

PRESS RELEASE

THE BOARD OF DIRECTORS APPROVES THE SEMI-ANNUAL FINANCIAL REPORT: NET PROFITS GROW BY 8%

(these data refer to the Reclassified statements shown on the following pages)

- **VALUE OF PRODUCTION:** equal to Euro 54.1 million (+ 3.2% compared to the first half of 2018)
- **ADDED VALUE:** equal to Euro 28.6 million (+ 18.0% compared to the first half of 2018)
- **EBITDA:** equal to Euro 12.5 million (+2.5% compared to the first half of 2018)
- **EBIT:** equal to Euro 11.8 million (+0.8% compared to the first half of 2018)
- **NET GROUP PROFIT:** equal to Euro 8.4 million (+ 7.8% compared to the first half of 2018)
- **PFN:** equal to Euro 81.8 million (17.3 million in 2018)

Travagliato (BS), 26/09/2019 – The Board of Directors of Antares Vision S.p.A. (**Antares Vision**) approved today the consolidated financial Report as at 30 June 2019.

Emidio Zorzella, Chairman and Managing Director of Antares Vision, said:

“The positive trend of the results of the first half of the year confirms the soundness of our business, by showing a significant increase in industrial margins, regardless of economic events, such as the entry into force of regulations on the trackability of medicines both in Europe and in the United States, which we had benefited from last year. These results are even more significant as they were obtained while we are strengthening our organisation with investments in services and human resources (over 2 million were invested in the first half of the year) in order to implement the strategic development plan which entails continued international expansion, diversification into extra-pharmaceutical sectors and the increase in the offer of products and solutions.”

Main consolidated results as at 30 June 2019

In the first half of the year, Antares Vision continued its development path: it extended its geographical presence by opening the branch in Russia, after opening one in India; it consolidated strategic markets such as South America; it initiated the acquisition of T2 Software, then perfected in September. Diversification is continuing in new sectors, such as food, beverage, healthcare, where commercial agreements and partnerships have been finalised. In R&D, the product portfolio has been expanded and deepened with solutions for smart data management (production efficiency, supply chain trackability) and with vision systems for quality control.

The value of production recorded a 3.2% increase in the period (Euro 54.1 million compared to Euro 52.4 million in the first half of 2018). This result is to be considered particularly positive if we compare it with the singularity of 2018: in the first part of the year, in fact, the delivery of products was brought forward at the request of customers (especially machines and hardware solutions), in anticipation of the entry into force of the EU-FMD regulation (9 February 2019) in Europe, which imposes trackability solutions aimed at fighting medicine counterfeiting.

PRESS RELEASE

As expected, the entry into force of the new regulations brought about an evolution in the structural composition of Antares Vision's sales, which is already beginning to be reflected in the current semester, with a significant increase in assistance and maintenance services, which grew from 16% to 28%, of spare parts, which grew from 8% to 9%, of software solutions, from 9% to 12% and, as a consequence, with a reduction in the percentage of machinery, from 61% to 44% of total sales.

The evolution described had a positive influence on margins, especially on the first margin (which increased by 20.4% and with an incidence on the value of sales growing from 60.9% to 73.9%) and on added value (which increased by 18.0% and with an incidence increased from 46.3% to 55.0%). The growth in margins, which derived from the different composition of sales, did widely offset the increase in labour costs (+ 33.7%), which is essential in order to prepare and guarantee the continuity of growth in the coming years, especially through the development of new markets/sectors. As at 30 June, EBITDA stood at Euro 12.5 million (+ 2.5% compared to 2018, that is, widely over 10% net of investment costs for development), EBIT stood at Euro 11.8 million (+ 0.8% compared to 2018) and net profit stood at 8.4 million Euro (+ 7.8% compared to 2018).

Cash flow generation at operating level was positive, notwithstanding a significant decrease in advances from customers which was substantially linked to orders for machinery. The marked improvement in the Net Financial Position, which stood at Euro 81.8 million (Euro 17.3 million in 2018) with an overall effect of Euro 60 million, derives from the investment of Sargas (August 2018) and from the business combination with ALP.I (April 2019).

Business outlook

The collection of orders in Russia is continuing and it is related to the entry into force of the regulations on trackability, currently scheduled for 1 January 2020 and thanks to which Antares Vision has become a market leader. At the moment, however, a postponement of the entry into force of the legislation, aimed at allowing some operators to adapt, cannot be ruled out. This possibility, which might lead to a postponement of part of the expected sales to the next financial year, should still be considered positive because it would give Antares Vision the time to increase its market penetration and to consolidate its leadership.

