunioni del Consiglio di Amministrazione, nel rispetto della periodicità normativamente prevista, le dovute informazioni sull'attività svolta e sulle operazioni di maggiore rilievo economico, finanziario e patrimoniale, deliberate e poste in essere dalla Società e dalle sue controllate.

Sulla base delle informazioni rese disponibili al Collegio, lo stesso può ragionevolmente affermare che le suddette operazioni siano conformi alla legge ed allo statuto sociale e non siano manifestamente imprudenti, azzardate o in contrasto con le delibere assunte dall'Assemblea o tali da compromettere

l'integrità del patrimonio sociale.

Tra gli eventi significativi verificatisi, il Collegio rimanda a quanto evidenziato dagli Amministratori nelle Note Esplicative e che di seguito si riportano:

- *“Come comunicato al mercato il 13 dicembre 2023, a partire dalla seconda metà del 2023, il management team della capogruppo Antares Vision ha avviato un’attività di verifica del business degli Hub Software Governativi (“Business L5”), dedicati a supportare le autorità governative nell’implementazione delle nuove normative sulla tracciabilità dei farmaci negli Stati Uniti, in Africa, Asia e Medio Oriente. Detta verifica, focalizzata sulla filiale americana rfxcel Corp., si è resa necessaria a seguito dei crescenti ritardi negli incassi dei crediti del Business L5 ed è stata avviata con l’obiettivo di stimare la recuperabilità dei crediti del Business L5, anche in relazione alle previsioni di incasso formulate dal precedente management di rfxcel. Gli esiti di tali indagini, effettuate anche con l’ausilio dello studio legale Goodwin Procter LLP, supportato dalla società di consulenza contabile Charles River Associates, hanno confermato che parte dei ricavi di rfxcel negli esercizi 2021, 2022 e 2023, che hanno contribuito alla formazione del bilancio consolidato di Antares Vision sono stati contabilizzati in modo non conforme ai principi contabili, e si configurano, pertanto, come degli errori da rettificare ai sensi del principio di cui allo IAS8. In estrema sintesi, le risultanze di tali verifiche hanno fatto emergere, principalmente, che taluni esponenti del precedente management americano di rfxcel hanno rappresentato in modo non veritiero ad Antares Vision lo stato dei contratti relativi al Business L5. In particolare, l’indagine interna avviata dalla società ha fatto emergere l’emissione da parte di rfxcel di fatture per prestazioni non effettivamente realizzate, nonché la creazione, da parte di taluni precedenti esponenti del management americano della controllata, di documentazione volta ad attestare l’asserita esecuzione delle citate prestazioni, con la conseguente registrazione di ricavi per circa 50 milioni (nel periodo 2021-2023) che, in base ai principi contabili rilevanti, non avrebbero dovuto essere contabilizzati. Tali comportamenti hanno indotto in errore la capogruppo in merito all’effettiva entità dei ricavi di rfxcel e al reale stato di avanzamento del Business L5. A seguito di un approfondimento delle verifiche contabili interne, sempre relative alla filiale statunitense rfxcel, è emersa la necessità di provvedere alla rettifica anche di taluni ricavi verso clienti non associati al Business L5. Prevalentemente, i dati oggetto di rettifica risalgono al periodo precedente all’acquisizione di rfxcel da parte del gruppo Antares Vision. A seguito delle verifiche condotte, pertanto, sono stati rilevati errori che ricadono nella definizione del principio contabile internazionale (IAS) 8 e che, ai fini di un’adeguata informativa, hanno richiesto la predisposizione del bilancio consolidato restated relativo all’esercizio 2022 (con indicazione anche degli effetti sulle*

voci contabili relative all'esercizio 2021) nell'ambito del presente bilancio consolidato 2023. Gli effetti di detto restatement sono dettagliatamente rappresentati nelle apposite sezioni del presente documento. A seguito di quanto sopra illustrato, la capogruppo Antares Vision, in un'ottica di discontinuità rispetto alla precedente gestione della controllata americana, ha attuato una decisa strategia di reazione che ha coinvolto, ciascuno per le rispettive aree di competenza, tutti gli organi di controllo del gruppo e che ha finora comportato, inter alia:

- i. l'immediato allontanamento dal gruppo dei soggetti individuati come responsabili di tali condotte;
  - ii. la riorganizzazione del management di rfxcel;
  - iii. la tempestiva informazione del mercato sul probabile impatto delle irregolarità riscontrate sulla situazione economica e finanziaria del gruppo;
  - iv. la negoziazione di taluni accordi con i relativi istituti finanziari che prevedono, tra l'altro, un waiver per il mancato rispetto dei covenant finanziari 2022 e 2023 e la rimodulazione degli stessi a partire dall'esercizio 2024, la cui sottoscrizione è avvenuta in data 27 maggio 2024";
- "In data 15 gennaio 2024 Antares Vision rendeva noto che erano in corso i lavori per la predisposizione del budget consolidato per l'esercizio 2024, rispetto al quale il top management della Società aveva deciso di adottare (alla luce delle verifiche legali e contabili di cui sopra) un approccio prudenziale con riferimento ai ricavi del Business L5 di rfxcel, che, quindi, non erano stati considerati nel budget medesimo, se non sulla base di un'alta probabilità d'incasso (probabilità stimata sulla base delle informazioni disponibili e di attente verifiche con i clienti). A prescindere dai risultati della verifica, il Consiglio di Amministrazione della Società stimava, inoltre, che (adottando anche per il secondo semestre 2023 il medesimo approccio prudenziale usato nel budget 2024 nella contabilizzazione dei ricavi L5 di rfxcel) si sarebbe generato un impatto sull'EBITDA del Gruppo tale da non consentire, per tutti i finanziamenti e prestiti obbligazionari a medio-lungo termine, il raggiungimento della soglia minima di circa Euro 29 milioni di EBITDA necessaria per garantire il rispetto dei covenant finanziari, tarati sul rapporto PFN/EBITDA al 31 dicembre 2023. Conseguentemente, dopo l'approvazione del bilancio consolidato al 31 dicembre 2023, i finanziatori, in base ai termini contrattuali, avrebbero potuto richiedere il rimborso anticipato dei finanziamenti per il mancato rispetto dei covenant. Per tale ragione, al fine di supportare la Società nella rinegoziazione dell'indebitamento obbligazionario e finanziario, Antares Vision conferiva a Mediobanca S.p.A. l'incarico di Financial Advisor per effettuare un'analisi della situazione finanziaria del Gruppo Antares Vision e fornire il supporto necessario nell'individuazione di una strategia di riorganizzazione e ottimizzazione della medesima. Il

*mancato rispetto dei covenant veniva confermato in data 23 aprile 2024. In data 30 aprile 2024 Antares Vision comunicava che era stato raggiunto un accordo di massima con i soggetti finanziatori che prevedeva la rimodulazione dei covenant finanziari sia per l'esercizio 2023, sia per gli esercizi successivi. La completa formalizzazione degli accordi definitivi avveniva in data 27 maggio 2024, garantendo così la continuità aziendale del Gruppo Antares Vision, in tale data, si è ultimato il processo di negoziazione con gli istituti finanziari e sono stati sottoscritti formali accordi che prevedono un waiver per il mancato rispetto del covenant finanziario 2022 e 2023, che prevedeva un PFN/EBITDA non superiore a 3,5 e la rimodulazione degli stessi a partire dall'esercizio 2024, per un nuovo valore di PFN/EBITDA non superiore a 5,75 per il periodo di testing al 30 giugno 2024, non superiore a 4,5 per i periodi di testing al 31 dicembre 2024 e al 30 giugno 2025 e non superiore a 3,5 per i rimanenti periodi di testing."*

Con riferimento a quanto sopra riportato, il Collegio ha ritenuto di dovere provvedere a segnalazioni, ai sensi dell'art. 149 TUF in relazione a rilevati profili di non immediatezza e completezza informativa a beneficio degli organi collegiali come pure in coerenza con le previsioni del Codice delle Crisi d'Impresa e dell'Insolvenza.

