ANTARES VISION GROUP

HALF-YEAR FINANCIAL REPORT

AT 30 JUNE 2024

Parent company:

Antares Vision S.p.A.

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

Authorised share capital: Euro 172,788.42 subscribed and fully paid up

Brescia Companies Register, Tax Code and VAT no. 02890871201

Chamber of Commerce REA no. 000000523277

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REPORT ON OPERATIONS

Administrative and Control Bodies

Board of Directors

(in office until approval of the financial statements for the year ending 31/12/2026)

Board of Directors		
Office	**Name and surname**	**Committees**

Chief Executive Officer	Gianluca Mazzantini (1)	
Chairman	Emidio Zorzella (3)	
Director with powers	Giovanni Crostarosa Guicciardi (1)(4)	ID; CRSC
Director with powers	Massimo Bonardi (1)	
Director	Fabio Forestelli (2)	
Director	Vittoria Giustiniani (5)	CRSC; ARC
Director	Antonella Odero Ambriola (4)	ID; CRSC; RPTC; ARC
Director	Alessandra Bianchi (4)	ID; CRSC; RPTC; ARC
Director	Antonella Angela Beretta (4)	ID; CRSC; RPTC
Director	Mariagrazia Ardissone (4)	ID
Director	Paolo Silvio Tanghetti (4)	ID

(1) Executive
(2) Executive with powers in the subsidiary FT System S.r.l.
(3) Non executive
(4) Independent Director (ID) pursuant to art. 148, paragraph 3, of the Consolidated Finance Act (TUF in Italian) and art. 2, Recommendation 7, of the Corporate Governance Code
(5) Independent Director pursuant to art. 148, paragraph 3, of the TUF

CRSC - Control, Risk and Sustainability Committee
RPTC - Related-Party Transactions Committee
ARC - Appointments and Remuneration Committee

Board of Statutory Auditors

(in office until approval of the financial statements for the year ending 31/12/2026)

Board of Statutory Auditors	
Office	**Name and surname**
Chairman	Andrea Bonelli
Acting Auditor	Anna Maria Pontiggia
Acting Auditor	Giovanni Rossi
Alternate Auditor	Gianluca Cinti
Alternate Auditor	Sara Fornasiero

Control, Risk and Sustainability Committee and Related-Party Transactions Committee

(in office until approval of the financial statements for the year ending 31/12/2026)

Control, Risk and Sustainability Committee (CRSC)	
Office	**Name and surname**
Chairman	Antonella Angela Beretta
Member	Giovanni Crostarosa Guicciardi
Member	Vittoria Giustiniani
Member	Antonella Odero Ambriola
Member	Alessandra Bianchi

Related-Party Transactions Committee (RPTC)	
Office	**Name and surname**
Chairman	Antonella Angela Beretta
Member	Antonella Odero Ambriola
Member	Alessandra Bianchi

Appointments and Remuneration Committee

(in office until approval of the financial statements for the year ending 31/12/2026)

Appointments and Remuneration Committee (ARC)	
Office	**Name and surname**

Chairman	Antonella Odero Ambriola
Member	Vittoria Giustiniani
Member	Alessandra Bianchi

Supervisory Board

(in office until approval of the financial statements for the year ending 31/12/2024)

Supervisory Board	
Office	**Name and surname**
Chairman	Francesco Menini
Internal Member	Martina Monico
Internal Member	Silvia Baresi

Independent Auditors

(in office until approval of the financial statements for the year ending 31/12/2029)

EY S.p.A.

Information on the shareholders and stock performance

The share capital at 30 June 2024 amounts to Euro 172,778.42, fully paid up, made up of 70,753,559 ordinary shares, all without par value.

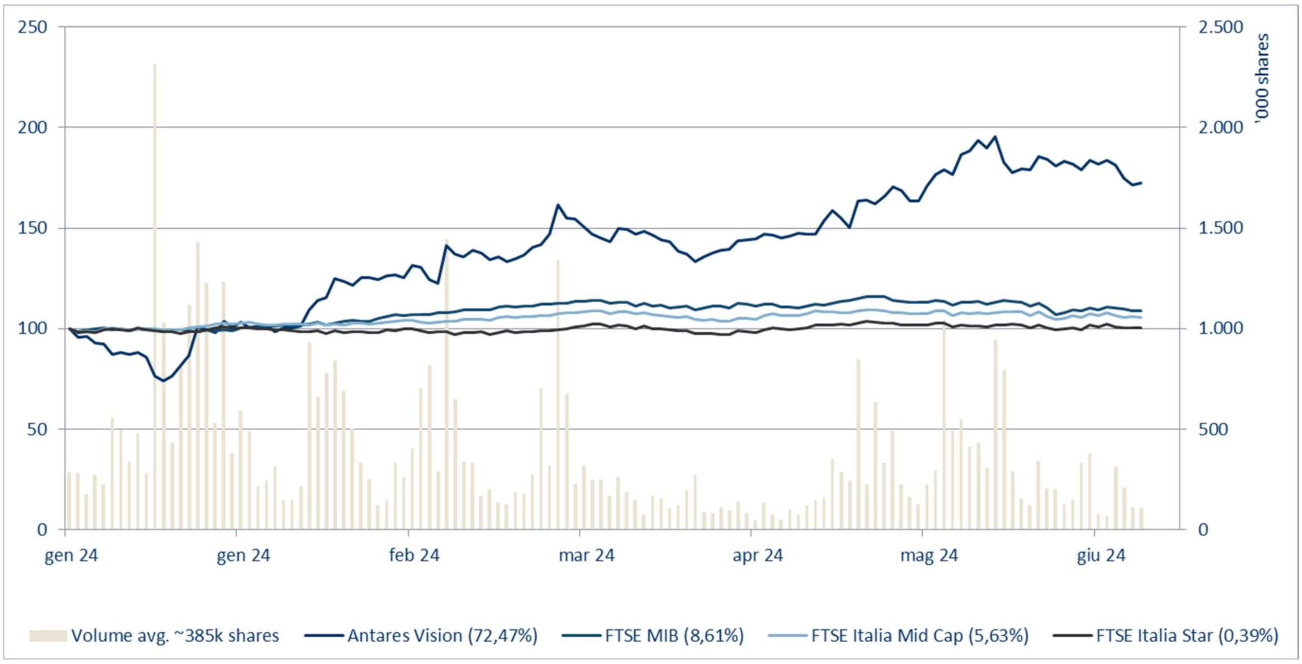
At the same date, the shareholder structure was as follows:

SHAREHOLDER STRUCTURE			
Shareholder	**Number Ordinary Shares**	**% Share Capital Ordinary**	% Share Capital in Voting Rights
Regolo S.p.A.	35,080,227	49.58%	61.67%
Sargas S.r.l.	6,555,173	9.26%	11.52%
Capital Research and Management Company	5,580,608	7.89%	4.91%
Gianluca Mazzantini	1,382,422	1.95%	1.22%
Treasury Shares	33,916	0.05%	0.03%
Float Remaining	22,121,213	31.27%	20.65%
Total	**70,753,559**	**100.00%**	**100.00%**

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 dedicated to 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.

The activities and structure of the Antares Vision Group

The core business of Antares Vision S.p.A. and its subsidiaries (referred to jointly as the “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.

At 30 June 2024, the Antares Vision Group has 28 branches worldwide, 10 production plants and employs around 1,226 people.

Antares Vision was founded in 2007 in Castel Mella (BS) by Emidio Zorzella and Massimo Bonardi, both engineers. Initially the Company specialised in the production of vision systems, based on intelligent cameras that control product compliance, and already in its first five years it established itself as a leader in the development of traceability systems, especially for the Pharmaceutical and Food & Beverage sectors. The entry into the shareholding structure of the Fondo Italiano d’Investimento from 2012 to 2017 and of Sargas from 2018 gave Antares Vision the organisational and financial strength that allowed it to begin a path of strong growth and internationalisation.

On 18 April 2019, Antares Vision was listed on the EGM - Euronext Growth Milan market (which later became the AIM) of the Milan Stock Exchange. Also in 2019, Antares Vision acquired 100% of FT System S.r.l., a world leader in inspection systems for the Food & Beverage sector, and indirectly took control of its subsidiaries in France and the United States and of the business carried on by the divisions operating in Mexico, Brazil, the UK, Spain, China and India. In the same year, it completed the acquisition of 37.50% of Orobix S.r.l., a company that operates in artificial intelligence systems.

In 2020, Antares Vision began a path of strategic diversification and reinforcement of the business with the establishment of new branches in Germany of Imago Tecnologies GmbH, in South-East Asia through Antares Vision APAC and in the United Kingdom with Innovative Marketing Digital Solutions UK Ltd. Antares Vision also completed the acquisitions of 82.83% of Tradeticity D.o.o., a Croatian company that specialises in the management of advanced traceability software, and 100% of Applied Vision Corp. (through its subsidiary Antares Vision Inc.), a US company and world leader in high-speed inspection systems for glass and metal containers in the Food & Beverage sector.

On 14 May 2021 Antares Vision went through a translisting and is now listed on the EXM - Euronext Milan (subsequently the MTA) market of the Milan Stock Exchange.

In 2021 and 2022 Antares Vision strengthened its know-how in the inspection and traceability sectors through:

(i) the acquisition of 100% of Rfxcel Corp. (through its subsidiary Antares Vision Inc.), a US company that specialises in the creation of software for the Life Sciences and Food & Beverage sectors; as well as 100% of Acsis Corp. (through Rfxcel Corp.), a US company that specialises in the creation of software for supply chain transparency and integrated management with ERP systems;

(ii) the acquisition of 100% of Pen-Tec S.r.l., 100% of Packital S.r.l., subsequently absorbed by FT System S.r.l., 100% of Tecnel S.r.l. and Ingg. Vescovini S.r.l., subsequently merged to create AV Electronics S.r.l. to create a centre of excellence in the design and supply of customised electronic hardware and software components for packaging and wrapping systems;

(iii) the acquisition of 60% of Wavision S.r.l., a company that originated at the Turin Polytechnic, which is active in the design and marketing of inspection sensors with microwave technology.

Key financial figures of the Antares Vision Group

Consolidated financial figures (€/000)	01.01.2024 - 30.06.2024	% of revenue	01.01.2023 - 30.06.2023 restated (*)	% of revenue	Change	Change %
Revenue	**87,565**	**100.0%**	**93,265**	**100.0%**	**-5,701**	**-6.1%**
Normalisations	*0*		*-440*			
Adjusted revenue	**87,565**	**100.0%**	**92,825**	**100.0%**	**-5,261**	**-5.7%**
Gross operating profit (EBITDA)	**-5,635**	**-6.4%**	**-6,424**	**-6.9%**	**789**	**-12.3%**
Normalisations	*-9,051*		*-1,161*	*0%*	*0*	*0%*
Adjusted EBITDA	**3,416**	**3.9%**	**-5,263**	**-5.7%**	**8,679**	**-164.9%**
Operating profit (EBIT)	**-19,172**	**-14.9%**	**-13,024**	**-14.0%**	**-31**	**0.2%**
Adjustment	*-15,168*		*-1,161*			
Adjusted EBIT	**-4,004**	**-4.6%**	**-11,863**	**91.1%**	**7,859**	**-66.2%**
Profit before taxes (EBT)	**-21,399**	**-24.4%**	**-19,821**	**-21.3%**	**-1,578**	**8.0%**
Profit/(loss) for the year	**-21,987**	**-25%**	**-19,183**	**-21%**	**-2,804**	**15%**

(*) Income statement restated following the accounting treatment of part of the revenue of the US subsidiary Rfxcel in 2021, 2022 and 2023 that did not comply with IAS/IFRS.

Consolidated figures (€/1000)	30.06.2024	31.12.2023
Total fixed assets	*214,583*	*214,734*
Net trade working capital	*48,814*	*68,973*
Net working capital	*46,669*	*68,472*
Net invested capital	*249,267*	*272,001*
Shareholders' equity	*151,030*	*167,717*
Adjusted Net Financial Position	**98,237**	**104,284**

The Antares Vision Group uses a number of alternative performance measures (APM) to monitor its results and financial trends. These APM, which have been developed in accordance with the ESMA/2015/1415 guidelines, are based exclusively on historical data of the Antares Vision Group and are not indicative of future performance.

Given that they are not foreseen by IFRS, they are not subject to auditing and the way that they are calculated by the Antares Vision Group may not be comparable with the approach taken by other groups. These APM should not therefore be considered as a substitute for the indicators required by IFRS, but should be read in conjunction with the Antares Vision Group's financial information contained in the consolidated financial statements and explanatory notes.

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

- 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 the Antares Vision Group’s ability to sustain its indebtedness.
- net financial indebtedness, together with other indicators of the composition of assets and liabilities and of financial elasticity, lead to a better assessment of the 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.

At 30 June 2024, consolidated revenue in the management accounts amounted to Euro 87.6 million, whereas the consolidated revenue shown in the consolidated income statement amounts to Euro 87.0 million. The difference of Euro 596 thousand is due to a number of reclassifications to “Other income” in the consolidated income statement, as shown in the following table.

Antares Vision consolidated income statement ('000,€)	01.01.2024 - 30.06.2024	01.01.2023 - 30.06.2023 restated (*)
Revenue	**87,565**	**92,825**
Other revenues	*596*	*1,222*
Revenue IFRS tables	**86,969**	**91,603**

Normalisations at 30 June 2024 involved the following adjustments:

- to “Gross operating profit (EBITDA)” and “Operating profit/loss (EBIT)”, both for Euro 15,2.1 million. This normalisation adjustment includes Euro 6.43 million of professional fees for the services provided by the professionals who assisted the group in various extraordinary activities, mainly related to the irregularities perpetrated by the American subsidiary, the debt rinegotiation and the social plan; Euro 2.67 million of personnel costs and Euro 44 thousand of professional services, mainly related to the social plan that will be explained in detail later on in this report (see the section entitled "Significant events during the period").