The medium-term growth prospects in the markets of China and the Far East, Asia and South America are strengthening and growing ever more. The growth in Brazil will also be supported thanks to the acquisition of T2 Software, which was disclosed last June and finalised in September.

The process of diversification of products and of Inspection solutions is progressing and an increase in after-sales Service, considering the number of lines installed and equipped with Antares Vision solutions, is also expected. Within Smart Data management, a significant growth is expected, though it might be diluted over a longer time horizon, compared to the original expectations.

PRESS RELEASE

Significant events occurred after the semester

In August, the Antares Vision Asia Pacific Private Limited branch was set up in Hong Kong. It is wholly owned by Antares Vision, with the aim of manning the Chinese market and the Asian countries, by exploiting the growth potential of inspection systems and of tracking solutions in several industrial sectors (pharmaceutical, food, beverage).

In September, through the subsidiary Antares Vision do Brasil, the acquisition of 51% of T2 Software S.A. was finalised. T2 Software specialises in solutions for smart data management and is active in consultancy for serialisation processes and product trackability. The integration will strengthen Antares Vision's presence in the pharmaceutical sector and in other sectors (food, beverage, cosmetics, fashion).

Antares Vision announces that, today, the consolidated semi-annual report as at 30 June 2019, and the relevant presentation, have been published on the Company's website www.antaresvision.com - Section "Investors - Investor Relations - Financial Statements and semi-annual reports".

PRESS RELEASE

FINANCIAL STATEMENTS AS AT 30.06.2019

Balance Sheet assets		30/06/2019	31/12/2018
A	Receivables from shareholders for payments due	3,292	
BI1	Start-up and expansion costs	1,814,907	283,214
BI2	Development costs	2,218,564	1,329,735
BI3	Industrial patents and intellectual property rights	43,916	58,395
BI4	Concessions, licences, trademarks and similar rights	167,755	10,699
BI	Intangible fixed assets	4,245,142	1,682,043
BII1	Land and buildings	7,097,162	7,072,363
BII2	Plants and machinery	11,276	8,253
BII3	Industrial and commercial equipment	36,895	48,879
BII4	Other assets	115,881	105,942
BII5	Fixed assets under construction and advances	374,818	
BII	Tangible fixed assets	7,636,032	7,235,437
BIII1a	Investments in subsidiaries	163,599	
BIII1dbis	Investments in other companies	400,000	
BIII1	Shareholdings	563,599	
BIII2dbis	Receivables from others	417,751	100,688
BIII2	Receivables	417,751	100,688
BIII	Financial fixed assets	981,349	100,688
B	Fixed assets	12,862,523	9,018,168
CI1	Raw materials, ancillary and consumables	18,649,420	17,361,366
CI2	Work in progress and semi-finished goods	1,051,764	742,994
CI4	Finished products and goods	4,870,614	4,136,538
CI5	Advances	1,376,256	1,005,407
CI	Inventories	25,948,055	23,246,305
CII1a	Trade receivables due within the year	40,162,302	41,062,292
CII1	Trade receivables	40,162,302	41,062,292
CII2b	Receivables from subsidiaries after one year	200,000	
CII2	Receivables from subsidiaries	200,000	
CII5bisa	Tax receivables within the year	2,758,617	1,949,752
CII5bisb	Tax receivables after one year	661,494	32,500
CII5bis	Tax receivables	3,420,111	1,982,252
CII5tera	Prepaid taxes within the year	378,168	358,855
CII5terb	Prepaid taxes after one year	17,550	19,500
CII5ter	Prepaid taxes	395,718	378,355
CII5quater a	Other receivables within the year	713,480	1,950,391
CII5quater b	Other receivables after one year	374,284	371,996
CII5quater	Other receivables	1,087,764	2,322,386
CII	Current receivables	45,265,895	45,745,285
CIII6	Other securities	23,126,228	23,282,246
CIII	Financial assets not held as fixed assets	23,126,228	23,282,246
CIV1	Bank and postal deposits	84,557,726	39,179,418
CIV3	Cash and cash assets	136,904	157,513
CIV	Liquid assets	84,694,630	39,336,931
C	Current assets	179,034,809	131,610,767
D1	Accrued income	61,146	59,049
D2	Prepaid expenses	631,767	391,279
D	Accrued income and prepaid expenses	692,913	450,328
	Assets	192,593,536	141,079,263