Il Collegio rimanda a quanto indicato dagli Amministratori nelle Note Esplicative del bilancio di esercizio al 31.12.2023 per la descrizione degli ulteriori eventi verificatisi nell'annualità in esame nonché per quelli successivi alla chiusura dell'esercizio.

#### **4. Attività di vigilanza sull'adeguatezza dell'assetto organizzativo**

Nel corso dell'esercizio in esame, il Collegio Sindacale ha acquisito conoscenza e vigilato, per quanto di propria competenza, sull'adeguatezza dell'assetto organizzativo della Società in relazione alle dimensioni e alla natura dell'attività sociale.

In particolare, il Collegio Sindacale ha monitorato le principali evoluzioni dell'assetto organizzativo della Società anche alla luce delle attività di implementazione del nuovo modello operativo adottato dalla Società, volto all'efficientamento dei processi esistenti in considerazione della crescita della dimensione del Gruppo e della necessità di integrare le diverse entità giuridiche oggetto di acquisizione successivamente alla quotazione della Società.

Al riguardo, si segnala che il modello operativo della Società era in principio strutturato attraverso le singole entità giuridiche del Gruppo, con una limitata aggregazione del perimetro e con conseguenti profili di complessità nel coordinamento con la capogruppo Antares. Il nuovo modello operativo, predisposto e adottato dalla Società con il coinvolgimento dei *top manager* e con il supporto di un

primario consulente, ha previsto una standardizzazione dell'organizzazione tra le aree di *business*, con l'introduzione delle "Unità di Prodotto" e di un coordinamento delle attività delle singole entità con la capogruppo Antares attraverso l'istituzione di funzioni centralizzate di *Project Management, Tech, Operations, Service (Install)* e *Staff* (Amministrazione Finanza e Controllo, *HR, IT e Marketing*). Il nuovo modello operativo si pone l'obiettivo di conseguire una maggiore integrazione della struttura sulla base di aree di *business* al fine di coprire i principali mercati in cui opera la Società, nonché di fornire soluzioni maggiormente integrate di servizi e *software* e di sfruttare le possibilità di *cross selling* derivanti dalle relazioni commerciali consolidate all'interno del Gruppo.

Per quanto concerne la reportistica (in principio organizzata per entità giuridica con modelli differenti adottati dalle singole filiali), il nuovo modello operativo prevede una nuova tipologia di rendicontazione *standard*, attraverso la quale viene effettuato un più efficiente monitoraggio delle commesse e dei relativi tempi di consegna. Per quanto concerne il processo di *budget* (in principio eseguito a livello di unità di prodotto, con limitato coinvolgimento delle funzioni aziendali), il nuovo modello operativo ha introdotto una nuova metodologia di predisposizione, considerando ulteriori parametri (es. la tipologia di prodotto, la stima aggiornata del COGS a livello di macchina, la valutazione del costo del lavoro in base allo sforzo pianificato) e coinvolgendo attivamente le varie funzioni della struttura, nonché introducendo riunioni periodiche per agevolare una più immediata visibilità e allocazione di responsabilità sui risultati e sul *budget* in tutto il Gruppo.

L'effettiva implementazione del nuovo modello operativo decorre dal 1° gennaio 2024; a tal proposito, il Collegio dà atto che a seguito dell'inserimento in organico del nuovo Direttore Generale, come in seguito meglio specificato, il modello adottato dalla Società, unitamente a talune sue applicazioni, ha necessitato di ulteriori implementazioni e affinamenti rispetto all'evoluzione operativa dello stesso, al fine di renderlo più idoneo al rispetto dei principi di corretta ed efficiente amministrazione nella prassi operativa.

La Società ha parimenti intrapreso, nell'esercizio in commento, anche in ragione dell'implementazione del modello operativo come sopra descritto, un processo di rafforzamento della struttura organizzativa che si è consolidato nel corso dell'esercizio 2024. Nello specifico, in data 23 gennaio 2024, l'ing. Gianluca Mazzantini ha assunto la posizione di Direttore Generale e, successivamente, è stato nominato Amministratore Delegato della Società, dopo essere stato nominato quale Amministratore dall'Assemblea degli Azionisti del 28 febbraio 2024. Nella medesima data del 28 febbraio 2024, l'Emittente ha reso nota l'assunzione di Carlo Corollo quale nuovo *Chief HR Officer* e la sottoscrizione di accordi vincolanti con il dott. Stefano De Rosa, quale *Group Chief Financial Officer e Head of Finance, Controlling, Administration e Investor Relations*, e con il dott. Alessandro Cazzaniga, quale *Group Head*



*of Controlling.*

Il Collegio ritiene che la struttura organizzativa adottata sia idonea a offrire un maggiore livello di soddisfacimento delle esigenze gestionali, a conseguire un maggiore controllo sull'operatività ed un maggior presidio dei processi aziendali e dei flussi informativi.

Il Collegio Sindacale dà, inoltre, atto che la Società adotta il Modello di Organizzazione, Gestione e Controllo, in conformità a quanto previsto dal D. Lgs. 8 giugno 2001 n. 231, al fine di tutelare la Società da eventuali condotte che possano comportare la responsabilità amministrativa della medesima in relazione ai reati commessi o tentati nel suo interesse o a suo vantaggio da soggetti in posizione cosiddetta "apicale" all'interno della struttura organizzativa o da soggetti sottoposti alla vigilanza e al controllo di questi, e ha nominato l'Organismo di Vigilanza, dotato di autonomi poteri di iniziativa e controllo, in conformità alla disciplina di legge.

Il Collegio Sindacale ha acquisito informazioni dall'Organismo di Vigilanza nel corso di specifici incontri, oltre che dall'esame delle relazioni semestrali da questo predisposte. Non sono state rilevate discrepanze fra quanto rappresentato nei documenti prodotti dal *management*, dall'Organismo di Vigilanza ex D. Lgs. 231/2001 e dalla società incaricata della revisione legale dei conti.

Il Collegio dà inoltre atto che la Società si è adeguata, nei termini di legge, alla nuova normativa *whistleblowing* ai sensi del d.lgs. 10 marzo 2023, n. 24, riguardante la protezione delle persone che segnalano violazioni del diritto dell'Unione e recante disposizioni riguardanti la protezione delle persone che segnalano violazioni delle disposizioni normative nazionali. Nello specifico, la Società: a) ha aggiornato la procedura *whistleblowing*, pubblicata sul sito *internet* della Società; b) si è dotata di un apposito portale per la gestione delle segnalazioni; c) ha individuato un soggetto esterno qualificato e indipendente, per la prima gestione di tutte le Segnalazioni pervenute da qualsiasi società di Antares Vision Group, nel rispetto della normativa vigente. Inoltre, è stato aggiornato il Modello di Organizzazione, Gestione e Controllo ex D. Lgs. 231/01 per includere le novità relative alla procedura *Whistleblowing*.