The following table shows the reconciliation between "Operating profit/loss (EBIT)", Adjusted EBITDA" and "Adjusted EBT”:

Antares Vision consolidated income statement ('000,€)	01.01.2024 - 30.06.2024	01.01.2023 - 30.06.2023 restated (*)
Operating profit (EBIT)	**-19,172**	**-17,289**
Professional fees	*6,275*	*1,161*
Personnel costs	*2,731*	*0*
Professional costs	*44*	*0*
Extraordinary Costs	**9,051**	**1,161**
PPA amortisation	*4,165*	*4,165*
Extraordinary write-downs	*1,327*	*0*
Other adjustments	*625*	*100*
Total adjustments	**15.168**	**5,426**
Adjusted EBIT	**-4,004**	**-11,863**
Write-down of receivables	*1,256*	*735*
Amortisation and depreciation	*6,164*	*5,865*
Adjusted EBITDA	**3,416**	**-5,263**

The following table shows the reconciliation between “Earnings before taxes (EBT)”, “Adjusted EBIT” and “Adjusted net profit/loss”:

Antares Vision consolidated income statement ('000,€)	01.01.2024 - 30.06.2024	01.01.2023 - 30.06.2023 restated (*)
Profit before taxes (EBT)	**-21,399**	**-19,821**
PPA amortisation	*4,165*	*4,165*
Goodwill Impairments	*1,327*	*0*
Extraordinary income and expenses	*9,500*	*914*
Write-downs/(revaluations) of investments in associates	*123*	*290*
Unrealised foreign exchange gains and losses	*212*	*529*
Warrants at market value	*-79*	*-578*
Adjusted EBT	**-6,151**	**-14,501**
Income taxes on adjusted EBT	*626*	*-500*
Profit/(loss) attributable to minority interests	*-39*	*-139*
Adjusted profit/(loss) for the year	**-6,738**	**-13,862**

Consolidated financial figures of the Antares Vision Group

The consolidated half-year income statement at 30 June 2024, reclassified according to management criteria, is shown below. Note that the comparison between 30 June 2024 and the same period of the previous year is not immediately interpretable due to the changes in the scope of consolidation explained in the notes on "Significant events during the period" and "Consolidation policies", to which reference should be made for further details.

Antares Vision consolidated income statement ('000,€)	01.01.2024 - 30.06.2024	01.01.2023 - 30.06.2023 restated (*)	Change	Change %
Revenue	*87,565*	*92,825*	*-5,261*	*-5.7%*
Capitalisation of development costs	*3,223*	*4,247*	*-1,024*	*-24.1%*
Operating grants and other income	*1,181*	*1,097*	*84*	*7.7%*
Tax credit	*371*	*665*	*-294*	*-44.2%*
Value of production	**92,340**	**98,834**	**-6,494**	**-6.6%**
Changes in inventories of raw materials and finished goods	*-3,032*	*-2,027*	*-1,005*	*49.6%*
Purchases of materials	*23,052*	*33,128*	*-10,076*	*-30.4%*
Changes in inventories of work in progress	*-690*	*-7,439*	*6,749*	*-90.7%*
Cost of sales	**19,330**	**23,662**	**-4,332**	**-18.3%**
% of sales	**22.1%**	**25.5%**		
Commissions	*700*	*1,576*	*-876*	*-55.6%*
Installation costs	*324*	*562*	*-238*	*-42.3%*
Gross Operating Margin	**71,986**	**73,034**	**-1,048**	**-1.4%**
% of sales	**82.2%**	**78.7%**		
Leases and rentals	*700*	*901*	*-201*	*-22.3%*
Operating costs	*126*	*249*	*-123*	*-49.4%*
Service costs	*19,375*	*22,720*	*-3,345*	*-14.7%*
Value added	**51,785**	**49,164**	**2,621**	**5.3%**
% of sales	**59.1%**	**53.0%**		
Labour	*48,368*	*54,426*	*-6,058*	*-11.1%*
Employees	*45,260*	*50,843*	*-5,583*	*-11.0%*
Collaborators	*3,107*	*3,583*	*-476*	*-13.3%*
Adjusted EBITDA	**3,417**	**-5,262**	**8,679**	**-164.9%**
% of sales	**3.9%**	**-5.7%**		
Write-down of receivables	*1,256*	*735*	*521*	*70.9%*
Amortisation and depreciation	*6,164*	*5,865*	*299*	*5.1%*
Intangible assets	*3,839*	*3,738*	*101*	*2.7%*
Property, plant and equipment	*2,325*	*2,127*	*198*	*9.3%*
Adjusted EBIT	**-4,004**	**-11,862**	**7,859**	**-66.3%**
% of sales	**-4.6%**	**-12.8%**		
Financial (income) and charges	*2,526*	*2,590*	*548*	*21.2%*
(Extraordinary income and expenses	*9,500*	*914*	*8,586*	*939.4%*
Write-down/(Write-up) of investments in associates	*-123*	*290*	*-413*	*-142.4%*
PPA amortisation	*4,165*	*4,165*	*1*	*0.0%*
Goodwill impairment	*1,327*	*0*	*0*	*0.0%*
Profit before taxes (EBT)	**-21,398**	**-19,821**	**-862**	**4.3%**
% of sales	**-24.4%**	**-21.4%**		

Income taxes	*626*	*-500*	*1,125*	*-225.0%*
Profit/(loss) attributable to minority interests	*-39*	*-139*	*101*	*-72.7%*
Profit/(loss) for the period	**-21,985**	**-19,182**	**-2,088**	**11%**
% of sales	**-25.1%**	**-20.7%**		

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

"**Revenue**", amounting to Euro 87.6 million at 30 June 2024, has decreased by Euro 5.3 million compared with the same period last year (-5.7%). The changes in the scope of consolidation, relating to Antares Vision Rus, Markirovka As A Service LLC, RFXL LLC and T2 Software, are explained in detail later on in this report ("Significant events during the period"). They contributed to a decrease of Euro 1.5 million (-1.6%), whereas exchange rate movements did not have a significant impact.

As regards the trend in revenue by geographical area, there has been a positive contribution of Euro 5.4 million (+37%) in Italy (Euro 20.1 million in the first half of 2024 versus Euro 14.7 million in the first half of 2023) and a decrease of Euro 9 million (-22%) in the Americas. This is again the most important area in terms of revenue with Euro 32.8 million (37% at 30 June 2024). The following table shows Revenue by geographical area:

Revenue by geographical area (€mn)	**30.06.2024**	**%**	**30.06.2023** restated	**%**	**Δ '24 v '23**	**Δ %**
Italy	20.2	23.1%	14.7	15.9%	5.5	37.1%
Europe	24.5	28.0%	25.0	26.9%	-0.5	-2.1%
North & South America	32.8	37.4%	41.8	45.0%	-9.0	-21.6%
Asia and Oceania	6.9	7.9%	7.5	8.1%	-0.6	-7.9%
Africa and the Middle East	3.2	3.6%	3.8	41.%	-0.6	-16.1%
TOTAL	**87.6**	**100.0%**	**92.8**	**100.0%**	**-5**	**-5.7%**

In the first half of 2024, the European market, which is the second largest market by turnover, despite the negative impact of the change in scope (Euro 1.5 million), confirms its stability with organic growth of approximately 4.6%.

Africa & the Middle East, as well as Asia and Oceania, confirm their significant share in percentage terms, even if showing a slight decrease in absolute terms; the markets that are declining compared with last year's performance are China, Vietnam and the Middle East.

The following table shows Revenue by Business Unit:

Business Unit (€mn)	**30.06.2024**	**%**	**30.06.2023 restated**	**%**	**Δ '24 v '23**	**Δ %**
LS&C	37.1	42.4%	36.2	39.0%	0.9	3%

FMCG	31.3	35.7%	37.5	40.4%	-6.2	-16.6%
SCT	15.5	17.7%	15.7	16.9%	-0.3	-1.7%
OTHER	3.7	4.3%	3.4	3.7%	0.3	9.7%
TOTAL	**87.6**	**100.0%**	**92.8**	**100.0%**	**-5.3**	**-5.7%**

The "Life Sciences & Cosmetics" Business Unit (**LS&C**) is confirmed as the most important sector, both as a percentage of total sales (42%) and in terms of growth (+3%). This positive result is attributable to the good performance of inspection machines and systems (+80%) and after-sales services (+20%), while Track&Trace and Serialisation equipment is showing a slowdown (-22%), mainly due to the North American market (in the first half of 2023 benefited from the completion of a multi-year project).

The "Fast Moving Consumer Goods" Business Unit (**FMCG**) posted a slowdown of 17%, mainly due to a decline in inspection systems (-19%). The latter figure was negatively impacted by the decrease in sales in rigid containers, while the F&B sector remains substantially stable. As regards the Rigid Containers sector. The industry is experiencing a period of overcapacity among its customers, who have consequently reduced investments. Also in the F&B sector there is a temporary slowdown in demand in the American market, which has led to the postponement of certain projects. Despite this, the F&B sector managed to compensate with higher sales in other areas, mainly in Italy and Europe, which offset the performance of the US market and the blockage of the Russian market.

The "Supply Chain Transparency" Business Unit (SCT) is stable; it includes all software solutions both at Level 4 (L4) and at Level 5 (L5.

Lastly, the "Other" Business Unit is showing organic growth of 90%, driven by the ASL Napoli project, net of the change in the scope of consolidation, mainly attributable to the departure of Antares Vision Rus (Euro -1.5 million).

The "Value of production", equal to Euro 92.3 million at 30 June 2024, shows a decrease of 6.6% compared with the same period last year (restated), when it amounted to Euro 98.8 million. The decrease, which was higher than that of revenues, was due to a lower amount of capitalisation of costs (€3.2 million compared to €4.3 million last year) and tax credit (€0.4 million compared to €0.7 million).

The "Cost of goods sold (COGS)", equal to Euro 19.3 million at 30 June 2024, shows a decrease of 18.3% compared with the same period last year (restated), when it amounted to Euro 23.6 million, and a 3.4% reduction as a percentage of sales; thanks to the better performance on the part of services, a price adjustment and a standardisation of production processes. In 1H 2024, the EBITDA margin was 22.1% compared to 25.5% in the same period last year.

Consequently, the "Gross operating margin" and "Value added respectively assume the value of Euro 72 million (73 million at 30 June 2023 restated, -1.3%) and Euro 52 million (49.2 million at 30 June 2023 restated, +5.6%), giving an improvement in the sales margin of 3.5% and 6.3%. As a result, the impact on turnover of the First Margin rose to 82.2% compared to 78.7% recorded in 1H 2023. In terms of Added Value, the incidence on turnover reached 59.1% compared to 53% last year; the increase is due to a better revenue mix, combined with a decline in COGS (-18.3%) and Services (-14.7%).

Adjusted EBITDA stands at Euro 3.4 million at 30 June 2024 (-5.3 million at 30 June 2023 restated) with an increase in absolute value of Euro 8.7 million (+9.6%) and a percentage of sales of 3.9% (-5.7% at 30 June 2023 restated). This result has been affected by the decrease in labour costs, which amounted to Euro 48.4 million in the first half of 2024 compared with Euro 54.4 million in the first half of 2023 restated.

Adjusted EBIT stands at Euro -4 million at 30 June 2024 (-11.9 million at 30 June 2023 restated) with an increase in the absolute loss of Euro 7.9 million (-66.3%) and a percentage of sales of -4.6% (-12.8% at 30 June 2023 restated). This result reflects higher amortisation and depreciation following the capitalisation of development costs and rights of use for the various company locations, as well as higher allocations to the Provision for doubtful accounts.

"Financial income and charges" are showing a negative balance of Euro 3.1 million, influenced for Euro 2.9 million by interest and financial charges on loans.

Adjusted EBT stands at Euro -21.4 million at 30 June 2024 (-19.8 million at 30 June 2023 restated) with an increase in the absolute loss of Euro 1.5 million (+8%) and a percentage of sales of -24.4% (-21.4% at 30 June 2023 restated). This, net of income tax and the share of the loss attributable to third parties, leads to a "net loss" of Euro 22 million (-19.2 million at 30 June 2023 restated).

Seasonality of the business

The Group generally turns in higher revenues and operating results in the second half of the year than in the first. The reason for this trend is the higher number of installations of new lines during production downtime for customers, which mainly take place during the summer or in December, when factories are closed. There is also a tendency for customers to postpone production investments to the second half of the year due to budgetary issues, which for the pharmaceutical sector are often linked to government subsidies or public tenders.

At 30 June 2024, this dynamic has translated into high levels of inventories to ensure that we have enough material to meet expected sales in view of the higher order backlog.

Consolidated revenue for the first half of 2024 and the whole of 2023 are shown below:

Consolidated income statement	01/07/2022 31/12/2022 restated	01/01/2023 30/06/2023 restated	01/07/2023 31/12/2023 restated	01/01/2024 30/06/2024	01/07/2022 30/06/2023 restated	01/07/2023 30/06/2024 restated
Revenue	131,709,350	91,603,171	118,415,973	86,968,989	223,312,520	205,384,962

Consolidated figures of the Antares Vision Group

The consolidated statement of financial position at 30 June 2024 is shown below, reclassified according to the source and application of funds.