PRESS RELEASE

Balance Sheet liabilities		30/06/2019	31/12/2018
AI	Share Capital	142,546	127,612
AII	Share premium reserve	89,980,925	39,980,672
AIV	Legal reserve	98,798	98,798
	Extraordinary reserve	30,095,166	8,234,037
	Consolidation reserve	535,515	535,515
	Foreign currency translation reserve	-1,203,117	-1,238,878
AVI	Other reserves stated separately	29,427,564	7,530,674
AVIII	Profits (losses) carried forward	1,265,652	575,936
AIX	Profit (loss) of the period	8,405,651	22,568,303
	Group shareholders' equity	129,321,136	70,881,995
	Minority Interest capital and reserve	396,646	200,746
	Profit (loss) pertaining to minority interests	89,669	306,093
	Minority interest in shareholders' equity	486,315	506,839
A	Shareholders' equity	129,807,451	71,388,834
B2	Provision for taxes, including deferred	183,229	145,542
B3	Financial derivative instruments	177,494	76,285
B4	Other provisions for risks	32,963	63,839
B	Provisions for risks and charges	393,686	285,666
C	Reserve for Employee Severance Indemnities	2,447,759	2,102,157
D4a	Bank payables due within the year	6,093,908	7,008,636
D4b	Bank payables due after one year	15,503,317	18,304,234
D4	Bank payables	21,597,225	25,312,870
D5a	Payables to other financial institutions within the year	738,970	2,632,934
D5b	Payables to other financial institutions after one year	4,096,097	5,931,343
D5	Payables to other financial institutions	4,835,067	8,564,278
D6	Advances	10,614,348	14,230,536
D7	Trade payables	12,719,398	12,055,988
D12a	Tax payables within the year	5,055,326	3,408,602
D12b	Tax payables after one year		
D12	Tax payables	5,055,326	3,408,602
D13a	Payables to social security agencies within the year	1,173,394	906,901
D13b	Payables to social security agencies after one year	55,006	377,155
D13	Payables to social security agencies	1,228,400	1,284,057
D14a	Other payables within the year	3,130,603	2,165,562
D14b	Other payables after one year	585,460	266,241
D14	Other payables	3,716,063	2,431,803
D	Payables	59,765,827	67,288,133
E1	Accrued expenses	61,415	59,049
E2	Deferred income	117,398	391,279
E	Accrued expenses and deferred income	178,813	14,474
Liabilities		192,593,536	141,079,263

PRESS RELEASE

Income statement		30/06/2019	30/06/2018
A1	Revenues from sales and services	50,139,150	52,243,661
A2	Changes in inventories of work in progress, semi-finished and finished products	2,681,405	1,242,266
A4	Increase in fixed assets for internal work	1,057,085	
A5	Other revenues and proceeds	2,870,917	150,551
A	Value of production	56,748,557	53,636,479
B6	Raw materials, ancillary, consumables and goods	14,237,131	19,321,913
B7	For services	15,532,375	12,307,433
B8	For the use of third-party assets	870,177	605,860
B9a	Salaries and wages	8,670,282	6,769,397
B9b	Social security charges	3,486,526	2,568,798
B9c	Severance indemnity	353,871	276,552
B9e	Other costs	386,466	308,819
B9	For the personnel	12,897,145	9,923,565
B10a	Amortisation of intangible fixed assets	358,390	204,271
B10b	Amortisation of tangible fixed assets	141,691	110,965
B10d	Write-down of current receivables	230,603	207,054
B10	Amortisation and depreciation	730,684	522,290
B11	Change in inventories of raw materials, ancillary, consumables and goods	386,237	-819,892
B14	Other operating expenses	336,185	111,253
B	Production costs	44,989,934	41,972,422
	Difference between value of production and costs	11,758,622	11,664,057
C15e	Income from equity investments in other companies	135	
C15	Income from equity investments	135	
C16a	Income from receivables entered as fixed assets		39
C16d	Income other than above	74,190	21,609
C16	Other financial income	74,190	21,648
C17e	Interests and other financial charges	405,687	144,035
C17	Interests and other financial charges	405,687	144,035
C17bis	Foreign exchange gains and losses	156,478	-526,464
C	Financial income and expenses	-174,884	-648,852
D19d	Write-downs of financial derivative instruments	104,917	19,113
D19	Write-downs	104,917	19,113
D	Value adjustments of financial assets and liabilities	-104,917	-19,113
Result before taxes		11,478,821	10,996,092
20a	Current taxes	1,920,186	3,141,041
20b	Taxes related to previous financial years		18,499
20c	Deferred taxes (prepaid)	1,063,315	35,201
20	Income taxes for the period	2,983,501	3,194,742
Profit (loss) of the period		8,495,320	7,801,350
Profit (loss) of minority interests		89,669	7,376
Profit (loss) of the group		8,405,651	7,793,974