##### **5. Attività di vigilanza sull'adeguatezza del sistema di controllo interno**

Il Collegio Sindacale ha costantemente verificato e monitorato il Sistema di Controllo Interno e di Gestione dei Rischi ("SCIGR") della Società.

Nella propria relazione al bilancio chiuso al 31 dicembre 2022 il Collegio Sindacale aveva dato atto delle considerazioni del Responsabile dell'*Internal Audit* circa la necessità di porre in essere adeguati interventi di miglioramento e, nel corso dell'esercizio in commento, ha avuto modo di monitorare

l'evoluzione del sistema di controllo interno, analizzando anche l'implementazione dei *remediation plan* definiti dal *Management*, il quale ha sostanzialmente individuato quali misure idonee ed adeguate ad assestare le aree di miglioramento emerse, da un lato, la revisione del modello operativo, avvalendosi del supporto di primaria società di consulenza, come in precedenza descritto e, dall'altro, l'adozione del nuovo sistema gestionale SAP *Enterprise Resource Planning*, inserito nell'ambito di un più ampio e generale progetto consistente in tre *stream* aventi ad oggetto l'implementazione, rispettivamente, del SAP ERP, del *Product Lifecycle Management* per l'ambito della gestione e progettazione tecnica dei prodotti e del *Customer Relationship Management* per la gestione dei clienti. Al riguardo, il Collegio dà atto che il sistema SAP ERP, implementato a decorrere dal 1° aprile 2023, risulta ad oggi operativo a pieno regime, sebbene gli ultimi *fine tuning* siano stati effettuati negli ultimi mesi dell'esercizio in esame.

È opinione dello scrivente organo di controllo che la piena efficacia delle iniziative positivamente intraprese dal *Management* nel corso dell'esercizio 2023 e rese definitive al termine dello stesso possa essere apprezzata verificandosene il funzionamento in congruo lasso temporale più ampio di quello sin qui intercorso.

La Società ha inoltre dato corso ad un percorso di implementazione progressiva di un sistema di gestione del rischio che possa adattarsi alle dimensioni ed alle esigenze del Gruppo, volto ad individuare e valutare i rischi che effettivamente possono compromettere il raggiungimento degli obiettivi aziendali, nonché a determinare le azioni di trattamento per la mitigazione dei rischi stessi.

Al riguardo, il progetto si è concluso nell'esercizio in esame con l'identificazione e valutazione dei rischi a livello inerente. Nel corso del primo trimestre 2024 è proseguita l'attività di gestione dei rischi volta, da un lato, a monitorare le risposte al rischio identificate dal *Management* anche con le integrazioni dovute alle indicazioni fornite dal nuovo Amministratore Delegato del Gruppo, e, dall'altro, a valutare il rischio residuo, rispetto allo stato avanzamento delle risposte al rischio proposte dal *management*, riallineandole alle azioni operative intraprese dal Gruppo nei primi mesi del 2024. La valutazione del rischio residuo è stata effettuata dall'alta direzione con riferimento ai rischi identificati nel corso del 2023, per i quali era già stata effettuata una valutazione del rischio inerente.

All'inizio dell'esercizio 2023, il Collegio Sindacale è stato informato dalla Responsabile della funzione *Internal Audit* circa l'intenzione della Società di dotarsi di una risorsa interna a tempo pieno dedicata alle attività di *internal audit*. Tale azione è stata positivamente valutata dal Collegio Sindacale, anche in ragione della complessità e della dimensione del *business*. La risorsa assegnata, inserita come da programmi nel mese di settembre 2023, ha cessato il rapporto di lavoro nel mese di novembre 2023,

motivando le proprie dimissioni in ragione dell'intenzione di cogliere nuove opportunità professionali. Per quanto consta, a seguito della definizione della nuova organizzazione e dell'ingresso del nuovo Direttore Generale e Amministratore Delegato e del nuovo CFO, la Società intende mantenere esternalizzata la funzione *Internal Audit*; invece, le attività del programma L. 262 del 2024 sono state scorporate dal piano di *audit* e si prevede che siano effettuate direttamente dal CFO con il supporto di consulenti esterni, così pure è stato enucleato il supporto del *Risk Management* che resterà in capo all'Amministratore Delegato.

Ai fini della formulazione del giudizio sul sistema di controllo interno, anche in considerazione dell'emersione delle citate criticità inerenti rfxcel, nel corso dell'esercizio 2023, il Collegio Sindacale ha:

- raccolto informazioni, anche in sede di riunioni del Comitato Controllo Rischi e Sostenibilità, nonché a mezzo di incontri con il Responsabile della funzione *Internal Audit*, con l'Amministratore incaricato dell'istituzione e del mantenimento del sistema di controllo interno e di gestione dei rischi ai sensi dell'art. 6 del Codice di *Corporate Governance*, con i responsabili di ulteriori funzioni di volta in volta interessate, sulle attività svolte, sulla mappatura dei rischi, sui programmi di verifica e sui progetti di implementazione del sistema di controllo interno, con acquisizione della relativa documentazione;
- partecipato regolarmente ai lavori del Comitato Controllo Rischi e Sostenibilità istituito ai sensi del Codice di *Corporate Governance* delle società quotate e, ove ritenuto opportuno, trattato congiuntamente gli argomenti esaminati con tale Comitato;
- analizzato le relazioni trimestrali e la relazione annuale del Responsabile *Internal Audit*, di cui si riportano le conclusioni: *“si ritiene che il sistema di controllo interno e gestione dei rischi di Antares Vision S.p.A., limitatamente ai controlli oggetto del Piano di Audit approvato dal Consiglio di Amministrazione ed eseguiti dalla funzione Internal Audit come rendicontato nella presente Relazione, sia efficace nella sua complessità, pur necessitando di adeguati interventi di miglioramento e rafforzamento come già segnalato al management. Da quanto emerso e dalle relative potenziali conseguenze, si può concludere di essere in presenza di una generale condizione di rischio accettabile, rispetto ai livelli di rischio definiti dal Consiglio di Amministrazione”*. Il Collegio Sindacale dà atto che le azioni di miglioramento risultano riguardare sostanzialmente il sistema di deleghe e procure e la gestione degli ordini di acquisto;
- esaminato la relazione del Dirigente Preposto, relativa al primo semestre 2023, datata 7 settembre 2023, e quella relativa al secondo semestre, datata 23 maggio 2024, di cui si riportano le conclusioni: *“Sulla base della propria conoscenza dei processi amministrativo aziendali, degli accadimenti*