Antares Vision Group Consolidated statement of financial position ('000,€)	30.06.2024	31.12.2023	Difference % 2024 vs 2023
Property	*33,538*	*32,919*	*1.9%*
Financial assets	*8,676*	*8,553*	*1.4%*
Property, plant and equipment, net	*3,379*	*3,504*	*-3.6%*
Intangible fixed assets, net	*168,989*	*169,759*	*0.3%*
Total fixed assets	**214,582**	**214,735**	**0.6%**
% of net invested capital	**86.1%**	**78.9%**	
Raw materials	*25,177*	*26,078*	*-3.5%*
Work in progress	*11,231*	*8,876*	*26.5%*
Finished products	*14,542*	*13,773*	*5.6%*
Total inventories	**50,950**	**48,727**	**4.6%**
Trade receivables	*54,645*	*71,628*	*-23.7%*
Trade payables	*-26,201*	*-25,340*	*3.4%*
Advances from customers	*-30,581*	*-26,043*	*17.4%*
Net trade working capital	**48,813**	**68,972**	**-29.2%**
% of net invested capital	**19.6%**	**25.4%**	
Other assets	*23,971*	*26,128*	*-8.3%*
Other liabilities	*-26,114*	*-26,628*	*-1.9%*
Net working capital	**46,670**	**68,472**	**-31.8%**
% of net invested capital	**18.7%**	**25.2%**	
Severance indemnities	*-8,618*	*-9,516*	*-9.4%*
Provision for risks and charges	*-3,367*	*-1,690*	*-99.2%*
Net invested capital	**249,267**	**272,001**	**-8.4%**
% of net invested capital	**100%**	**100%**	
Shareholders' equity	*151,030*	*167,717*	*-9.9%*
Shareholders' equity	**151,030**	**167,717**	**-9.9%**
% of net invested capital	**60.6%**	**61.7%**	
Adjusted Net Financial Position	**98,237**	**104,284**	**-5.8%**
% of net invested capital	**39.4%**	**38.3%**	
Total sources of funding	**249,267**	**272,001**	**-8.4%**
% of net invested capital	**100%**	**100%**	

Net invested capital, equal to Euro 249.3 million at 30 June 2024 (272 million at 31 December 2023), is made up of total fixed assets of Euro 214.6 million (214.7 million at 31 December 2023), net working capital of 46.7 million (68.5 million at 31 December 2023) and severance indemnities and provisions for risks and charges of Euro 12 million (11.2 million at 31 December 2023).

Total fixed assets (Euro 214.6 million) does not shows an overall increase compared with 31 December 2023, mainly due to the combined effect of the following factors:

- a net increase of Euro 0.6 million in property, mainly because of new leases managed in accordance with IFRS 16;
- An increase in financial assets of Euro 0.1 million, mainly due to the revaluation of associates consolidated at equity;
- a net decrease of Euro 0.1 million in property, plant and equipment due to depreciation for the period of Euro 1 million. and the negligible exchange rate effect, partially offset by investments during the period of Euro 1 million;
- net decrease of Euro 0.8 million in intangible assets due to amortisation for the period of Euro 8 million, the write-down related to the impairment loss of Euro 1.3 million (as explained in Note 2 of the Explanatory Notes to which reference should be made for further details), the positive exchange rate effect of Euro 1.4 million, investments for the period of Euro 5.3 million, and the positive exchange rate effect of Euro 2 million relating to the goodwill already recorded at 31 December 2023.

The **Adjusted net financial position** is equal to Euro 98.2 million (104.3 million at 31 December 2023). For further details, please refer to the next paragraph.

Shareholders' equity is equal to Euro 151 million (167.7 million at 31 December 2023), having been influenced by the loss for the period of Euro 22 million. For further details, please refer to the “Statement of changes in consolidated shareholders' equity” in the explanatory notes.

Consolidated Net Financial Position

The Consolidated net financial position at 30 June 2024 is shown below with comparative figures at 31 December 2023. The schedule reflects the provisions of Consob Attention Notice no. 5/21 of 29 April 2021, which in turn refers to ESMA guideline 32-382-1138 on disclosure requirements, which aims to achieve greater uniformity of disclosure requirements at a European level. Since this orientation does not foresee the inclusion of non-current financial assets in the net financial position, a reconciliation between the "Consolidated net financial position" and the "Adjusted consolidated net financial position" is also provided.

Note that the financial indebtedness determined according to the ESMA criteria coincides with the Group's concept of "Net financial position".

Consolidated net financial position (€/000)		30.06.2024	31.12.2023
Cash and banks	A	47,497	43,365
Cash equivalents	B	-	-
Other current financial assets	C	7,531	13,242
Cash and cash equivalents	**D=A+B+C**	**55,028**	**56,607**
Current financial debt (including debt instruments, but excluding the non-current portion of loans and borrowings)	E	-4,371	-4,522
Current portion of non-current financial liabilities	F	-17,272	-147,397

Current financial debt	**G=E+F**	**-21,643**	**-151,919**
Net current financial debt	**H=G-D**	**34,126**	**-95,312**

Non-current financial debt (excluding the current portion and the debt instruments)	I	-136,211	-12,956
Debt instruments	J	-33	-
Other non-current payables	K	-741	-881
Non-current financial debt	**L=I+J+K**	**-136,985**	**-13,837**

Net financial position	**M=H+L**	**-102,859**	**-109,149**

Net financial position		**-102,859**	**-109,149**
Derivative effect neutralisation (*)		4,623	4,865
Adjusted net financial position		**-98,236**	**-104,284**

(*) 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 N**et financial position** at 30 June 2024 is negative for Euro 102,826 thousand (it was negative for Euro 109,148 thousand at 31 December 2023), while the **Adjusted consolidated net financial position**, i.e. including non-current derivatives receivable, is negative for Euro 98,237 million (having been negative for Euro 104,284 million at 31 December 2023). Please note that the consolidated net financial position at 30 June 2024 does not include any financial liabilities relating to warrants as they expired on 19 April 2024; For further details, please refer to Note 13. The financial liability relating to the warrants amounted to Euro 79 thousand at 31 December 2023.

The change in the adjusted consolidated net financial position compared with last year is mainly due to the combined effect of the following factors:

- A negative EBITDA of Euro 5.4 million;
- the positive change in net working capital of Euro 22 million, mainly due to the increase in Trade receivables (Euro 15 million), and the increase in Trade payables and Advances from customers (Euro 5.4 million), partially offset by the increase in Inventories (Euro 2.2 million);
- investments in property, plant and equipment and intangible assets for euro 6.9 million, as further detailed in notes 1 and 3;
- the provision of TFR advances or final settlements for Euro 0.9 million;
- l’erogazione di anticipi/liquidazioni TFR per 0,9 milioni di euro;
- Reimbursement of interest paid amounting to 3.6 million euros and differential received on the mark-to-market (MTM) of derivatives totaling 1.1 million euros;
- Taxes paid amounting to 0.4 million euros.

Significant events during the period

Restatement of the consolidated income statement at 30 June 2023

Please refer to the paragraph entitled “Restatement of the consolidated income statement at 30 June 2023” in the explanatory notes.

Medium/long-term loans: remodulation of the covenants

As already explained in the notes to the annual consolidated financial statements at 31 December 2023, to which reference should be made for further details, the correction in the method of accounting for Revenue relating to the L5 Business generated an impact on consolidated EBITDA that made it impossible for all of the medium-long term loans and bonds to comply with the NFP/EBITDA covenant at 31 December 2023. For this reason, on 27 May 2024 the Antares Vision Group agreed to a remodulation of the covenants starting in 2024.

For more details on the medium-long term loans and on the covenants in force at 30 June 2024, which have all been met, please refer to Note 20.

Strengthening of management and the stock grant

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

On 23 January 2024, Gianluca Mazzantini took on the role of General Manager and was subsequently appointed Chief Executive Officer of Antares Vision S.p.A. after being co-opted onto the Board of Directors by resolution of the Shareholders' Meeting on 28 February 2024.

On the same date, the Shareholders' Meeting resolved to adopt a stock incentive plan (**First Stock Grant Plan** or **GM Plan**) in favour of Gianluca Mazzantini. The Company also announced that it had hired Carlo Corollo (as the new Chief HR Officer) and that it had signed binding agreements with 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). For more details on the Stock Option Plan, please refer to the paragraph entitled “Share-based payments” in the Explanatory Notes. The **First Stock Grant Plan** establishes the General Manager as the beneficiary of a share incentive scheme involving up to 1,382,422 ordinary shares in the Company, with a duration of 5 years – strictly connected to performance targets (80% linked to corporate and/or Group results and 20% to ESG targets) which have to be achieved within the said time frame, consistently with the strategic/business plan developed by the General Manager for a three-year duration and approved by the Board of Directors, as well as additional two-year objectives for the fourth and fifth year of the GM Plan, again developed by the General Manager and approved by the Board of Directors. For each year of the GM Plan, the Board of Directors will have to verify achievement of the relevant vesting conditions (including achievement of the performance targets), following the approval by the Board of Directors of the consolidated financial statements for the reference year of each cycle, and will then communicate to the General Manager the definitive assignment of the tranche of shares for the cycle in question. The performance targets of the GM Plan are as follows: Group EBITDA (with a weight of 50%); Group NFP (with a weight of 30%); ESG targets (with a weight of 20%). As regards the purely financial objectives (i.e. not those linked to ESG targets), the GM Plan provides for a certain degree of tolerance, as follows:

(a) in the event of a deviation from the annual financial performance targets of up to 15%, the shares of the relevant annual tranche will all be considered definitively assigned; (b) in the event of a deviation greater than 15% and up to 20%, the shares of the relevant annual tranche will be considered definitively assigned in proportion to the results actually achieved (i.e. each percentage point of deviation will have an impact equal to 20%); (c) in the event of a deviation equal to or greater than 20%, the General Manager will be obliged, each year, to return the tranche of shares assigned to him in advance, by and no later than 10 calendar days from the Board of Directors ascertaining the failure to achieve the objectives, in exchange for payment by the Company of the subscription price, without any right or claim of any kind, including the effects suffered by reason of the taxation applied at the time the portion of shares was assigned.

The Stock Grant Plan provides that the unvested shares are attributed to the beneficiary in a personal capacity and are therefore not transferable by deed inter vivos for whatever reason, neither full rights nor partial rights. Each tranche of shares, once definitively assigned, will be subject to a lock-up period of 24 months from the date of definitive assignment. The GM Plan provides that, pending the relevant vesting conditions, the General Manager may not dispose of, sell or transfer the unvested shares involved in the GM Plan. This provision will also apply where there is a dispute between the General Manager and the Company regarding the occurrence of a good leaver or bad leaver event until a judicial or arbitration decision is made which decides on the qualification of the leaver event.

Social Plan

On 7 May 2024, a Trade Union consultation procedure was launched in accordance with Law 223/91 for the suppression of 54 positions at the Parent Company's headquarters in Travagliato, identified as being redundant with respect to the Company's organisational and strategic needs. In the letter of communication to the local trade unions it was emphasised that "To deal with the social consequences of implementing the job reduction programme, the Parent Company confirms the possibility, considering the technical, organisational 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.

On 17 July 2024, an agreement was signed with the Lombardy Region and the FIM-CISL trade unions for the implementation of the Social Plan, with an agreed number of 35 redundant positions, of which over 70% had already left in August on a voluntary basis. The rest of the people involved can also choose to do so by 31 October 2024.

The Company has set up a specific restructuring provision to cover any costs not yet incurred; at 30 June 2024 it has a value of Euro 2,129,999.

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 no. 58 of 24 February 1998, regarding:

- the financial situation of the 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. 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.

Approval of the 2024-2026 Business Plan

On 4 March 2024, the Board of Directors of Antares Vision S.p.A. approved the strategic guidelines and objectives of the 2024-2026 Business Plan, based on a new organisational model with four CGUs. It aims to strengthen the Group's internal synergies by restructuring processes and the organisation, as well as introducing a more detailed financial and management reporting model. This Business Plan was disclosed to the market on 18 June 2024. The Business Plan identifies three pillars:

(i) focusing on existing markets with a more selective approach to opportunities, including expansion of the Inspection Systems business on the North American market;
(ii) implementing greater cost discipline through internal reorganisation and an acceleration of product delivery times, especially of Track & Trace products, with the clear objective of improving margins;
(iii) restoring and incentivising cash generation by optimising working capital and with a more balanced distribution of sales throughout the year.

Over the period 2024-2026, the Antares Vision Group, on a like-for-like basis, expects consolidated revenue and adjusted EBITDA to grow at a CAGR of 4-6% and 47-55%, respectively. Adjusted EBITDA as a percentage of sales in 2026 is expected to come in at 17.5-19.5%, compared with 6.2% in 2023.

Annual capex is expected to be Euro 15-17 million, compared with the Euro 25.8 million invested in 2023. Lastly, in 2026 the ratio of NFP/Adjusted EBITDA should be less than 1.7x (7.8x at the end of 2023).

Conversion of the warrants and special actions

On 18 April 2019, Antares Vision S.p.A. issued 5,000,000 warrants at the time of its listing on the Euronext Milan market. Given that no requests had been received to exercise any of the warrants and as on 19 April 2024 60 months had elapsed from the effective date of the absorption of ALP.I S.p.A. by the Parent Company (on 18 April 2019), the 250,000 special shares were automatically converted into 250,000 ordinary shares and the 1,189,590 preferred shares were cancelled in accordance with articles 5.7 and 5.8 of the Articles of Association.

As a result of the above, the share capital of the Antares Vision Group at 30 June 2024 is equal to Euro 172,788 made up exclusively of 70,753,559 ordinary shares.

For more details on the warrants, please refer to Note 13.

Sale of the subsidiary T2 Software SA and its subsidiary Pharmatrack Sistemas LTDA

On 18 April 2024, Antares Vision Do Brasil LTDA sold 51% of T2 Software SA to its founding partners, who already held the other 49%. The decision taken in 2024 to sell the company was motivated, above 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 (SW). 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 an increase in capital by Antares Vision Do Brazil of approximately Euro 140,000. 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. For the same reason, Antares Vision Do Brazil waived the loan of Euro 168,633 that it had made to its subsidiary T2 Software in exchange for an increase in the value of its shareholding in the subsidiary. This waiver resulted in an increase in T2 Software's equity of the same amount. The sale of the shareholding was carried out at a symbolic price of 1 Brazilian real (equal to approximately Euro 0.17), resulting in the recognition of a capital loss of Euro 443,416, as detailed in the following table:

SALE OF T2SW	BRL	EUR
Cash outflow	738,000	134,314
Closing the loan	993,500	180,814
Closing investment	704,892	128,288
Loss Generated	**2,436,392**	**443,416**

Absorption of Packital S.r.l. by FT System S.r.l..