PRESS RELEASE

Cash Flow Statement	30/06/2019	30/06/2018
A. Cash flows generated by operating activities		
(indirect method)		
Profit (loss) of the period	8,405,651	7,631,015
Income taxes	2,983,501	3,170,318
interest expense/(income)	174,884	53,061
1. Profit (loss) on income for the year before income tax, interest, dividends and gains/losses on disposals	11,564,036	10,854,394
Adjustments for non-monetary items that were not recognised in the net working capital		
Provisions	584,474	276,552
Amortisation of fixed assets	500,081	314,063
Value adjustments of financial assets and liabilities of financial derivative instruments that did not entail monetary changes	104,917	19,113
Other adjustments for non-monetary items	(2,451,493)	271,509
Total adjustments for non-monetary items that were not recognised in the net working capital		881,237
2. Cash flows before the changes of the net working capital	10,302,015	11,735,631
Changes in net working capital		
(Increase)/decrease in inventories	(2,701,750)	(892,112)
(Increase)/decrease in trade receivables	669,387	(4,481,974)
Increase/(decrease) in trade payables	663,410	2,547,193
Increase/(decrease) in accrued income and prepaid expenses	(242,585)	(4,402)
Increase/(decrease) in accrued expenses and deferred income	164,339	(65)
Other changes in net working capital	389,623	1,891,181
3. Cash flow after the changes of the net working capital	9,244,439	10,795,452
Other adjustments		
Interest collected/(paid)	(174,884)	(53,601)
(Income taxes paid)	(3,310,606)	(3,170,318)
(Use of reserves)	(30,876)	22,034
Other collections/(payments)	(8,269)	(347,526)
4. Cash flow after the other adjustments	5,719,804	7,905,563
Cash flow of the income management (A)	5,719,804	7,905,563

PRESS RELEASE

B. Cash flows deriving from investing activities		
Tangible fixed assets		
(Investments)	(565,530)	(558,713)
Intangible fixed assets		
(Investments)	(2,898,244)	(22,848)
Financial fixed assets		
(Investments)	(1,080,661)	(66,989)
Current financial assets		
Divestments	156,018	192,591
Cash flow of the investment activity (B)	(4,388,417)	(455,959)
C. Cash flows deriving from financing activities		
Financing activity		
Increase/(decrease) in other financial payables		
of which:		
- New disbursements		
- Reimbursements	(2,269,939)	
Increase/(decrease) in bank payables		2,240,880
of which:		
- New disbursements		3,136,000
- Reimbursements	(3,715,645)	(895,120)
Increase/(decrease) in minority interest in shareholders' equity		
Increase/(decrease) in group shareholders' equity		
of which:		
- Capital increases	50,011,895	
Net liquid assets used in investment activity	44,026,311	2,240,880
Increase/(decrease) in cash and cash equivalents	45,357,698	9,690,484
<hr/>		
Cash and cash equivalents at the beginning of the financial period	39,336,932	12,292,475
<hr/>		
Cash and cash equivalents at the end of the financial period	84,694,630	21,982,959
<hr/>		
Increase/(decrease) in cash and cash equivalents	45,357,698	9,690,484

PRESS RELEASE

RECLASSIFIED STATEMENTS

Antares Vision Consolidated P&L ('000,€)	30/06/2019	30/06/2018
Sales	52.014	52.388
<i>thereof H2020</i>	1.718	
CAPITALIZATION OF R&D	1.057	
Tax Credit	996	6
Value of Production	54.067	52.394
CHANGES IN INVENTORY STOCK	-1.970	-2.658
PURCHASE MATERIALS	13.940	19.004
Changes in work in progress	-325	596
Cost of Goods Sold	11.645	16.942
<i>Margin % on Sales</i>	22,4%	32,3%
Commissions for agents	1.676	1.988
Installation Expenses	2.316	1.540
First Margin	38.431	31.924
<i>Margin % on Sales</i>	73,9%	60,9%
Third party assets	981	754
Operating expenses	53	36
Services	8.769	6.870
Added Value	28.627	24.263
<i>Margin % on Sales</i>	55,0%	46,3%
Labour Cost	16.141	12.077
Employees	13.440	10.262
Professional Staff	2.701	1.815
EBITDA	12.486	12.186
<i>Margin % on Sales</i>	24,0%	23,3%
Provision	231	207
Depreciation	497	315
EBIT_RICL	11.759	11.664
<i>Margin % on Sales</i>	22,6%	22,3%
Financial expenses	175	668
Extraordinary expenses	106	0
Founds Release		
Altri Conti PL	0	
EBT_RICL	11.478	10.996
<i>Margin % on Sales</i>	22,1%	21,0%
Taxation	2.984	3.195
Utile (perdita) di terzi	90	7
NET PROFIT	8.405	7.794
<i>Margin % on Sales</i>	16,16%	14,9%
First Margin Net of Capital	36.377	31.918
<i>Margin % on Sales</i>	69,9%	60,9%