aziendali intervenuti nel corso del secondo semestre del 2023, degli scambi informativi avuti con il management dell'Emittente e con gli organi di controllo, nonché delle analisi specificatamente condotte sul sistema di controllo interno ai fini dell'informativa finanziaria, sentito il parere del Responsabile Internal Audit, il Dirigente Preposto ritiene le procedure amministrative e contabili per la formazione del bilancio di esercizio e del bilancio consolidato, nonché di ogni altra comunicazione di carattere finanziario, adeguate in relazione alla complessità e alle dimensioni dell'impresa. A partire dalla seconda metà del 2023, il management team della capogruppo Antares Vision ha avviato un'attività di verifica del business degli Hub Software Governativi ("Business L5") della controllata americana rfxcel Corp. dedicati a supportare le autorità governative nell'implementazione delle nuove normative sulla tracciabilità dei farmaci negli Stati Uniti, in Africa, Asia e Medio Oriente. La verifica è stata inizialmente condotta internamente dal Dirigente Preposto e dal CFO americano a seguito dei crescenti ritardi negli incassi dei crediti del Business L5 anche in relazione alle previsioni di incasso formulate dal precedente management di rfxcel ed è stata avviata con l'obiettivo di stimare la recuperabilità dei crediti. A seguito della preliminare raccolta di informazioni attraverso colloqui con il management di rfxcel, a partire da fine settembre 2023, il management della capogruppo Antares Vision ha coinvolto consulenti esterni e, non appena sono emerse evidenze che hanno fatto presumere irregolarità, il Dirigente Preposto ha informato l'autorità di controllo ed è stata effettuata pronta informativa al mercato circa la necessità di avviare un'attività di investigation interna. In estrema sintesi, le risultanze di tali verifiche hanno fatto emergere, principalmente, che taluni esponenti del precedente management americano di rfxcel hanno rappresentato in modo non veritiero ad Antares Vision lo stato dei contratti relativi al Business L5. In particolare, sono state emesse fatture per prestazioni non realizzate in violazione dei principi contabili applicabili, creando della documentazione per attestare l'asserita esecuzione delle citate prestazioni e registrando ricavi per circa complessivamente 50 milioni nel periodo 2021-2023 che, in base ai principi contabili rilevanti, non avrebbero dovuto essere contabilizzati. E' emerso inoltre che il precedente management di rfxcel, non solo ha emesso fatture per prestazioni non realizzate, ma ha posto in essere comportamenti fraudolenti, creando della documentazione per attestare l'asserita esecuzione delle citate prestazioni. Tali comportamenti hanno indotto in errore la capogruppo in merito all'effettiva entità dei ricavi di rfxcel e dello stato di avanzamento del Business L5, riflettendosi sui bilanci consolidati. Pertanto, nella formazione del bilancio consolidato relativo all'esercizio 2023, così come nei bilanci di rfxcel, i ricavi (e i crediti) contabilizzati nel 2021 e 2022 relativi al Business L5 sono stati rideterminati retroattivamente. Non sono state individuate carenze significative nel sistema di controllo interno che possano compromettere la completezza, l'affidabilità e la sostanziale correttezza dell'informativa del

*bilancio consolidato e separato di Antares Vision S.p.A. al 31 dicembre 2023.”;*

- esaminato le Relazioni del Comitato Controllo Rischi e Sostenibilità, con riferimento al primo semestre 2023 ed al secondo semestre 2023. A tal riguardo il Collegio dà atto che il Comitato ha effettuato le valutazioni di propria competenza, tenendo conto anche delle attività e delle valutazioni compiute dal Responsabile della funzione di *Internal audit*, nonché delle valutazioni del Dirigente Preposto, esprimendo un giudizio di sostanziale adeguatezza del SCIGR della Società, valutando altresì il livello di rischio compatibile con gli obiettivi strategici della Società, avendo incluso nelle proprie valutazioni tutti gli elementi che possono assumere rilievo nell’ottica del successo sostenibile del Gruppo;
- analizzato le relazioni e le comunicazioni rese dalla società di revisione legale nell’ambito dello scambio di informazioni con il Collegio Sindacale.

Il Collegio Sindacale ritiene che l’architettura dello SCIGR dell’Emittente risulta nel complesso coerente con quanto raccomandato dal Codice di *Corporate Governance* ed allineato ai principali *framework* di riferimento. Il Collegio Sindacale dà atto che le analisi effettuate hanno evidenziato alcune azioni di miglioramento, già discusse con il Management e per le quali sono stati definiti dei piani di azione, che hanno portato già alla chiusura di alcuni punti tra quelli segnalati quali, *inter alia*, la standardizzazione delle procedure adottate per le chiusure dei bilanci.

Il Collegio, nelle rilevazioni effettuate nelle attività di costante monitoraggio, ha rilevato profili di non immediatezza e incompletezza nei flussi informativi verso gli organi collegiali e la funzione di controllo con specifico riguardo alla emersione delle citate criticità inerenti rfxcel, che hanno costituito altresì oggetto di comunicazione da parte del Collegio Sindacale alla Consob ai sensi dell’art. 149 TUF.

La frode perpetrata con riguardo a rfxcel delinea la necessità di costante rafforzamento del sistema di controllo interno (e del sistema contabile). Il Collegio Sindacale, alla luce delle dimensioni celermente raggiunte dalla Società e dal suo Gruppo nonché in considerazione di circostanze quali quelle emerse con la frode riguardante rfxcel, raccomanda che si prosegua con decisione il percorso – intrapreso nel corso del 2023 e che procede nel corso del presente esercizio 2024 – di rafforzamento della funzione e delle strutture di amministrazione e controllo del gruppo, anche tramite inserimento di risorse e di personale qualificato.

## **6. Attività di vigilanza sull’adeguatezza del sistema amministrativo/contabile e sull’attività di revisione legale dei conti**

Il Collegio Sindacale ha valutato, per quanto di propria competenza, l’affidabilità del sistema

amministrativo e contabile a rilevare e rappresentare correttamente i fatti di gestione tramite l'ottenimento di informazioni direttamente dagli Amministratori, dal Dirigente Preposto alla redazione dei documenti contabili, dai responsabili delle diverse funzioni e dalla società di revisione nel corso degli incontri avuti per l'esame del piano di lavoro svolto dalla stessa.

Il Collegio richiama il processo di rafforzamento del sistema amministrativo contabile anche in accordo all'implementazione del nuovo modello operativo con particolare riferimento alla nuova tipologia di rendicontazione *standard* ed al processo di *budget* come in precedenza esposto in narrativa.

L'assetto contabile e le relative procedure sono stati definiti ed organizzati sotto la responsabilità del Dirigente Preposto. Il Collegio ha preso atto delle attività svolte ai sensi della legge 262/05 in merito al bilancio d'esercizio e consolidato 2023 sottoposti per approvazione al Consiglio di Amministrazione del 27 maggio 2024. In merito a quanto previsto dall'art. 15, comma 1, lett. c, punto ii), del Regolamento Mercati (Condizioni per la quotazione di azioni di società controllanti società costituite e regolate dalla legge di Stati non appartenenti all'Unione Europea), fermo quanto sopra esposto in relazione alla vicenda della controllata rfxcel ed anche ai connessi profili di incompletezza e non tempestività dei flussi informativi verso gli organi collegiali e la funzione di controllo, il Collegio Sindacale non ha constatato fatti e circostanze comportanti l'inidoneità del sistema amministrativo-contabile delle società controllate a far pervenire regolarmente alla direzione e al revisore della società controllante i dati economici, patrimoniali e finanziari necessari per la redazione del bilancio consolidato.

Il Collegio Sindacale ha vigilato altresì sul processo di informativa finanziaria.

Il Collegio Sindacale ha verificato, attraverso specifici incontri con le parti coinvolte e richieste di chiarimenti sulle modalità di applicazione delle metodologie adottate (metodi utilizzati e flussi previsionali), che il processo di *impairment test*, approvato dal Consiglio di Amministrazione della Società in data 27 febbraio 2023 ed eseguito con il supporto di un Esperto Contabile Indipendente, redatto secondo le prescrizioni del principio contabile IAS 36 per il bilancio 2023 sia stato svolto adeguatamente e coerentemente con le prassi adottate.

Le risultanze del processo di impairment mostrano che, per alcune società controllate, il valore recuperabile delle partecipazioni è inferiore al valore di carico delle stesse e quindi si è reso necessario svalutare il valore di iscrizione delle partecipazioni per un importo complessivo pari a euro 21.144 migliaia.