The absorption of Packital S.r.l. ("the Merged Company") by FT System S.r.l. ("the Merging Company") took effect on 1 May 2024.

As shown in the merger plan, the legal effects of the merger will run from the first day of the month following the month in which the last of the registrations at the Chamber of Commerce to which the two companies belong is carried out, with the accounting and tax effects backdated to the first day of the financial year in progress on the date of the merger, i.e. 1 January 2024. It follows that the transactions of the Merged Company will be recorded in the books of the Merging Company from 1 January 2024, taking into account that both companies close their financial year on 31 December of each year, and the effects of the merger for income tax purposes will take effect from that date, pursuant to art. 172, ninth paragraph of Presidential Decree no. 917 of 22 December 1986.

Given that FT System held the entire share capital of Packital S.r.l., the merger took place without any exchange of shares and the articles of association of the Merging Company did not undergo any changes with respect to those in force prior to the merger. For the purposes of preparing the consolidated financial statements, this did not lead to any accounting effect other than what would have taken place without a merger.

The Russian market and the downsizing of the Russian subsidiaries' activities

For Antares Vision Group, the Russian market has always been an area of interest for the implementation of Track & Trace solutions, first in the Pharmaceutical sector and, more recently, in the Food & Beverage sector. The Group is present on the Russian market through its subsidiaries Antares Vision Rus OOO (100% owned by the Parent Company), Markirovka As A Service LLC (70% owned by the Parent Company indirectly through Innovative Marketing Digital Solutions UK Ltd) and Rfxcel LLC (100% owned by the Parent Company indirectly through Rfxcel Corp.).

With the outbreak of the Russia-Ukraine conflict and the imposition of restrictive measures, exports of materials, software and services intended for pharmaceutical use have not been limited, subject to the Group obtaining specific authorisations from the national Authority – UAMA (Unit for the Authorisation of Armament Materials), whereas exports of products related to the Food & Beverage sector have been progressively restricted and then blocked completely.

These circumstances have induced the Management and Board of Directors of Antares Vision S.p.A. to initiate a process of significant downsizing of activities in Russia. This process began on 11 September 2023 with the start of negotiations for the sale to local management of the activities in Russia of the three subsidiaries (i.e. a management buy-out) and, at the same time, signing a distribution agreement and an option to buy back the companies in the event that the Russian crisis was resolved positively in the future. The agreement also provided that all financial and commercial receivables due to the Antares Vision Group would be paid before the sale.

However, on 14 May 2024, the Antares Vision Group announced that the proposed management buy-out no longer represented a viable option, mainly because of the further tightening of sanctions against Russia. Management has therefore initiated a gradual downsizing of operations of its Russian subsidiaries. Specifically, management has appointed the local managing director of Antares Vision Rus OOO and Markirovka As A Service LLC and a local lawyer for Rfxcel LLC to proceed with the gradual cessation of activities and payment of liabilities, as well as to dismiss the personnel through the use of assets and liquidity held by the subsidiaries.

The events described so far have taken place without adequate financial information from the Russian companies and without operational, financial and commercial control over them by the parent company Antares Vision S.p.A. for the entire first half of 2024. For this reason, the three Russian subsidiaries are no longer included in the scope of consolidation of the Antares Vision Group at 30 June 2024. Consequently, any assets or liabilities in the separate financial statements of Antares Vision S.p.A. and Rfxcel Corp. versus the Russian subsidiaries (in the case of the assets already fully written down as of 31 December 2023) have also been classified as assets and liabilities versus third parties.

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

Please refer to the section below on "Significant subsequent events" for corporate developments relating to the subsidiary Antares Vision Rus OOO LLC.

Significant subsequent events

Shareholders' Meeting – The Shareholders' Meeting of Antares Vision S.p.A., chaired by Emidio Zorzella, took place on 10 July 2024 in extraordinary and ordinary session, with 67.18% of the ordinary share capital present, representing 72.62% of all voting rights.

The Meeting: approved the Company's financial statements at 31 December 2023 and the allocation of the result for the year; appointed the members of the Board of Directors for the years 2024-2025-2026; appointed the members of the Board of Statutory Auditors for the years 2024-2025-2026; approved the report on remuneration and compensation paid as of 31 December 2023; approved the new share-based incentive scheme; approved a new authorisation for the purchase and disposal of treasury shares; approved the amendments to the articles of association to incorporate the provisions contained in the so-called “Law on Capital”.

At the end of the Meeting, the new Board of Directors was installed: Gianluca Mazzantini was appointed Chief Executive Officer; powers were delegated to Emidio Zorzella and Massimo Bonardi; Giovanni Crostarosa Guicciardi was appointed Deputy Chairman; verified the requisites of the Directors and Statutory Auditors appointed by the Shareholders' Meeting; appointed the members of the Board Committees; appointed Giovanni Crostarosa Guicciardi as the Lead Independent Director; appointed Stefano De Rosa as the Manager in charge of preparing the Company's accounting documents.

Total amount of voting rights

On 2 August, Antares Vision S.p.A. announced that the increase in voting rights relating to 1,005 ordinary Antares Vision shares took effect on 7 August, pursuant to art. 127-quinques of the TUF and in application of the Company's articles of association.

Revocation and new authorisation for the purchase and disposal of treasury shares

After revoking the authorisation resolved by the Meeting held on 28 April 2023, Antares Vision's shareholders also renewed the authorisation for the purchase and disposal of treasury shares. Specifically, the Meeting approved the proposal to grant the administrative body, pursuant to articles 2357 and 2357-ter of the Civil Code, for a period of 18 months from the date of the resolution, the authorisation to proceed with the purchase and disposal of treasury shares. 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 by the Company 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 purchases of treasury shares, it is determined that a shareholder exceeds the thresholds for the purposes of art. 106 of the TUF. As of today, the Company holds 33,916 of its own shares directly.

The purchase and disposal of treasury shares aims, among other things, to service the stock incentive plan (**Second Stock Grant Plan** or **Stock Plan**) also resolved by the Shareholders' Meeting on 10 July 2024 in favour of the executive directors and other executives with strategic responsibilities ("key management personnel"), as well as middle or senior managers of the Parent Company or subsidiaries due to the strategic nature of their positions.

This plan provides that the recipients are beneficiaries of a share incentive scheme lasting 5 years - closely linked to the annual performance targets (80% linked to financial performance targets and 20% to non-financial performance targets) that have to be achieved in the said time frame, according to a three-year strategic/business plan approved by the Board of Directors as well as, for the remaining period, additional annual objectives for the fourth and fifth year of the Plan's duration, again approved by the Board of Directors.

For each year of the Stock Plan, the Board of Directors will have to verify achievement of the relevant vesting conditions (including achievement of the performance targets), following the approval by the Board of Directors of the consolidated financial statements for the reference year of each cycle, and will then communicate to each of the beneficiaries that they have the chance to subscribe the tranche of shares for that cycle.

The performance targets of the Stock Plan are as follows: Group EBITDA (with a weight of 50%); Group NFP (with a weight of 30%); non-financial performance targets (with a weight of 20%). As regards the purely financial objectives (i.e. not those linked to non-financial performance targets), the Stock Plan provides for a certain degree of tolerance, as follows: (b) in the event of a deviation from annual financial performance targets up to and including 15%, the shares of the relevant annual tranche will all be considered assigned; (b) in the event of a deviation greater than 15% and up to (but not including) 20%, the shares of the relevant annual tranche will be assigned in proportion to the results actually achieved (i.e. each percentage point of deviation will have an impact equal to 20%); (c) in the event of a deviation equal to or greater than 20%, the beneficiary will definitively lose the right to receive the shares of the relevant annual tranche, without being able to advance any right or claim, including rights or claims of a compensatory nature, and without the Company being required to pay them any amount or attribution, also by way of a replacement.

The Stock Plans envisage that the non-financial component of the LTI for each participant, in the case of ESG targets, originates from the so-called ESG Scorecard – in other words, from the totality of the ESG sub-objectives identified for each of the three areas (Environment – Social – Governance).

In the case of ESG targets, for each individual member of the LTI programme, the ESG objective – when there is one – is extracted if it has already been assigned in the annual MBO so as not to duplicate the result. The target is to achieve at least 85% of the objectives of the “ESG Scorecard – LTI” (14/16 if an objective is extracted - otherwise 15/17). Achieving at least 85% of the relevant sub-objectives is considered a 100% result, whereas an incomplete but satisfactory achievement (85% of 85% of the results, i.e. 72% of the results achieved 100%) is considered "above threshold".

The Fourth Stock Option Plan provides that the right to receive shares will be attributed to beneficiaries in a personal capacity and may not be transferred by deed *inter vivos*, nor can it be subject to restrictions or constitute the object of other deeds of disposal for any reason. Each tranche of shares, once allocated, will be subject to a lock-up period of 24 months from the date of subscription, except for a quantity of shares needed to pay the taxes due on allocation of the shares.

For further information on the Stock Plan, please refer to the information document drawn up pursuant to art. 114-bis of the TUF and art. 84-bis of the Issuers' Regulation, which has been made available to the public at the registered office and on the Company's website at www.antaresvisiongroup.it (in the section "Investor Relations" - "Shareholders Meeting" - "2024"), as well as on the authorised storage mechanism 1INFO available at www.1info.it, within the terms established by current legislation.

Antares Vision Rus OOO LLC

As already explained in the section on “Significant events of the period - the Russian market and the downsizing of the Russian subsidiaries' activities”, the Russian subsidiaries have not been consolidated in the condensed consolidated half-year financial statements at 30 June 2024 due to the lack of both adequate financial information and operational, financial and commercial control over the subsidiaries by the parent company Antares Vision S.p.A. Consequently, on 18 July 2024, Antares Vision S.p.A., as the sole shareholder of Antares Vision Rus OOO LLC, resolved to revoke the powers of the company's General Manager, Pavel Georgievich Bulgakov, effective 22 July 2024, appointing Alexander Alexandrovich Chernov as the new General Manager, effective 23 July 2024.

Computer fraud at AVI Excellence Pvt Ltd

Between the last week of July and the beginning of August, a computer fraud was committed, currently estimated at Euro 256,000, to the detriment of the Indian subsidiary AVI Excellence Pvt Ltd.

Antares Vision S.p.A. is working to identify the perpetrators of the fraud and recover, as far as possible, the amount stolen and intends to pursue all legal initiatives to protect the rights of the subsidiary and of the Group.

Initial investigations carried out by the parent company Antares Vision S.p.A. have revealed that this fraud was attributable to carelessness on the part of local management rather than gaps in the company's cybersecurity system. Antares Vision S.p.A. is continuing to investigate and is working to identify the perpetrators of the fraud as well as to recover, as far as possible, the amount subtracted, even if it is not significant, and intends to pursue all legal initiatives to protect the rights of the subsidiary and of the Group.

Antares Vision Group technology for Fumagalli Salumi

On 29 August, Antares Vision S.p.A. announced the continuation of its partnership with Fumagalli Industria Alimentari S.p.A., a historic Brianza-based company that specialises in the production of cured meats, with a supply chain system that it owns completely and an award-winning model of excellence in animal welfare. The strong propensity for innovation that has always characterised Fumagalli Salumi has led the company to identify solutions to guarantee its consumers ever greater product safety and an increase in shelf-life. Objectives achieved thanks to the implementation of new solutions, in particular the "ALL-IN-ONE" system by Antares Vision Group, which has led to a significant improvement in production processes and a 75% reduction in complaints after just three months.

Business outlook and the going-concern assumption

As explained in the section entitled "Approval of the 2024-2026 Business Plan" to which reference is made, on 4 March 2024 the Board of Directors of the Antares Vision Group approved the 2024-2026 Business Plan that is focused on the strategy to expand and strengthen the Antares Vision Group, through the organic development of the Group's activities and the launch of important projects, also thanks to the new skills acquired as a result of the acquisitions carried out in recent years. The creation of an integrated and scalable ecosystem of solutions, together with the new organisational model and the streamlining of costs and structure, will allow the Group to create new synergies, further opportunities for cross-selling and penetration of new markets. The 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.

The creation of an integrated and scalable ecosystem of solutions, together with the new organisational model and the streamlining of costs and structure, will allow the Group to create new synergies, further opportunities for cross-selling and penetration of new markets. The Antares Vision Group will therefore continue to invest in technological innovation and Research & Development, relying on continuous evolution of the sectors in which it operates. The growth strategy will be implemented based on three strategic pillars: 1) to continue and increase the focus on existing markets with a more selective approach to opportunities, 2) to establish greater discipline on costs also thanks to internal reorganisation and an acceleration of product delivery times, with the clear objective of improving margins, 3) to restore and incentivise cash generation.

Management started to implement some of the main actions envisaged in the Business Plan during the first half of 2024, such as reorganising the workforce, holding down fixed costs and improving the management of working capital to optimise cash generation from operations.

At 30 June 2024, Antares Vision Group had Revenue of Euro 87.6 million (-5.7% Y/Y, -4.1% on a like-for-like basis) and an Adj. EBITDA of Euro 3.4 million (up by approximately Euro 9 million Y/Y). The half-year loss of Euro 22 million was generated essentially by Euro 9.1 million of non-recurring costs. Fixed and variable costs, on the other hand, decreased by more than 12% compared with the same period of the previous year restated, due to the workforce reorganisation policies, process standardisation, reduction of fixed costs and cross-selling.