PRESS RELEASE

Antares Vision Consolidated BS ('000,€)	30/06/2019	31/12/2018
Real Estate	6.709	6.393
Financial Assets	564	0
Net Tangible Assets	164	163
Net Intangible Assets	4.245	1.682
Total Fixed Assets	11.682	8.238
<i>% Incid. On NIC</i>	<i>24,3%</i>	<i>20,1%</i>
Inventory Raw Material	16.962	17.361
Inventory Finished Goods	6.558	4.137
Inventory WIP	1.052	743
Total Inventory	24.572	22.241
Trade Receivables	40.782	41.451
Trade Payables	-12.719	-12.056
Advances from Clients	-10.614	-14.231
Trade Net Working Capital	42.020	37.405
<i>% Incid. On NIC</i>	<i>87,5%</i>	<i>91,2%</i>
Other Current Assets	8.153	6.919
Other Current Liabilities	-10.574	-8.926
Net Working Capital	39.599	35.399
<i>% Incid. On NIC</i>	<i>82,49%</i>	<i>86,3%</i>
Severance Indemnity Fund (TFR)	-2.448	-2.102
Other Funds	-33	-64
Bad Debt	-797	-465
Net Invested Capital	48.004	41.006
<i>% Incid. On NIC</i>	<i>100,0%</i>	<i>100,0%</i>
Net Equity	129.807	71.389
Net Equity	129.807	71.389
<i>% Incid. On TSoF</i>	<i>270,41%</i>	<i>174,1%</i>
Long Term loans + Leasing	26.020	32.236
Net Cash	-107.824	-62.619
Net Financial Debt	-81.804	-30.383
<i>% Incid. On TSoF</i>	<i>-170,41%</i>	<i>-74,1%</i>
Total Source of Financing	48.004	41.006
<i>% Incid. On TSoF</i>	<i>100,0%</i>	<i>100,0%</i>

PRESS RELEASE

For further information

Issuer

Antares Vision S.p.A.

Via del Ferro, no. 16
25039 – Travagliato (BS)
Alioscia Berto (*CFO and Investor Relations Manager*)
Tel.: + 030 72 83 500
E-mail: investors@antaresvision.com

Nominated Adviser and Specialist

Equita SIM S.p.A.

Via Filippo Turati, no. 9
20121 – Milan
Giulio Greco
Tel.: +39 02 6204 1
E-mail: g.greco@equita.eu

Media Relations

Twister communications group S.r.l.

Via Valparaiso, 3
20144 Milan
Maria Giardini
Tel.: +39 340 5104775
E-mail: mgiardini@twistegroup.it

About Antares Vision

Antares Vision guarantees the protection process of products throughout their life cycle by deploying the most comprehensive and flexible technologies in the world – both in terms of hardware and software – in inspection systems, tracking solutions and smart data management, for the most demanding industrial sectors, from pharmaceuticals to medical devices, from food&beverage to cosmetics and fashion. The products and services of the Antares Vision group are available in over 60 countries and it has 3 offices in Italy (Brescia, Parma and Latina), 8 foreign branches (Germany, France, Ireland, USA, Brazil, India, Russia and Hong Kong), 2 innovation and research centres in Italy and Ireland (Galway) and a network of over 30 partners worldwide. With 20 years of experience in vision technologies, Antares Vision supplies 10 of the world's 20 leading pharmaceutical companies: over 25,000 inspection systems assure the product's safety and quality each day and over 2,500 serialisation lines installed all over the world guarantee the traceability of over 5 billion products throughout the entire distribution chain. Since April 2019, Antares Vision has been listed on the Italian Stock Exchange, on the AIM Italia/Alternative Investment Market for dynamic and competitive SMEs. www.antaresvision.com