Il Collegio Sindacale, nel corso dell'esercizio 2023, ha tenuto appositi incontri con la società di revisione EY S.p.A., anche ai sensi dell'art. 150, comma 3, del TUF, nel corso dei quali sono stati scambiati i dati e le informazioni rilevanti per l'espletamento dei rispettivi compiti. Il Collegio Sindacale ha analizzato l'attività svolta dalla società di revisione, con particolare riferimento all'approccio e alla strategia di

revisione per l'esercizio 2023 nonché alla definizione del piano di revisione. Anche a seguito dell'avvio delle indagini presso la controllata americana rfxcel, la società di revisione ha aggiornato l'*assessment* innalzando il rischio dell'incarico, che ha avuto un impatto diretto sulla strategia di *audit* e che ha portato ad una sensibile riduzione delle soglie di revisione.

Sono state condivise le principali tematiche e i relativi rischi aziendali.

Il Collegio Sindacale ha accertato, tramite informazioni assunte presso la società di revisione e il *management* della Società, l'osservanza dei principi IAS/IFRS, nonché delle altre disposizioni legislative e regolamentari inerenti alla formazione e all'impostazione del bilancio separato, del bilancio consolidato e della Relazione sulla gestione a corredo degli stessi.

Il Collegio Sindacale ha infine preso atto, come verificato dalla Società di Revisione e riportato nella relativa relazione, che la Società ha adottato i necessari accorgimenti ai fini della redazione del bilancio in formato elettronico, utilizzando la tecnologia XHTML, secondo quanto prescritto dal Regolamento Delegato (UE) 2019/815 della Commissione Europea in materia di norme tecniche di regolamentazione relative alla specificazione del formato elettronico unico di comunicazione ESEF (European Single Electronic Format).

La società di revisione ha rilasciato, in data odierna, le relazioni ai sensi dell'art. 14 del d.lgs. n. 39/2010 e dell'art. 10 del Regolamento UE n. 537/2014 nelle quali si attesta che il bilancio separato di Antares Vision S.p.A. e il bilancio consolidato del Gruppo al 31 dicembre 2023 forniscono una rappresentazione veritiera e corretta della situazione patrimoniale e finanziaria della Società e del Gruppo, del risultato economico e dei flussi di cassa per l'esercizio chiuso a tale data, in conformità agli *International Financial Reporting Standards* adottati dall'Unione Europea, nonché ai provvedimenti emanati in attuazione dell'art. 9 del D. Lgs. 28 febbraio 2005, n.38.

Nelle relazioni di revisione, i revisori danno evidenza degli aspetti chiave della revisione contabile del bilancio di esercizio e che riguardano il *restatement* per errori e cambiamenti di principi contabili, la valutazione delle partecipazioni in imprese controllate e dell'avviamento, il riconoscimento dei ricavi e la valutazione sulla continuità aziendale.

La società di revisione ritiene, altresì, che la Relazione sulla Gestione e alcune specifiche informazioni contenute nella Relazione sul Governo Societario e gli Assetti Proprietari indicate nell'art. 123-bis, comma 4, del TUF siano coerenti con il bilancio d'esercizio di Antares Vision S.p.A. e con il bilancio consolidato del Gruppo al 31 dicembre 2023, e sono redatte in conformità alle norme di legge.

In data odierna, EY ha rilasciato la relazione aggiuntiva per il Comitato per il controllo interno e la revisione contabile sui risultati della revisione legale dei conti che include, anche, la dichiarazione relativa all'indipendenza del medesimo revisore legale.

Il revisore, nella sua relazione aggiuntiva, con riguardo al suo compito di “acquisire una comprensione degli aspetti del controllo interno rilevanti ai fini della revisione contabile”, e precisando che le sue “conclusioni non rappresentano una valutazione del sistema di controllo interno della Società nella sua globalità”, ha ritenuto di segnalare che *“Nel corso della revisione del bilancio d’esercizio della Società e del bilancio consolidato del Gruppo chiuso al 31 dicembre 2023, sono state individuate carenze significative nel sistema di controllo interno per l’informativa finanziaria e/o nel sistema contabile, come riportato nella seguente tabella:*

	Descrizione della carenza significativa	Società / Divisione interessata	Area di bilancio o componente del sistema di controllo interno impattata
1	<p>Antares Vision nel gennaio 2024 ha avviato una indagine interna che ha fatto emergere l’emissione da parte di RfXcel di fatture per prestazioni non effettivamente realizzate, nonché la creazione, da parte di taluni precedenti esponenti del management americano della controllata, di documentazione volta ad attestare l’asserita esecuzione delle citate prestazioni, con la conseguente registrazione di ricavi per circa euro 50 milioni (nel periodo 2021-2023) che, in base ai principi contabili rilevanti, non avrebbero dovuto essere contabilizzati. Tali comportamenti hanno indotto in errore la capogruppo in merito all’effettiva entità dei ricavi di RfXcel e al reale stato di avanzamento del business L5, riflettendosi sui bilanci consolidati. A seguito delle verifiche condotte, pertanto, sono stati rilevati errori che ricadono nella definizione del principio contabile internazionale IAS 8 e che hanno richiesto la riesposizione dei dati comparativi relativi all’esercizio 2022 e 2021 nell’ambito della predisposizione del bilancio consolidato 2023. Tale circostanza rappresenta un’indicazione di una carenza del sistema di controllo interno.</p> <p>Il Gruppo Antares è cresciuto in modo significativo per linee esterne nel corso principalmente degli anni 2020 e 2021 ed il sistema di controllo interno successivamente non è stato sviluppato in modo coerente con la crescente complessità del Gruppo, includendo per esempio personale con un appropriato livello di competenze ed esperienze nella funzione amministrazione e controllo del Gruppo, controlli generali IT che supportassero sufficientemente il continuo e corretto funzionamento dell’ambiente IT del Gruppo, inclusi il continuo ed efficace funzionamento dei controlli sulle elaborazioni delle informazioni e sull’integrità delle stesse.</p>	Gruppo Antares	Componente del sistema di controllo interno impattata: controlli a livello di gruppo e controlli generali IT.
	<p>Con riferimento a tale carenza, ci è stato riportato che nel corso dell’esercizio 2023 e nei primi mesi dell’esercizio 2024, il Gruppo ha:</p> <ul style="list-style-type: none"> <li>• avviato un percorso evolutivo che include l’adozione di un nuovo modello operativo e di un programma di standardizzazione e calendarizzazione del reporting delle controllate e del Gruppo;</li> <li>• inserito nuove figure apicali nella capogruppo e un nuovo management al livello di RfXcel;</li> <li>• rafforzato le funzioni amministrazione e controllo e internal audit.</li> </ul> <p>Tali attività risultano non ancora completate alla data di predisposizione del bilancio al 31 dicembre 2023.</p>		

*Abbiamo tenuto conto di questa carenza nel definire la natura, la tempistica e l’estensione delle nostre procedure di revisione per coprirci dal rischio di errori significativi sui saldi di bilancio”.*

Il Collegio Sindacale, nel rimandare a quanto già evidenziato nell’ambito della presente relazione con riguardo al Sistema di Controllo interno nella sua globalità, ribadisce, convenendo con quanto la società di revisione segnala, che quanto occorso con riferimento alla frode inerente a rfxcel, ha delineato la necessità di un potenziamento dello stesso sistema, e dunque di proseguire le attività già intraprese a riguardo e procedute anche nel corso del 2024.