Bank borrowings of Euro 153.3 million give an Adjusted NFP/EBITDA ratio of 4.5x (7.9x at 31 December 2023); moreover, following the remodulation of the covenants, they are complied with at 30 June 2024, where the new maximum threshold is 5.75x. Lastly, the ratio between current assets and current liabilities is 1.6, showing the Group's ability to meet its commitments in the short term.

In the first six months of 2024, the Antares Vision Group recorded an increase in orders of +7.0% (Y/Y), excluding Rfxcel and AV Russia; the result is substantially in line with that seen in 1Q 2024 (+8% Y/Y). Thanks to the significant growth in orders in the first half of the year, despite the uncertainties caused by the macroeconomic and geopolitical scenario, those typical of the sector and any forecasting activity, which could influence the results that will actually be achieved, the Antares Vision Group confirms its Guidance for FY 2024 (communicated at the presentation of the 2024-2206 Business Plan) and, specifically, highlights that:

- as regards revenues, growth will be in the +4/6% range;
- Adjusted EBITDA, on the other hand, will be in the 11.5/14% range;
- the Net Debt/EBITDA ratio is confirmed in a range between 4.1x and 3.3x.

On the basis of the above, together with the efforts made to strengthen the management team, as described in the paragraph "Strengthening of management and the stock grant", and despite the uncertainties arising from the macroeconomic and geopolitical scenario, those typical of the sector and any forecasting activity, which could influence the results that will actually be achieved, the Directors are of the opinion that they have sufficient assets and financial resources to prepare the condensed half-year consolidated financial statements at 30 June 2024 on a going-concern basis.

Related-party transactions

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 Milan market. It was approved on 28 April 2021 and can be viewed in the Governance section of the Company's website.

The transactions carried out by Group companies with related parties, as defined by IAS 24, were carried out in compliance with the provisions of law currently in force, on the basis of mutual economic convenience and under normal market conditions.

The following table shows the relationships with related parties recorded in the first half of 2024 and in the first half of 2023 for comparison:

TRANSACTIONS WITH RELATED PARTIES				
Related parties	**Trade payables 30.06.2024**	**Trade receivables 30.06.2024**	**Costs 30.06.2024**	**Revenue 30.06.2024**
Orobix	*179,814*	*2,440*	*509,408*	*6,000*
Siempharma	*850,288*	*711,490*	*1,387,529*	*1,259*
Rurall	*0*	*0*	*0*	*260,000*
Shenzhen Antaruixin	*0*	*0*	*0*	*0*
Vigilate	*0*	*187,118*	*5,610*	*0*
Isinnova	*0*	*0*	*7,500*	*0*
Total	**1,030,102**	**901,048**	**1,910,047**	**267,259**

TRANSACTIONS WITH RELATED PARTIES

Related parties	Trade payables 31.12.2023	Trade receivables 31.12.2023	Costs 30.06.2023 restated	Revenue 30.06.2023 restated
Orobix	*585,770*	*2,440*	*135,702*	*6,611*
Siempharma	*2,053,521*	*1,880,709*	*2,237,741*	*84,846*
Rurall	*0*	*27,865*	*0*	*0*
Shenzhen Antaruixin	*0*	*0*	*136,670*	*93,527*
Vigilate	*0*	*187,118*	*0*	*0*
Isinnova	*31,200*	*0*	*585*	*0*
Total	**2,670,491**	**2,098,132**	**2,510,698**	**184,984**

Main risks and uncertainties

Market risk

The competitive context in which the 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 the Antares Vision Group. Market risk is therefore the risk that the Antares Vision Group's position on the market may be challenged by potential competitors, resulting in the loss of a portion of its customers.

Management believes that the range of solutions (from hardware to software) offered in Track & Trace, 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.

Lastly, with reference to the conflict between Russia and Ukraine, as already described in the paragraph on “The Russian market and the downsizing of the Russian subsidiaries' activities” to which reference should be made for further details, this constitutes an element of uncertainty and concern, which in 2024 led the Antares Vision Group to initiate a process of considerable downsizing of its activities in Russia. At 30 June 2024 the Group's exposure is insignificant, both in terms of credit positions and in terms of turnover.

Credit risk

Credit risk is the risk that the Antares Vision Group is exposed to potential losses arising from the failure of its counterparties to fulfil 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 the Antares Vision Group.

The Antares Vision Group's maximum exposure to credit risk can be quantified in the nominal value of commercial assets and in the nominal value of guarantees and commitments provided on the liabilities and/or payables of third parties.

Credit risk is mitigated by the fact that most of the Antares Vision Group's customers are leading pharmaceutical and industrial companies with a high level of economic and financial solidity, and by the fact that credit exposure is not concentrated on a limited number of customers. In the case of counterparties operating in countries with a high level of country risk, the Antares Vision Group makes use of international payment instruments, such as letters of credit, aimed at guaranteeing correct and timely collection.

Credit risk is monitored through formal procedures that are uniform throughout the Group and aim to ensure that sales are made to reliable and solvent customers, and that guarantee regular monitoring of expected collection flows and any recovery measures that may be needed. The solvency and maximum exposure allowed to customers is also defined with the help of companies that issue credit ratings, as well as by constant comparison with the sales department to evaluate the maximum credit that can be granted, as well as to minimise past due positions and undertake any recovery measures.

Customer relationship management is entrusted to the General Managers of the individual Group companies that have incentive schemes directly linked to cash generation. On a monthly basis, Group companies monitor the collection status of receivables and communicate overdue amounts to the Parent Company, which carries out an overall consolidated analysis. If an objective condition of partial or total uncollectability is detected, the credit position is written down to adjust the nominal value to the estimated realisable value and an assessment is made whether legal recovery measures are necessary. The Antares Vision Group, in compliance with the provisions of IFRS 9, makes a provision for doubtful accounts by applying the expected credit loss (ECL) model based on a review of individual credit positions, taking into account past experience that is specific to the business and geographical area.

Liquidity Risk

Liquidity risk is the risk that the Antares Vision Group may be unable to obtain, or have difficulty in obtaining, the financial resources needed for normal operations under changing economic conditions.

The Antares Vision Group obtains its financial resources not only from the cash flows deriving from operations, but also by taking out bank loans. In particular, to pursue its strategy of multiple acquisitions aimed at diversifying the business, starting in September 2021, the Parent Company has completely refinanced its debt with an average residual duration of approximately 5.8 years, with a fixed average cost (post-hedging) of approximately 2.9%. Compliance with covenants is required for these loans and the conditions were met at 30 June 2024.

The Group carefully monitors liquidity needs through monthly forecasts for each Group company as part of the annual budget process and by drawing up a rolling forecast for the next three months, again for each company. The Group also has the ability to manage liquidity at Group level through cash pooling systems and intercompany loans.

As for the other companies of the Group, it should be noted that Antares Vision Asia Pacific can take advantage of a credit facility with a leading bank, guaranteed by the Parent Company, for up to Euro 500 thousand, currently used only to issue advance bonds in favour of customers.

Interest rate risk

Interest rate risk is the risk that changes in interest rates may occur with a consequent increase in financial charges on debt, which the Antares Vision Group uses through medium-long term financing contracts and property leases that are generally subject to floating interest rates.

The Group mitigates interest rate risk by taking out interest rate swaps (IRS), which are derivatives that can hedge the risk of interest rate fluctuations.

The following table shows the breakdown of current and non-current bank borrowings between the floating rate and fixed rate components at 30 June 2024:

amounts in thousands of Euro	30.06.2024	% incidence
Fixed rate loans	109,819	79%
Floating rate loans	29,061	21%
Total bank loans	**138,880**	**100%**

amounts in thousands of Euro	31.12.2023	% incidence
Fixed rate loans	110,779	77%
Floating rate loans	33,925	23%
Total bank loans	**144,704**	**100%**

In detail, loans are provided under the following conditions:

Amounts in thousands of Euro - figures at June 2024

Bank	Start date	Expiry date	type	rate	Residual capital to be repaid 30/06/2024
BANCA NAZIONALE DEL LAVORO	25/03/21	30/06/27	FIXED	Euribor 6m + spread 1.5% no floor	4,230
BANCA NAZIONALE DEL LAVORO	25/03/21	30/06/27	FLOATING NOT HEDGED	0.80%	720
INTESA SAN PAOLO	30/09/21	30/09/28	FLOATING HEDGED	Euribor 6m + spread 1.65% no floor	28,500
BANCA NAZIONALE DEL LAVORO	30/09/21	30/09/28	FLOATING HEDGED	Euribor 6m + spread 1.70% no floor	25,824
PRICOA	30/09/21	30/09/33	FIXED	2.86%	40,000
CASSA DEPOSITI E PRESTITI	03/12/21	30/11/28	FIXED	1.50%	11,250
BCC DEL GARDA	28/01/22	31/12/29	FLOATING NOT HEDGED	Euribor 6m + spread 1.85% no floor	9,341
INTESA SAN PAOLO	23/03/23	30/09/28	FLOATING NOT HEDGED	Euribor 6m + spread 1.65% floor 3.3%	19,000
Unicredit	31/12/22	31/03/25	FIXED	1.86%	8

Unicredit	31/12/22	31/03/25	FIXED	2.66%	8

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	25/03/21	30/06/27	FLOATING NOT HEDGED	Euribor 6m + spread 1.5% no floor	4,925
Banca Nazionale del Lavoro	25/03/21	30/06/27	FIXED	0.80%	720
INTESA SAN PAOLO	30/09/21	30/09/28	FLOATING HEDGED	Euribor 6m + spread 1.65% no floor	30,000
Banca Nazionale del Lavoro	30/09/21	30/09/28	FLOATING HEDGED	Euribor 6m + spread 1.70% no floor	27,600
PRICOA	30/09/21	30/09/33	FIXED	2.86%	40,000
Cassa Depositi e Prestiti	3/12/21	30/11/28	FIXED	1.50%	12,500
BCC DEL GARDA	28/01/22	31/12/29	FLOATING NOT HEDGED	Euribor 6m + spread 1.85% no floor	10,000
Intesa San Paolo	23/03/23	30/09/28	FLOATING NOT HEDGED	Euribor 6m + spread 1.65% floor 3.3%	19,000
Unicredit	31/12/22	31/03/25	FIXED	1.86%	14
Unicredit	31/12/22	31/03/25	FIXED	2.66%	13

Antares Vision has carried out a sensitivity analysis based on a possible change in interest rates. Maintaining the other variables constant, the results are as follows:

Bank loans - amounts in thousands of Euro - analysis at 30 June 2023

Increase in basis points	Financial charges	Profit (loss) before taxes
+50 b.p.	-178	-170
-50 b.p.	178	178
+100 b.p.	-356	-339
-100 b.p.	356	356

Bank loans - amounts in thousands of Euro - analysis at 30 June 2024

Increase in basis points	Financial charges	Profit (loss) before taxes
+50 b.p.	-163	-163
-50 b.p.	163	163
+100 b.p.	-326	-326
-100 b.p.	326	326

For further details on medium-long term debt and related derivatives, please refer to Notes 5, 16 and 20.

Foreign exchange risk

Exchange rate risk is the risk arising from fluctuations in exchange rates between different currencies.

The functional currency of the Antares Vision Group is the Euro; however, as the Group operates internationally, it is exposed to exchange rate risk both as a result of the conversion into Euro during consolidation and as a result of the value of trade and financial flows in currencies other than the reporting currencies of the individual Group companies.

The main exchange rates affecting the Antares Vision Group are:

- 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/Hong Kong Dollar: in relation to commercial and financial transactions carried out by companies operating in the Euro Area on the Asian market and vice versa;
- Euro/Indian Rupee: in relation to commercial and financial transactions carried out by companies operating in the Euro Area on the Indian market and vice versa.

The Group mitigates exchange rate risk by taking out derivatives that can hedge the risk of exchange rate fluctuations.

The Group also reduces the impact of exchange rate differences as Group companies incur costs for production activities, installation and assistance services, commercial and promotional costs and personnel costs in currencies other than the Euro (mainly in USD), which are naturally covered by sales made in local currency by the same companies; the Antares Vision Group also incurs a significant part of its costs in Euros, mainly relating to production and management of the corporate structure versus revenues that are expressed mainly in Euros.

Tax risk

Tax risk is the risk of operating in violation of tax regulations or in conflict with the principles or purposes of the system; so it is not possible to exclude that the Group may be required to face 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.

The Group periodically monitors the risk associated with tax disputes in coordination with specifically appointed external professionals and any potential impacts are reflected in the Provisions for risks and charges.

Legal risk

Legal risk is the risk of violating laws or regulations. The type of legal disputes to which the Antares Vision Group is exposed can 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; Potential impacts, if probable, are reflected in the provisions for risks and charges.

Cyber Risk

Cybersecurity risk is the risk arising from the violation, fraud and/or loss of information on a company's IT system as a result of accidental events or malicious actions. This risk includes, but is not limited to, malware, phishing, social engineering, and man-in-the-middle attacks.

The Antares Vision Group depends significantly on the ability of information systems to ensure the preservation of information, its usability and its enjoyment in terms of security and efficiency.

For this reason, the Antares Vision Group pays a great deal of attention to the continuous maintenance of its hardware and to the updating of its software, as well as to the continuous backup of the data resident on its computer systems and periodic verification of the robustness of the anti-intrusion and anti-virus systems in place. The Group has taken out a policy with a leading insurance company to cover damages indirectly caused by any system crashes, the "housing" of the "data centre" in safe environments and/or black-outs.

The Antares Vision Group has cybersecurity policies in place at its headquarters and most of its subsidiaries. Its extension to the other subsidiaries is currently underway both for the infrastructure and the user stations in order to increase the level of control and reduce the points of vulnerability. Periodic awareness campaigns are carried out for all employees at HQ and will be extended to the entire group in the coming months.