Sempre in data odierna EY ha rilasciato la relazione sulla dichiarazione consolidata di carattere non finanziario ai sensi dell’art. 3 comma 10 del D. Lgs. 254/2016 e dell’art. 5 del Regolamento Consob



adottato con Delibera n.20267 del 18 gennaio 2018. Il Collegio Sindacale e la società di revisione hanno mantenuto continui scambi informativi; la società di revisione ha riferito al Collegio Sindacale in merito al lavoro di revisione legale dei conti e all'assenza di situazioni di incertezza o di eventuali limitazioni nelle verifiche condotte.

La società di revisione ha percepito corrispettivi di Euro 224 mila, addebitati alla Società ed alle sue società controllate nel periodo dal 1° gennaio 2023 al 31 dicembre 2023 quanto ad Euro 193 mila per la revisione contabile, ad Euro 16 mila per la revisione Contabile della Dichiarazione non finanziaria e ad Euro 15 mila per altri servizi.

Il Collegio Sindacale conferma quindi che non sono emersi aspetti critici in ordine all'indipendenza della società di revisione.

Da ultimo, il Collegio dà atto che il Presidente del Consiglio di Amministrazione ed il Dirigente Preposto alla redazione dei documenti contabili societari, hanno rilasciato, in data 27 maggio 2024, la dichiarazione ex. Art. 154-bis del TUF, attestando che il bilancio di esercizio e consolidato sono redatti in conformità ai principi contabili internazionali applicabili riconosciuti nella Comunità Europea ai sensi del Regolamento (CE) n. 1606/2002 dal Parlamento Europeo e del Consiglio del 19 luglio 2002, corrispondono alle risultanze dei libri e delle scritture contabili e sono idonei a fornire una rappresentazione veritiera e corretta della situazione patrimoniale, economica e finanziaria dell'Emittente e delle imprese incluse nel consolidamento.

#### ***7. Attività del Collegio Sindacale in merito alla Dichiarazione di carattere non finanziario ex articolo 4 del D. Lgs. 30 dicembre 2016 n. 254***

A norma dell'articolo 3, comma 7, del D. Lgs. n. 254/2016 (in seguito anche il "Decreto") - che ha dato attuazione alla Direttiva 2014/95/UE recante modifica della direttiva 2013/34/UE per quanto riguarda la comunicazione di informazioni di carattere non finanziario e di informazioni sulla diversità da parte di talune imprese e di taluni gruppi di grandi dimensioni - il Collegio Sindacale vigila sull'osservanza delle disposizioni stabilite nel Decreto stesso e ne riferisce nella relazione annuale all'Assemblea, "nell'ambito dello svolgimento delle funzioni attribuite a detto organo dalle norme generali dell'ordinamento" di cui all'articolo 2403 del Codice Civile e all'articolo 149 del TUF per i Sindaci di società quotate.

Il Collegio Sindacale ha verificato, per quanto di competenza, che la Società abbia assolto agli obblighi di cui alle disposizioni del Decreto attraverso la redazione della DNF, e, nell'ambito delle proprie attività, non ha avuto evidenza di elementi di non conformità e/o violazione della normativa di riferimento

applicabile. In particolare, il Collegio Sindacale ha incontrato i Responsabili delle funzioni competenti della Società e della Società di revisione per un approfondimento in merito alla Dichiarazione non finanziaria ex D. Lgs. n. 254 del 2016. Il Collegio Sindacale ha, infine, preso atto della Relazione di cui all'articolo 3 comma 10 del D. Lgs n. 254 del 2016 e dell'articolo 5 del Regolamento CONSOB adottato con Delibera n. 20267 del 18 gennaio 2018, emessa in data 19 giugno 2024 dalla Società di revisione in cui evidenzia che *“sulla base del lavoro svolto, non sono pervenuti alla nostra attenzione elementi che ci facciamo ritenere che la DNF del Gruppo Antares Vision relativa all'esercizio chiuso al 31 dicembre 2023 non sia stata redatta, in tutti gli aspetti significativi, in conformità a quanto richiesto dagli articoli 3 e 4 del Decreto e dai GRI Standards. Le nostre conclusioni sopra riportate non si estendono alle informazioni contenute nel paragrafo “Attività sostenibili: la Tassonomia dell'Unione Europea” e “Tassonomia EU-Tabella” della DNF del Gruppo richieste dall'art. 8 del Regolamento europeo 2020/852”*.

#### **8. Attività di vigilanza sulla concreta attuazione delle regole di governo societario**

La Società ha aderito al Codice di *Corporate Governance* approvato dal Comitato per la *Corporate Governance* e promosso da Borsa Italiana S.p.A., ABI, ANIA, Assogestioni, Assonime e Confindustria, come risulta dalla Relazione sul Governo Societario e gli Assetti Proprietari. A decorrere dal 14 maggio 2021, la Società applica il Codice di *Corporate Governance*. La Relazione sul Governo Societario e gli Assetti Proprietari è stata redatta secondo le istruzioni del Regolamento dei Mercati organizzati e gestiti da Borsa Italiana S.p.A. e descrive dettagliatamente il sistema di *governance* adottato dalla Società.

Il Collegio Sindacale ha vigilato sulle modalità di concreta attuazione delle regole di governo societario in esso contenute. Tale sistema è conforme ed aderente alle regole del modello di *governance* prescritto dal Codice di *Corporate Governance* delle Società Quotate e alla *best practice* internazionale ed i principi prescritti sono effettivamente e correttamente applicati.

Il Collegio evidenzia che, successivamente alla chiusura dell'esercizio in esame, a seguito della sottoscrizione di un accordo vincolante per l'ingresso in Società dell'ing. Mazzantini come in precedenza descritto, l'Assemblea degli Azionisti riunitasi in data 28 febbraio 2024, al fine di integrare le competenze già presenti in Consiglio e rafforzare la struttura organizzativa della Società, ha deliberato di ampliare da 9 a 10 il numero dei componenti il Consiglio di Amministrazione e di nominare quale componente del Consiglio di Amministrazione l'ing. Mazzantini.

La Relazione sul Governo Societario e gli Assetti Proprietari per l'esercizio 2023 dà conto delle conclusioni raggiunte dagli Amministratori in sede di riunione del 27 maggio 2024 in ordine alla

conferma dell'adeguatezza e dell'efficacia dell'assetto organizzativo, amministrativo e contabile della Società e delle principali società controllate, anche con particolare riferimento al Sistema di Controllo Interno e di Gestione dei Rischi ("SCIGR"), previo parere del Comitato Controllo Rischi e Sostenibilità, assunto anche a seguito delle valutazioni svolte dal Responsabile della funzione di Internal Audit della Società. La valutazione dell'assetto amministrativo e contabile è stata condotta anche sulla base di riscontri forniti dal management delle controllate del Gruppo (cfr. art. 1, Raccomandazione n. 1, d), del Codice di Corporate Governance. In materia di gestione dei rischi si veda più nel dettaglio il paragrafo 9 della Relazione).

Si rinvia alla Relazione sul Governo Societario e gli Assetti Proprietari dell'esercizio 2023, rispetto alla quale il Collegio Sindacale esprime una valutazione nel complesso positiva.