The Antares Vision Group monitors IT risk constantly through:

- appropriate HW/SW configurations of both the infrastructure systems and the user workstations;
- devices dedicated to the control, monitoring and filtering of the company perimeter;
- 24/7 active surveillance and intervention methods (SOC);
- periodic review and improvement of features updated to the latest standards;
- internal dedicated staff (IT security team), external support (security teams, ethical hacker services)
- constant alignment on threats from dedicated portals and official channels.

Despite the measures described so far, it cannot be excluded that the Antares Vision Group may suffer interruptions and/or discontinuities in the performance of its operations due to malfunctions or black-outs of its own or third-party systems. It is also impossible to guarantee that the IT systems of the companies and/or businesses eventually acquired are able, at the time of acquisition, to satisfy the Group's minimum requirements in terms of reliability and security.

Environmental risk and the risk of climate change

The 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, the 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. The Antares Vision Group strives to prevent this type of risk by adopting measures deemed adequate by its management and in line with industry practices.

With reference to the risks and consequences of climate change, as a further commitment by the Group to achieving, maintaining and sharing concrete and transparent sustainability objectives, from 31 December 2021, the Antares Vision Group prepares its own Consolidated Non-Financial Statement, subject to review by the Independent Auditors, pursuant to Legislative Decree 254/2016. For further details, please refer to the Consolidated Non-Financial Statement at 31 December 2023. Starting in 2024, specific annual ESG objectives have also been assigned to the Group management and executive directors, in addition to having established that in the GM Plan and Stock Plan the non-financial component of the LTI for each participant, in the case of ESG targets, will originate from the so-called ESG Scorecard - that is, from the totality of the ESG sub-objectives identified for each of the three areas (Environment - Social - Governance). . Moreover, starting in 2024, the Antares Vision Group will be subject to the "Corporate Sustainability Reporting Directive - CSRD" (Directive 2022/2464), which officially came into force on 5 January 2023.

The Antares Vision Group's role is that of a market player that enables sustainability. The need to mitigate and adapt to climate change strengthens the Group, offering it above all opportunities, which derive from the role that the Antares Vision Group plays in 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 product life cycles.

The current reporting system of the AV Group, from which the sustainability report published in June 2024, based on data at 31/12/2023, provides the following information:

- Direct and indirect emissions (GHG Scope 1 and Scope 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 or 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 mitigate these risks.

The 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.

The 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 the Antares Vision Group, thanks to its role and the purposes of the solutions that it offers, as well as the 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 the Antares Vision Group may well be positive (in terms of strengthening the business and penetrating new markets).

Information concerning the environment and personnel

The 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 already mentioned, in confirmation of the commitment to achieve, maintain and share concrete and transparent sustainability objectives, the 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 and from 2024 according to the directives of the "Corporate Sustainability Reporting Directive - CSRD" (Directive 2022/2464), which officially came into force on 5 January 2023.

<u>Sustainability and actions aimed at mitigating climate change</u>

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, the 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. 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 amends 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 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;

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.

The 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, the 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. The Antares Vision Group strives to prevent this type of risk by adopting measures deemed adequate by its management and in line with industry practices.

The 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), the 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 the Antares Vision Group's contribution and commitment, together with the underlying targets and actions.

The strategic guidelines of the 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 the 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 the 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

The 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 and maintenance of the facilities.

Each co-worker of the 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 the Antares Vision Group", for which the Travagliato HQ is acting as the Group's driving force.

<u>Elimination of the sale of plastic bottles from all dispensers and installed drinking fountains.</u>

In 2019 the 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. The Antares Vision Group has also encouraged local restaurants to serve take-away food in containers made of eco-sustainable materials rather than plastic.

<u>Paperless campaign to include all machine user manuals to be designed for digital consultation</u>

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, which was launched in June 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 2023, the Group is currently at a level of 63%, with an increase of 3 percentage points compared with the first year of reporting (2022).

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. In the first half of 2024, all AVIT printers have been working in Follow me mode. This use, together with the adoption of best practices, has led to a reduction of over 90,000 print-outs in the first half of 2024, compared with the same period in 2023, with a decrease of over 40% of colour ones.

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 30 June 2024, Antares Vision Group had 1,226 employees, which compares with 1,401 persons at 31 December 2023 (-14.27%, -7.50% on a like-for-like basis) and 1,375 at 30 June 2023 (-12.15%, -5.55% on a like-for-like basis). This trend is shown in the following table which reports the number of employees for each company, with a separate indication of the entities that left the scope of consolidation during the period and excluding those with no employees.

Company	Apprentices	Production workers	Office workers	Middle managers	Executives	Total at 30/06/2024	Total at 31/12/2023	Total at 30/06/2023

Antares Vision SpA	21	0	395	34	15	465	510	509
Imago Technologies Gmbh			25			25	27	25
Antares Vision do Brasil Itda			61			61	63	64
Antares Vision North America			50			50	51	54
Antares Vision France			21			21	25	27
Antares Vision Ireland			2			2	2	2
FT System	5	37	107	9	3	161	144	145
FT Hexagone			7			7	7	7
FT System North America LLC			20			20	21	21
Antares Vision Asia Pacific Ltd			7			7	9	10
Antares Vision GMBH			6			6	7	9
Tradeticity			4			4	4	5
Tradeticity Services			24			24	23	25
Applied Vision			61			61	67	72
rfXcel Corporation			42			42	57	54
rfXcel LTD			3			3	4	5
Pen-tec		2	5	1	0	8	10	11
AVElectronics	1	5	5			11	12	12
Antares Vision India			34			34	45	36
Acsis			32			32	32	33
Packital srl (*)			0			0	20	22
Wavision			2			2	1	1
Av Excellence			14			14		
Antares Vision (Thailand)			8			8	7	6
Antares Vision Korea Limited			2			2	3	4
Smart Point Technologies Private Limited			147			147	154	135
Shezen Andaruixin Technologie			9			9	13	0
TOTAL ON A LIKE-FOR-LIKE BASIS	**27**	**44**	**935**	**44**	**18**	**1226**	**1318**	**1294**
T2 SOFTWARE (**)						0	7	8
rfXcel LLC (**)						0	5	5
Markirovska As a Service (**)						0	9	10
Antares Vision Russia (**)						0	62	58
TOTAL	**27**	**44**	**935**	**44**	**18**	**1226**	**1401**	**1375**

(*) Effective 1 January 2024, Packital was absorbed by FT System
(**) Company left the scope of consolidation during 2024

Research and development

During the first half of 2024, the 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 made in previous years, in the first half of 2024:

- development costs of Euro 1,494,142 were capitalised, once the expected future benefits had been verified and the cost had been reliably determined. These costs relate to Rfxcel Corporation (Euro 1,360,393) and FT System S.r.l. (Euro 133,749);
- amortisation for the period was recorded for Euro 3,203,296;
- development costs of Euro 2,505,986 were recorded in "Fixed assets in course of formation and advances" as they relate to projects not yet completed at the end of the period, which have not yet begun to be amortised. These costs relate to Antares Vision S.p.A. (Euro 1,979,571), FT System S.r.l. (Euro 161,393) and Applied Vision Corporation (Euro 365,022).

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 the Antares Vision Group.

Antares Vision S.p.A. (LIFE SCIENCE)

The Parent Company is concentrating on the following projects:

- Agritech Project with which the 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. The company has capitalised the development costs relating to the project during the half-year;
- Digital Factory, with which the 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 the 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. The company has capitalised the development costs relating to the project during the half-year;

- 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. The company has capitalised the development costs relating to the project during the half-year;
- FORD PROJECT which involves the standardisation and optimisation of the Life Science inspection machines built at the Parma site and the harmonisation and integration of those built in Vicenza according to a modular architecture that is able to cover all of the customer's needs, reducing delivery time and optimising costs. Thanks to the FORD project, stock management will be more effective, with better management of spare parts, zero commissioning times and consequently an efficient and rapid response to customer requests.
- HARMONISATION OF INSPECTION SYSTEM PRODUCTS, with the aim of developing a single multipurpose product with all the features of current products, basing the software architecture on the platform common to the various Product Units.
- BFC AI, with the aim of achieving a major upgrade of the historic BFC (Blister Filling Control) product, significantly improving its geometric product recognition algorithms. At the same time, the implementation of artificial intelligence features is underway, in order to make the product easier to set up and more efficient when carrying out checks. Thanks to specific anomaly checking algorithms, in fact, the customer will be able to perform a series of operations autonomously; These algorithms also make it possible to identify product anomalies that were previously unidentifiable, with a level of control that far exceeds current market standards.
- STANDARDISATION OF T&T SOLUTIONS
    - CREATING AN OFFER CONFIGURATOR for the Sales Force, which will be able to count on a tool to verify the pre-validated configurations and offer valid support when making an offer;
    - ACCELERATION PROJECT (18 PRE-CONFIGURED MACHINE MODELS), with the aim of reducing the delivery times of T&T machines. After an analysis of all project management phases, process inefficiencies were identified and processes were redefined to make them faster and more efficient, with a significant reduction in delivery times for all solutions coming out of the offer configurator for machines ordered from May 2024 onwards. 18 pre-configured models have also been identified which guarantee a further reduction in delivery times when sold in the proposed configurations;

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. The company has capitalised the development costs relating to the project during the half-year;

- 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. The company has capitalised the development costs relating to the project during the half-year;
- 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, The company has capitalised the development costs relating to the project during the half-year;
- 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, 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, The company has capitalised the development costs relating to the project during the half-year;
- 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.)
- Vuoti, with the aim of creating an empty container inspection system based on artificial intelligence. The company has capitalised the development costs relating to the project during the half-year;
- 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, The company has capitalised the development costs relating to the project during the half-year;
- 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 is concentrating 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, The company has capitalised the development costs relating to the project during the half-year;

- Pulsario: 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, The company has capitalised the development costs relating to the project during the half-year;
- 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, The company has capitalised the development costs relating to the project during the half-year;

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, The company has capitalised the development costs relating to the project during the half-year;
- 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/Life Sciences

USA

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.

EU

Implementation of the European Directive 2011/62/EU FMD (Falsified Medicine Directive) has been extended by six years for Italy and Greece and will therefore come into force in Italy in February 2025. The Directive will lead to the elimination of the drug tracking system based on the Pharmaceutical Label in favour of the GS1 2D Datamatrix system, containing the product code, unique serial number, batch number and expiry date. The aim of the Directive is to codify the mandatory data of each package of medicines put on the market and to send such data to the national verification platforms which, together with the European Hub, constitute the European system for the verification of medicines. The Directive also requires the provision of tamper-proof packaging, or an anti-tampering device, with packaging technologies that ensure the integrity of the packages along the entire supply chain, to protect the end patient;

Jordan

30 June 2024 is the deadline set by the Jordan Food and Drug Association for the implementation of GS1 DataMatrix and serialisation on secondary packaging of regulated pharmaceutical products. The required data are GTIN, serial number, lot/batch number, expiration date;

Kuwait

Starting in 2024, all pharmaceutical products marketed, imported or produced locally in Kuwait must have the GS1 DataMatrix containing GTIN, expiry date, lot/batch number, serial number.

Ethiopia

Starting in February 2024, the obligation of serialisation for reimbursable drugs came into force;

Kyrgyzstan

Serialisation and aggregation is to be implemented for all types of pharmaceutical products from 1 March 2024;

Kazakhstan

From 1 July 2024, traceability obligations come into force for pharmaceutical products produced locally or imported into the country. The application of a 2D DataMatrix containing GTIN, serial number, cryptographic key and cryptographic code is foreseen on the secondary packaging, while the batch number and expiry date are optional. In this case, the use of stickers to fulfil serialisation obligations is permitted. First level aggregation is also mandatory;

Azerbaijan: From 1 June 2024, the serialisation obligation comes into force for a first group of drugs (psychotropic drugs and potent medicines) with the application on the secondary packaging of a GS1 2D DataMatrix containing GTIN, batch number, serial number and expiry date. Full implementation of Track & Trace is planned by the end of

2024. At the moment the measure involves all national producers, wholesalers, pharmacies and healthcare facilities.

Beverage

EU

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.

European Union: Deposit Return Systems (DRS) play a key role under the provisions of the Packaging and Packaging Waste Regulation (PPWR), on which the Council of the European Union and the European Parliament have reached a preliminary agreement. By the end of 2029, EU Member States will have to ensure the separate collection of at least 90% of single-use plastic bottles and metal beverage containers per year. To this end, Deposit Refund Systems (DRS) should be established for such packaging.

Packaging

EU

EPR, Extended Producer Responsibility: by 31 December 2024, the European Commission will have to define the rules for Extended Producer Responsibility (EPR) 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

EU

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. The European Parliament has established a transition period, extended in March 2023 as follows: legacy class III or IIb implantable devices may be placed on the market or put into service until 31 December 2027; legacy non-implantable class IIb, class IIa or class I sterile or measuring devices may be placed on the market or put into service until 31 December 2028; Class IIII custom-made implantable devices may be placed on the market or put into service until 26 May 2026.

Food

EU

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 (Digital Product Passport)

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 July 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

At 30 June 2024, Antares Vision S.p.A. holds 33,916 treasury shares, equal to 0.05% of the share capital for a total value of Euro 342,272.

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

The Parent Company has stipulated derivative contracts for the management and hedging of the main financial risks to which it is exposed. We refer to the Explanatory Notes for a more detailed discussion of the risks being hedged, the technical characteristics and the accounting effects of these derivatives.

Transactions arising from atypical and/or unusual operations

Pursuant to Consob Communication of 28 July 2006, in the first half of 2024, the Antares Vision Group did not carry out any atypical and/or unusual transactions. This Communication defines atypical and unusual transactions as those transactions which, due to their importance and/or materiality, nature of the counterparties, object of the transaction, method of determining the transfer price and timing of the event, may give rise to uncertainties regarding the correctness and/or completeness of the information in the financial statements, conflicts of interest, the safeguarding of company assets and the protection of minority shareholders.