Il Collegio Sindacale dà inoltre atto che le raccomandazioni del Comitato per la *Corporate Governance* contenute nella Lettera del 14 dicembre 2023 indirizzata dal Presidente del Comitato, Massimo Tononi, ai Presidenti dei Consigli di Amministrazione delle società quotate italiane e, per conoscenza, ai relativi Amministratori Delegati e Presidenti degli organi di controllo, sono state portate all'attenzione del Comitato Controllo Rischi e Sostenibilità e del Consiglio di Amministrazione, ai fini della assunzione delle opportune determinazioni in merito.

Il Collegio Sindacale ritiene che gli strumenti e gli istituti di *governance* adottati dalla Società costituiscano nel complesso un presidio idoneo al rispetto dei principi di corretta amministrazione nella prassi operativa. Il Collegio Sindacale ha vigilato sui procedimenti deliberativi del Consiglio di Amministrazione e ha verificato che le scelte di gestione fossero conformi alla disciplina applicabile (legittimità sostanziale), adottate nell'interesse della Società, compatibili con le risorse e il patrimonio aziendale e adeguatamente supportate da processi di informazione, analisi e verifica, anche con il ricorso, quando ritenuto necessario, all'attività consultiva dei comitati e a professionisti esterni.

### **9. Attività di vigilanza sui rapporti con società controllate**

Il Collegio Sindacale ha acquisito conoscenza e vigilato, per quanto di sua competenza, sull'adeguatezza delle disposizioni impartite dalla Società alle sue controllate, ai sensi dell'art. 114, comma 2, del TUF, tramite acquisizione di informazioni dai responsabili delle competenti funzioni aziendali, dalla Società di Revisione, dai Collegio Sindacale delle controllate, nel quadro del reciproco scambio di dati e informazioni rilevanti.

### **10. Operazioni con parti correlate**

Il Collegio ha acquisito apposite informazioni sulle operazioni infragruppo e con parti correlate.

Tali operazioni sono descritte nelle note esplicative "Rapporti con parti correlate".

Si dà atto della loro conformità alla legge e allo statuto, della loro rispondenza all'interesse sociale, nonché dell'assenza di situazioni che comportino ulteriori considerazioni e commenti. Le operazioni con parti correlate, come definite dallo IAS 24 e disciplinate dall'art. 4 del Regolamento Consob 17221 del 12 marzo 2010 (e successive modifiche), poste in essere fino al 31 dicembre 2023, rientrano nella normale gestione dell'impresa e dell'attività tipica di ciascun soggetto interessato e sono effettuate a normali condizioni di mercato.

#### **11. Omissioni e fatti censurabili rilevanti. Azioni intraprese**

Il Collegio segnala che, nel corso dell'esercizio 2023, non ha ricevuto denunce *ex art.* 2408 del Codice Civile.

Nel corso del 2023, è stata inviata dal Collegio Sindacale alla Consob una comunicazione ai sensi dell'art. 149, comma 3° del TUF relativamente a taluni profili di non completezza e non immediatezza informativa, con precipuo riferimento alle vicende che hanno coinvolto rfxcel.

Il Collegio Sindacale segnala di aver ricevuto:

- nel mese di gennaio 2023, una comunicazione ai sensi dell'art. 115 TUF con la quale la Consob invitava il Collegio a fornire una informativa aggiuntiva in merito ai controlli eseguiti sulla DNF;
- nel mese di dicembre 2023, una comunicazione ai sensi dell'art. 115 TUF con la quale la Consob invitava il Collegio a fornire aggiornamenti e informazioni aggiuntive in merito ai comunicati stampa diffusi dall'Emittente in data 13 novembre 2023 e 14 dicembre 2023, a cui il Collegio Sindacale ha fornito risposta in data 13 gennaio 2024.

Si segnala inoltre che il Collegio Sindacale è stato informato dalla Società in merito alla richiesta di notizie, dati e documenti inviate da Consob alla medesima, ai sensi dell'art. 115 del TUF, nel corso dell'esercizio 2023 e 2024, riscontrando che alle richieste pervenute è stata fornita risposta nei termini previsti e/o concordati.

Nel contesto del reciproco scambio di informazioni con la Società di Revisione, non sono stati evidenziati al Collegio Sindacale atti o fatti censurabili né irregolarità che abbiano richiesto la formulazione di specifiche segnalazioni ai sensi dell'art. 155 TUF.

Il Collegio dà infine atto che, in data 5 marzo 2024, la Commissione Nazionale per le Società e la Borsa (Consob) avviava una verifica ispettiva ai sensi dell'articolo 115, comma 1, lettera c) del Decreto

Legislativo 24 febbraio 1998, n. 58, avente ad oggetto:

- la situazione finanziaria di Antares Vision Group,
- le voci “avviamento”, “altre attività immateriali”, “crediti commerciali” e “ricavi” iscritte nei bilanci consolidati al 31 dicembre 2022 e al 30 giugno 2023,
- lo stato di implementazione degli interventi di adeguamento della struttura organizzativa, del sistema di controllo interno e del sistema amministrativo-contabile riferiti alle azioni di miglioramento richiamate nella relazione del Collegio Sindacale sull’esercizio 2022;
- lo stato di implementazione della revisione del processo di budgeting, con particolare riferimento a quanto rappresentato nel Bilancio di Sostenibilità 2022 circa l’integrazione di tale processo con le tematiche ESG.

Alla data di redazione del presente bilancio, l’indagine ispettiva è ancora in corso. Il *management* della Società risulta essere impegnato nella collaborazione con l’Autorità di Vigilanza e sta fornendo supporto per agevolare il processo di verifica e garantire una accurata valutazione dei fatti oggetto dell’ispezione.

## **12. Pareri resi**

Il Collegio Sindacale dà atto di aver rilasciato, nel corso del 2023, ai sensi della normativa vigente, pareri in merito alla:

- cooptazione ai sensi dell’art. 2386 c.c. del dott. Alberto Grignolo, amministratore non esecutivo ed indipendente, in data 25 gennaio 2023;
- remunerazione del Presidente Zorzella, quale Amministratore Esecutivo, ai sensi dell’art. 2389, comma 3, del codice civile, in data 31 gennaio 2023;
- verifica circa il raggiungimento degli obiettivi 2022 previsti dalla politica di remunerazione con riferimento alla componente variabile di breve periodo degli Amministratori esecutivi e del Dirigente con Responsabilità Strategiche Fabio Forestelli e deliberazioni in merito alla relativa liquidazione in data 22 marzo 2023;
- definizione dei criteri per l’assegnazione del bonus 2023 con riferimento alla componente variabile di breve periodo degli amministratori esecutivi e dei Dirigenti con Responsabilità Strategiche della Società e del Gruppo e individuazione dei relativi beneficiari in data 22 marzo 2023.

In accordo al Codice di *Corporate Governance*, il Collegio Sindacale ha espresso parere positivo sul piano di lavoro per l’esercizio 2023 predisposto dalla Funzione di *Internal Audit*.

Si è altresì espresso in tutti quei casi in cui è stato richiesto dal Consiglio di Amministrazione anche in adempimento alle disposizioni che, per talune decisioni, richiedono la preventiva consultazione del Collegio Sindacale.

All'esito dell'attività di vigilanza svolta nel periodo in cui è stato in carica e innanzi illustrata il Collegio non ha osservazioni da riferire all'Assemblea degli Azionisti e ai sensi dell'articolo 153 TUF.