Travagliato (Brescia), 12 September 2024

Chief Executive Officer

Gianluca Mazzantini

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

CONSOLIDATED FINANCIAL SCHEDULES

Consolidated statement of financial position

Consolidated Statement of financial position	Notes	30.06.2024	31.12.2023
Assets			
Non-current assets			
Property, plant and equipment and right-of-use assets	1	36,917,743	36,406,117
Goodwill	2	97,360,651	96,821,373
Other intangible assets	3	84,765,418	86,682,771
Investments in associates, joint ventures and other companies	4	8,676,330	8,553,256
Non-current financial assets	5	4,857,766	5,083,990
Deferred tax assets	6	9,509,644	9,985,714
Other non-current assets	7	6,261,896	6,261,896
Total non-current assets		**248,349,449**	**249,795,117**
Current assets			
Inventories	8	51,495,295	48,564,717
Trade receivables	9	54,662,716	73,537,997
of which with related parties		901,048	2,098,132
Other receivables	10	7,406,971	7,936,237
Other current financial assets	11	7,530,672	13,241,708
Cash and banks	12	47,497,005	43,364,784
Total current assets		**168,592,659**	**186,645,444**
Total assets		**416,942,108**	**436,440,561**

Consolidated Statement of financial position	Notes	30.06.2024	31.12.2023
Shareholders’ equity and liabilities			
Shareholders’ equity			
Share capital	13	172,789	169,457
Other reserves	13	281,278,946	267,117,244
FTA reserve	13	-15,250,613	-15,250,613
Retained earnings	13	-93,276,137	15,420,937
Profit/(loss) for the period	13	-21,986,556	-99,647,074
Total shareholders’ equity	**13**	**150,938,429**	**167,809,952**
Capital and reserves attributable to minority interests	13	130,577	143,580
Profit/(loss) attributable to minority interests	13	-38,551	-236,844
Total Minority Interests	**13**	**92,026**	**-93,265**
Total shareholders’ equity	**13**	**151,030,455**	**167,716,687**
Non Current Liabilities			
Non-current loans and borrowings	14	122,817,854	58,219
Non-current lease liabilities	15	13,393,464	12,884,193
Other non-current financial liabilities	16	33,467	880,757
Retirement benefit obligations	17	8,617,920	9,515,619
Deferred tax liabilities	18	15,768,357	16,488,271
Other non-current liabilities	19	17,923	216,939
Total non-current liabilities		**160,648,985**	**40,043,998**
Current loans and borrowings	20	17,271,581	147,396,779
Current lease liabilities	21	3,629,600	3,650,046
Other current financial liabilities	22	741,418	872,202
Current provisions for risks and charges	23	3,366,651	1,689,970
Trade payables	24	26,200,888	25,339,586
of which with related parties		1,030,102	2,670,491
Advance payments	25	30,580,710	26,043,101
Other Payables	26	23,471,820	23,688,192
Total current liabilities		**105,262,668**	**228,679,876**
Total shareholders’ equity and liabilities		**416,942,108**	**436,440,561**

Consolidated income statement and Consolidated statement of comprehensive income

Consolidated Income Statement	Note	30.06.2024	30.06.2024 restated
Revenue	27	86,968,989	91,603,171
of which with related parties		267,259	184,984
Other income	28	2,148,460	3,424,666
Changes in finished and semi-finished	29	2,557,301	13,402,218
Raw materials and consumables	30	-22,885,182	-40,158,908
of which with related parties		-915,025	-2,320,015
Personnel costs	31	-47,995,898	-50,864,818
Amortisation and depreciation	32	-11,562,249	-10,361,229
Impairment of non-current assets	33	-1,326,739	0
Capitalised development costs	34	3,222,991	4,247,100
Sales and marketing costs	35	-2,470,564	-3,736,710
Service costs	36	-25,891,550	-23,117,968
of which with related parties		-995,022	-190,684
Other operating expenses	37	-1,937,364	-1,726,342
Operating profit/(loss)	**0**	**- 19,171,805**	**- 17,288,820**
Financial charges	38	-3,810,712	-3,352,405
Financial income	39	1,537,906	1,467,875
Foreign exchange gains and losses	40	-77,775	-731,396
Income (charges) on investments	41	123,073	83,368
Profit from continuing operations before tax	**0**	**- 21,399,313**	**- 19,821,379**
Income taxes	**42**	**-625,794**	**499,580**
Net profit/(loss) from continuing		**- 22,025,107**	**- 19,321,799**
Profit/(loss) attributable to minority interests		-38,551	-139,102
Total comprehensive profit/(loss) after tax		**- 21,986,556**	**- 19,182,698**

Earnings per share

- Basic, profit/(loss) attributable to the ordinary shareholders of the Parent Company	43	-0.31	-0.28
- Diluted, profit/(loss) attributable to the ordinary shareholders of the Parent Company	43	-0.31	-0.28

Consolidated Statement of other comprehensive income	01.01.2024 - 30.06.2024	30.06.2023 Restated
Profit/(loss)	**-22,025,107**	**-19,321,799**
Other components of comprehensive income that will subsequently be reclassified to profit/(loss):		
Differences on translation of foreign financial statements	4,329,059	-1,668,693
Loss/profit from cash flow edging	-887,060	-29,402
Tax Effect	212,894	7,056
Total other components of comprehensive income that will subsequently be reclassified to profit/(loss) after tax	**3,654,893**	**-1,691,039**
Other components of comprehensive income that will not subsequently be reclassified to profit/loss:		
Revaluation of defined-benefit plans	675,661	-126,354
Tax effect	-162,159	30,325
Total other components of comprehensive income that will not subsequently be reclassified to profit/(loss) after tax	**513,502**	**-96,029**
Total other comprehensive income after tax	**4,168,395**	**-1,787,068**
Total other comprehensive income after tax	**-17,856,712**	**-21,108,867**
Attributable to:		
Shareholders of the Parent Company	-17,825,456	-21,108,822
Minority shareholders	-31,255	-43

Consolidated statement of cash flows

Consolidated Cash Flow Statement (indirect method)	01.01.2024 - 30.06.2024	01.01.2023 - 30.06.2023 restated
Profit/Loss for the period	**-22,025,107**	**-19,321,799**
Income tax	625,794	-499,580
Financial income	-1,537,907	-1,467,875
Financial charges	3,810,713	3,352,405
Depreciation and impairment loss on property, plant and equipment	2,324,860	2,126,997
Amortisation and impairment loss on intangible assets	8,004,607	7,902,675
Goodwill write-down	1,326,739	-
Equity investment write-down	-123,073	-
Capital (gains)/losses on the sale of property, plant and equipment and intangible assets	5,913	-609
Capital (gains)/losses on the sale of investments	2,035,564	480,988
Provisions for doubtful accounts and inventory write-downs	3,759,098	799,589
Other non-monetary movements	-1,434,170	-363,578
Income tax paid	-365,655	-5,157,845
Use of provisions, including severance indemnity payments and transfers	-1,659,500	-244,846
(Increase)/decrease in inventories	-4,140,438	-8,625,394
(Increase)/decrease in trade receivables	14,996,332	9,373,782
(Increase)/decrease in other non-financial assets	418,765	-1,109,552
(Increase)/decrease in trade payables	4,430,054	-2,240,948
(Increase)/decrease in other non-financial liabilities	7,080,453	4,675,082
NET CASH FLOWS FROM OPERATING ACTIVITIES	**17,533,041**	**-10,320,508**
Investing activities:		
Purchases of property, plant and equipment, net of disposals	-170,935	-1,864,100
Purchases of intangible assets, net of disposals	-4,848,240	-6,567,858
Purchases of investments in associates, joint ventures and other companies	-	-2,367,869
Purchases of current financial assets	5,940,760	1,089,473
Business combinations, net of cash and banks acquired	-	-6,571,426
Changes in the scope of consolidation due to divestments/sale of companies	-1,447,308	-
NET CASH FLOWS FROM INVESTING ACTIVITIES	**-525,723**	**-16,281,781**
Financing activities:		
New loans and borrowings	-	23,548,941
Repayments of loans and borrowings	-6,956,627	-3,002,422
Increase/(decrease) in other non-financial liabilities	-3,363,811	-1,246,034
Financial income received and (charges paid)	-2,372,083	-1,527,461
CASH FLOWS FROM FINANCING ACTIVITIES	**-12,692,521**	**17,773,024**
NET CHANGE IN CASH AND BANKS	**4,314,797**	**-8,829,265**
EXCHANGE DIFFERENCE ON CASH AND BANKS	**-182,576**	**-1,001,745**
Cash and banks at beginning of period	**43,364,784**	**61,096,981**
Cash and banks at the end of period	**47,497,005**	**51,265,971**

Statement of changes in consolidated shareholders' equity

Statement of changes in consolidated equity

Shareholders' equity	31.12.2023	Allocation of prior year's profit/(loss)	Issue and exercise of warrants	Other increases in Capital	Stock Options	Other comprehensive Income	Other changes	Profit/(loss)	30.06.2024
Share capital	169,457	-	-	3,332	-	-	-	-	172,789
Other Reserves	267,117,244	-	9,050,000	-	943,307	4,168,395	-	-	281,278,946
Share premium reserve	209,467,141	-	-	-	-	-	-	-	209,467,141
Legal reserve	98,798	-	-	-	-	-	-	-	98,798
Extraordinary reserve	45,885,826	-	-	-	-	-	-	-	45,885,826
Reserve for transaction of current year's equity	9,268,520	-	-	-	-	4,329,058	-	-	13,597,578
OCI reserve	4,850,852	-	-	-	-	-160,663	-	-	4,690,189
Stock option plan reserve	2,417,238	-	-	-	943,307	-	-	-	3,360,545
Other reserves	-4,871,131	-	9,050,000	-	-	-	-	-	4,178,869
FTA reserve	-15,250,613	-	-	-	-	-	-	-	-15,250,613
Retained earnings	15,420,937	-99,647,074	-9,050,000	-	-	-	-	-	-93,276,137
Profit/(loss) for the year	-99,647,074	99,647,074	-	-	-	-	-	-21,986,556	-21,986,556
Total shareholders' equity	**167,809,951**	**-**	**-**	**3,332**	**943,307**	**4,168,395**	**-**	**-21,986,556**	**150,938,429**
Capital and reserves attributable to minority interests	143,580	-236,844	-	-	-	-	223,841	-	130,577
Profit/(loss) attributable to minority interests	-236,844	236,844	-	-	-	-	-	-38,551	-38,551
Total minority interests	**-93,264**	**-**	**-**	**-**	**-**	**-**	**223,841**	**-38,551**	**92,026**
Total sharholders' equity	**167,716,687**	**-**	**-**	**3,332**	**943,307**	**4,168,395**	**223,841**	**-22,025,107**	**151,030,455**

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*
Extrordinary reserve	*49,681,559*	*-3,795,733*						*45,885,826*
Reserve for transaction of currency 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 reserve	*-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) for the year	1,634,183	-1,634,183					-99,647,074	-99,647,074
Total shareholders' equity	**273,389,786**	**0**	**0**	**1,020,701**	**-6,953,462**	**0**	**-99,647,074**	**167,809,951**
Capital and reserves attributable to minority interests	170,691	-71,698				44,587		143,580
Profif/(loss) attributable to minority interests	-71,698	71,698					-236,844	-236,844
Total minority interests	**98,993**	**0**	**0**	**0**	**0**	**44,587**	**-236,844**	**-93,263**
Total sharholders' equity	**273,488,779**	**0**	**0**	**1,020,701**	**-6,953,462**	**44,587**	**-99,883,918**	**167,716,687**

EXPLANATORY NOTES

Corporate Information

The core business of Antares Vision S.p.A. and its subsidiaries (referred to jointly as the “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, the ordinary shares of the Parent Company were admitted to trading on the EXM market - Euronext Milan (the new acronym of the MTA market - Mercato Telematico Azionario on the date of admission to trading), STAR segment - Euronext STAR Milan, organised and managed by Borsa Italiana S.p.A. Bear in mind that the Parent Company has translisted from the EGM - Euronext Growth Milan (new acronym of the AIM market – Alternative Investment Market on the date of admission to trading) on which it was listed from 18 April 2019.

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.

Note 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.

Publication of these condensed consolidated half-year financial statements was authorised by the Board of Directors on 12 September 2024.

Accounting policies and changes in accounting principles

Accounting policies

The half-year financial report at 30 June 2024 of the Antares Vision Group is prepared according to art. 154-ter, paragraph 2, of Legislative Decree no. 58/1998 (TUF - the Consolidated Finance Act), as well as Consob Communication no. DEM/6064293 of 28 July 2006 (“Corporate disclosure of listed issuers pursuant to art. 114, paragraph 5, Legislative Decree 58/98”) and includes:

- the directors’ report on operations;
- the condensed half-year consolidated financial statements;
- the declaration provided for in article 154-bis, paragraph 5 of the TUF.

These condensed consolidated half-year financial statements have been prepared in accordance with the International Financial Reporting Standards (hereinafter referred to as IFRS or IAS) issued by the International Accounting Standards Board (IASB), as interpreted by the International Financial Reporting Committee (IFRIC) and adopted by the European Union, in particular, being an interim report, with IAS 34 – Interim financial reporting, based on which they have been drafted in a condensed form. They do not therefore contain all of the supplementary information required of annual financial statements and should be read together with the annual consolidated financial statements of the Antares Vision Group at 31 December 2023. Even though they do not include all of the information required to be disclosed in a complete set of financial statements, they do include explanatory notes to explain the events and transactions that are considered particularly significant in understanding the changes in the financial position and results of the Antares Vision Group since the last annual financial statements.