### **13. Autovalutazione**

Il Collegio Sindacale ha svolto, con esito positivo, le verifiche del possesso da parte di tutti i componenti dei requisiti di indipendenza previsti dall'articolo 148, comma 3, del TUF, nonché ai sensi del "Codice di Autodisciplina" in materia di indipendenza dei Sindaci di società quotate, in data 27 febbraio 2023, in data 21 dicembre 2023 (in ragione del subentro della dott.ssa Corti nel ruolo di Sindaco Effettivo), in data 28 febbraio 2024 (in ragione della conferma delle nomine effettuate in occasione dell'Assemblea del 28 febbraio 2024) e in data 19 aprile 2024. Il Collegio ha altresì effettuato l'autovalutazione del proprio operato, ravvisando in capo ai singoli suoi componenti l'idoneità a svolgere le funzioni assegnate in termini di professionalità, competenza, disponibilità di tempo e indipendenza, nonché dandosi reciprocamente atto dell'assenza in capo agli stessi di prestazione d'opera retribuita e di altri rapporti patrimoniali in genere, tali da costituire un effettivo rischio per l'indipendenza.

### **14. Proposte in ordine al bilancio di esercizio ed alla sua approvazione ed alle materie di competenza del Collegio Sindacale**

Il bilancio della Società, redatto dall'Organo Amministrativo ai sensi di legge, è stato da questo regolarmente trasmesso e illustrato al Collegio Sindacale unitamente alla Relazione sulla Gestione, in data 27 maggio 2024 in occasione del Consiglio di Amministrazione tenutosi in tale data.

Il bilancio di esercizio chiuso al 31 dicembre 2023 mostra una perdita di Euro 43.544 migliaia. A tal riguardo, il Collegio rimanda a quanto evidenziato nelle Note Esplicative dagli Amministratori, i quali hanno ritenuto opportuno predisporre il bilancio nel presupposto della continuità aziendale, seppur in presenza delle incertezze derivanti dallo scenario macroeconomico e geopolitico, di quelle tipiche del settore e di ogni attività previsionale, che potrebbero influenzare i risultati che saranno effettivamente conseguiti, in ragione, *inter alia*, (i) della sottoscrizione in data 27 maggio 2024 di taluni accordi modificativi con i relativi istituti finanziatori che prevedono, *inter alia*, un *waiver* per il mancato rispetto dei *covenant* finanziari 2022 e 2023 e la rimodulazione degli stessi a partire dall'esercizio 2024; (ii) del

rafforzamento del management attraverso la nomina di nuove figure apicali, come in precedenza descritto; (iii) delle linee guida strategiche e degli obiettivi del Piano Industriale 2024 – 2026 approvato dal Consiglio di Amministrazione dell'Emittente in data 4 marzo 2024; (iv) delle prospettive di cassa per i prossimi 12 mesi; (v) dei risultati registrati nel primo trimestre 2024, in linea con quanto previsto dal piano industriale.

Per quanto riguarda il controllo della regolare tenuta della contabilità e la corretta rilevazione dei fatti di gestione nelle scritture contabili, nonché le verifiche di corrispondenza tra le informazioni di bilancio e le risultanze delle scritture contabili e di conformità del bilancio d'esercizio alla disciplina di legge, il Collegio Sindacale ricorda che tali compiti sono demandati alla società di revisione.

Segnatamente, la società di revisione ha riferito al Collegio Sindacale che, sulla base delle procedure di revisione svolte in corso d'anno e sul bilancio dell'esercizio e consolidato chiuso al 31 dicembre 2023, non sono emerse situazioni di incertezza o limitazioni nelle verifiche condotte e che la relazione del revisore non reca rilievi.

Il Collegio ha vigilato sull'impostazione generale data al bilancio d'esercizio e precisa che la vigilanza sul processo di informativa finanziaria, attraverso l'esame del sistema di controllo e dei processi di produzione di informazioni che hanno per specifico oggetto dati contabili in senso stretto, è stata condotta avendo riguardo non al dato informativo ma al processo attraverso il quale le informazioni sono prodotte e diffuse.

In particolare, il Collegio Sindacale dà atto che:

- il bilancio d'esercizio è stato redatto in conformità agli IFRS emessi dall'*International Accounting Standards Board*;
- la formazione, l'impostazione e gli schemi del bilancio di esercizio sono conformi alle leggi e ai provvedimenti regolamentari;
- il bilancio è coerente con i fatti e le informazioni di cui siamo venuti a conoscenza a seguito della partecipazione alle riunioni degli Organi Sociali, che hanno permesso di acquisire informativa circa le operazioni di maggior rilievo economico, finanziario e patrimoniale svolte dalla Società;
- per quanto a conoscenza del Collegio Sindacale, gli Amministratori, nella redazione del bilancio, non hanno derogato alle norme di legge ai sensi dell'art. 2423, comma cinque, del Codice Civile;
- il bilancio è stato redatto dal Consiglio di Amministrazione nel presupposto della continuità aziendale;
- ha espresso il proprio consenso ai sensi e per gli effetti dell'art. 2426, punto 5), del Codice Civile al mantenimento dell'iscrizione nell'Attivo dello Stato Patrimoniale dei costi di sviluppo;

- ha espresso il proprio consenso ai sensi e per gli effetti dell'art. 2426, punto 6), del Codice Civile all'iscrizione nell'Attivo dello Stato Patrimoniale di un avviamento di Euro 12.322 migliaia, costituito interamente dall'importo generato a seguito della fusione per incorporazione con la controllata Convel S.r.l..

Il Collegio ha accertato che:

- la Relazione sulla Gestione risulta conforme alle leggi vigenti, nonché coerente con le deliberazioni adottate dal Consiglio di Amministrazione e con le informazioni di cui dispone il Collegio stesso;
- l'informativa illustrata nel citato documento risponda alle disposizioni in materia e contenga una analisi complessiva della situazione della Società, dell'andamento e del risultato della gestione, nonché l'indicazione dei principali rischi ai quali la Società è esposta e rechi espressa evidenza degli elementi che possano incidere sull'evoluzione della gestione;
- la società ha provveduto a predisporre la dichiarazione consolidata di carattere non finanziario ai sensi dell' art. 4 del D. Lgs 254/2016; il Collegio Sindacale ha vigilato, nei termini previsti dalla legge, sull'osservanza delle disposizioni stabilite dal Decreto.

Con riferimento al bilancio dell'esercizio chiuso al 31 dicembre 2023 il Collegio Sindacale non ha ulteriori osservazioni o proposte da formulare.

L'attività di vigilanza e controllo svolta nel corso dell'esercizio, così come illustrata nella presente Relazione, non ha fatto emergere ulteriori fatti da segnalare all'Assemblea degli Azionisti.

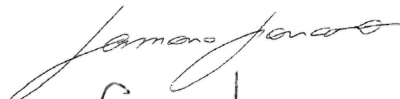
## **Conclusioni**

Ad esito dell'attività di vigilanza svolta nel corso dell'esercizio 2023 e tenuto conto anche delle risultanze delle attività effettuate dalle funzioni di controllo, il Collegio Sindacale esprime, sotto i profili di propria competenza, parere favorevole all'approvazione del bilancio per l'esercizio chiuso al 31 dicembre 2023 e alla proposta formulata dal Consiglio di Amministrazione di destinazione della perdita di esercizio.

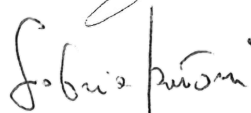
Travagliato, 19 giugno 2024

### **Il Collegio Sindacale**

dott. Germano Giancarli - Presidente



dott.ssa Stefania Bettoni – Sindaco effettivo



dott.ssa Ramona Corti – Sindaco effettivo