These consolidated half-year financial statements consist of the consolidated statement of financial position, which shows current and non-current assets and liabilities separately, the consolidated income statement, in which costs are classified according to their nature, the consolidated statement of other comprehensive income, the consolidated statement of changes in shareholders' equity and the consolidated statement of cash flows, as well as these explanatory notes, together with the directors' report on operations. 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.

The condensed half-year consolidated financial statements include the figures of Antares Vision S.p.A. and its subsidiaries. The reporting currency is the Euro and, unless otherwise indicated, the amounts are expressed in Euro units. Note that due to the rounding of figures in the tables shown in these explanatory notes, the horizontal or vertical sums of the various items may not correspond exactly to the subtotals and totals of the tables.

The condensed consolidated half-year financial statements have been drawn up on a going-concern basis according to 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.

New accounting standards, interpretations and amendments effective from 1 January 2024

The accounting standards adopted for the preparation of the condensed consolidated half-year financial statements at 30 June 2024 are consistent with those used to prepare the consolidated financial statements at 31 December 2023, with the exception of the new standards and amendments that came into force on 1 January 2024. The Antares Vision Group has not adopted in advance any new standards, interpretations or amendments issued but not yet effective.

The following are the changes made to the international accounting standards that came into force from 1 January 2024. It is worth pointing out that they did not have any impact on the condensed half-year consolidated financial statements of the Antares Vision Group.

Amendments to IAS 7 and IFRS 7 - Supplier Finance Arrangements

In May 2023, the IASB issued amendments to IAS 7 Statement of Cash Flows and IFRS 7 Financial Instruments: Disclosures, to clarify the characteristics of reverse factoring contracts and to request additional disclosures of such agreements. The disclosure requirements contained 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 transition requirements clarify that an entity need not provide information in interim financial statements relating to the first year of application of the amendments. Consequently, the amendments did not have any impact on the condensed half-year consolidated financial statements of the Antares Vision Group..

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

In September 2022, the IASB issued an amendment to IFRS 16 to specify the requirements that a seller-lessor uses in measuring the lease liability that arises from a sale & leaseback transaction, to ensure that the seller-lessor does not recognise any gain or loss with respect to the right of use retained by the seller-lessor. These amendments did not have any impact on the condensed half-year consolidated financial statements of the Antares Vision Group.

Amendments to IAS 1 - Classification of Liabilities as Current or Non-current

In January 2020 and October 2022, the IASB published amendments to paragraphs 69 to 76 of IAS 1 to specify the requirements for classifying liabilities as current or non-current. The changes clarify: (i) what is meant by the right to defer the settlement deadline; (ii) that the right of deferral must exist at the end of the reporting period; (iii) the classification is not impacted by the likelihood with which the entity will exercise its right of deferral; and (iv) 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.

In addition, a requirement has been introduced to provide disclosure when a liability arising from a financing agreement is classified as non-current and the entity's right of subordination is subject to compliance with covenants within twelve months. These amendments did not have any impact on the condensed half-year consolidated financial statements of the Antares Vision Group.

Accounting standards, amendments and interpretations applicable from subsequent financial years

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

On 15 August 2023, the IASB published an amendment to IAS 21 that requires an entity to identify a methodology to be applied consistently in order to verify whether one currency can be converted into another and, when this is not possible, provides guidance on how to determine the exchange rate to be used and the disclosure to be made in the notes to the financial statements. The changes will apply from 1 January 2025 and early application is permitted. The directors do not expect this amendment to have a significant effect on the Group's consolidated financial statements.

Amendments to the Classification and Measurement of Financial Instruments (Amendments to IFRS 9 and IFRS 7)

On 30 May 2024, the IASB published amendments to IFRS 9 and IFRS 7 that clarify some problematic aspects that emerged from the post-implementation review of IFRS 9, including the accounting treatment of financial assets whose returns vary upon the achievement of ESG objectives (i.e. green bonds). In particular, the changes aim to:
clarify the classification of financial assets with variable returns linked to environmental, social and corporate governance (ESG) objectives and the criteria to be used for the SPPI test;
establish that the settlement date of liabilities through electronic payment systems is the date on which the liability is extinguished. However, an entity is permitted to adopt an accounting policy to allow a financial liability to be derecognised before delivering cash at the settlement date if certain specified conditions are met.

With these amendments, the IASB has also introduced additional disclosure requirements specifically regarding investments in equity instruments designated at FVOCI. The changes will apply starting from the financial statements of financial years starting on or after 1 January 2026. The directors do not expect this amendment to have a significant effect on the Group's consolidated financial statements.

IFRS 18 Presentation and Disclosure in Financial Statements

On 9 April 2024, the IASB published a new standard, IFRS 18 Presentation and Disclosure in Financial Statements, which will replace IAS 1 Presentation of Financial Statements. The new standard aims to improve the presentation of the main financial statement schedules and introduces important changes with reference to the income statement. In particular, the new standard requires entities to:
classify revenue and costs into three new categories (the operating section, investment section and financial section), in addition to the tax and discontinued operations categories already present in the income statement;
introduce two new subtotals, operating profit and earnings before interest and taxes (i.e. EBIT).
The new standard also:
requires more information on the performance indicators defined by management;
introduces new criteria for the aggregation and disaggregation of information;
introduces some changes to the statement of cash flows, including the requirement to use operating profit as the starting point for the presentation of the statement prepared using the indirect method and the elimination of some existing classification options for certain items (such as interest paid, interest received, dividends paid and dividends received).
The new standard will come into force from 1 January 2027, but early application is permitted. The Directors are currently assessing the possible effects of this new standard on the Group's consolidated financial statements.

IFRS 19 Subsidiaries without Public Accountability: Disclosures

On 9 May 2024, the IASB published a new standard, IFRS 19 Subsidiaries without Public Accountability: Disclosures. The new standard introduces a number of simplifications to the disclosures required by other IAS/IFRS. This standard can be applied by an entity that complies with the following main criteria:
it is a subsidiary;
it has not issued equity or debt instruments listed on a market and is not in the process of issuing them;
it has its own parent company that prepares consolidated financial statements in accordance with IFRS.
The new standard will come into force from 1 January 2027, but early application is permitted. Given that the Company does not comply with the above criteria, the directors do not expect this amendment to have a significant effect on the Group's consolidated financial statements.

Narrow-scope amendments to five IFRS accounting standards

On 18 July 2024, the IASB published narrow-scope amendments as part of its periodic review of IFRS. Changes include clarifications, simplifications, corrections or changes to improve consistency in: IFRS 1 First-time Adoption of IFRS, IFRS 7 Financial Instruments: additional information and related guidelines on the implementation of IFRS 7; IFRS 9 Financial Instruments; IFRS 10 Consolidated Financial Statements; and IAS 7 Statement of Cash Flows. The changes will apply from 1 January 2026 and early application is permitted. The directors do not expect this amendment to have a significant effect on the Group's consolidated financial statements.

Restatement for errors and accounting changes (IAS 8)

As already fully explained in the notes to the annual consolidated financial statements at 31 December 2023, to which reference should be made for further details, the investigations into the Government Software Hubs business (“**L5 Business**”) launched in the second half of 2023 by the management of the Antares Vision Group with external consultants appointed by it have confirmed that part of Rfxcel's revenue in 2021, 2022 and 2023, which contributed to the formation of the consolidated financial statements of the Antares Vision Group, were accounted for in a manner that does not comply with IAS/IFRS, and therefore constitute errors to be corrected in accordance with IAS 8. In compliance with IAS 8, the comparative figures included in the condensed consolidated half-year financial statements at 30 June 2024 have been taken from the restated version of the consolidated income statement at 30 June 2023. The following table sets out the adjustments made to the revenue of the L5 Business and certain items of revenue from customers not associated with the L5 Business; It should be noted that the adjustments concern revenue for the period prior to the acquisition of Rfxcel by the Antares Vision Group. The adjustments in revenue resulted, among other things, in a redetermination of the tax burden, both at Rfxcel and at 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 IAS/IFRS.

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

Consolidated Income Statement	01.01.2023 - 30.06.2023	Adjustments	01.01.2023 - 30.06.2023 Restated
Revenue	101,549	-9,946	91,603
of which with related parties	185	-	185
Other income	3,425	-	3,425
Changes in finished and semi-finished	13,402	-	13,402
Raw materials and consumables	-40,159	-	-40,159
of which with related parties	2,229	-	2,229
Personnel costs	-50,865	-	-50,865
Amortisation and depreciation	-10,361	-	-10,361
Capitalised development costs	4,247	-	4,247
Sales and marketing costs	-3,737	-	-3,737
Service costs	-23,118	-	-23,118
of which with related parties	198	-	198
Other operating expenses	-1,726	-	-1,726
Operating profit/(loss)	**-7,343**	**-9,946**	**-17,289**
Financial charges	-3,352	-	-3,352
Financial income	1,468	-	1,468
Foreign exchange gains and losses	-731	-	-731
Income (charges) on investments	83	-	83
Profit from continuing operations before tax	**-9,875**	**-9,946**	**-19,821**
Income taxes	**-1,520**	**2,021**	**500**
Net profit/(loss) from continuing	**-11,395**	**-7,925**	**-19,321**
Profit/(loss) attributable to minority interests	-139	0	-139
Total comprehensive profit/(loss) after tax	**-11,256**	**-7,925**	**-19,182**

EARNING PER SHARE

Description	01.01.2023-30.06.2023 Restated
Profit attributable to the ordinary Shareholders of the Parent Company	- 11,256,618
IAS 8 Adjustments	
Revenues Restated	- 9,945,697
Income Taxes	2,020,618
Net Profit/(loss) from continuing restated	- 19,182,697
Dilution effect	-
Total post-dilution profit Restated	- 19,182,697
Weighted average number of ordinary shares	69,093,030
Weighted average potential ordinary shares	-
Weighted average potential ordinary shares	69,090,030
Earning per Share (EPS)	- 0.28

Earning per Share (EPS) diluted	-	0.28

Consolidated Statement of financial position	30.06.2023	Adjustments	30.06.2023 Restated
Assets			
Non-current assets			
Property, plant and equipment and right-of-use assets	34,953	-	34,953
Goodwill	164,770	-	164,770
Other intangible assets	92,079	-	92,079
Investments in associates, joint ventures and other companies	11,770	-	11,770
Non-current financial assets	7,159	-	7,159
Deferred tax assets	15,129	-1,896	13,233
Other non-current assets	0	6,147	6,147
Total non-current assets	**325,860**	**4,251**	**330,111**
Current assets			
Inventories	58,436	-	58,436
Trade receivables	111,024	-46,855	64,169
of which with related parties	3,435	-	3,435
Other receivables	12,007	-	12,007
Other current financial assets	25,806	-	25,806
Cash and banks	51,266	-	51,266
Total current assets	**258,539**	**-46,855**	**211,684**
Total assets	**584,399**	**-42,604**	**541,795**

Consolidated Statement of financial position	30.06.2023	Adjustments	30.06.2023 Restated
Shareholders' equity and liabilities			
Shareholders' equity			
Share capital	169	-	169
Other reserves	272,520	-949	271,571
FTA reserve	-15,251	-	-15,251
Retained earnings	49,153	-33,730	15,423
Profit/(loss) for the period	-11,258	-7,925	-19,183
Total shareholders' equity	**295,333**	**-42,604**	**252,729**
Total shareholders' equity	**295,334**	**-42,604**	**252,730**
Non Current Liabilities			
Non-current loans and borrowings	138,452	-138,383	69
Non-current lease liabilities	11,866	-	11,866
Other non-current financial liabilities	1,051	-	1,051

Retirement benefit obligations	8,518	-	8,518
Deferred tax liabilities	19,931	-	19,931
Other non-current liabilities	140	-	140
Debiti verso il personale ed enti previdenziali	0	-	0
Debiti verso l'erario	0	-	0
Other non-current liabilities	140	-	140
	179,958	**-138,383**	**41,575**
Current loans and borrowings	16,651	138,383	155,034
Current lease liabilities	3,529	-	3,529
Other current financial liabilities	10,752	-	10,752
Current provisions for risks and charges	1,065	-	1,065
Trade payables	23,206	-	23,206
of which with related parties	1,573	-	1,573
Other Payables	53,904	-	53,904
Contractual liabilities	1,721	-	1,721
Total current liabilities	**109,107**	**138,383**	**247,490**
Total shareholders' equity and liabilities	**584,399**	**-42,604**	**541,795**

Principles and scope of consolidation

The condensed consolidated half-year financial statements include the interim financial statements of Antares Vision S.p.A. and its subsidiaries at 30 June 2024.

Subsidiaries

Subsidiaries are those companies over which the Antares Vision Group, pursuant to IFRS 10, has control or is exposed to or has rights to variable returns, deriving from its relationship with the investee and, at the same time, has the ability to affect such returns by exercising its power over it. Specifically, the Antares Vision Group controls an entity if, and only if, it simultaneously has:

- power over 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 the Antares Vision Group holds less than a majority of the voting (or equivalent) rights, the 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 the Antares Vision Group.

Subsidiaries are consolidated using the full ("line-by-line") consolidation method starting from the acquisition date, i.e. from the date on which the Antares Vision Group obtains control and up to the date on which such control comes to an end.

The assets, liabilities, revenue and costs of a subsidiary acquired during the period are included in the consolidated half-year financial statements from the date on which the Antares Vision Group obtains control up to the date on which the 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 subsidiaries to ensure compliance with international accounting standards and the accounting policies of the Antares Vision Group.

The carrying amount of investments in subsidiaries is eliminated against the related shareholders' equity, net of the operating result for the period. All assets and liabilities, revenue, shareholders' equity, costs and intra-group cash flows relating to transactions between Antares Vision Group entities are completely eliminated on consolidation.

Investments accounted for using the equity method

Associates are those companies over which the Antares Visione Group, pursuant to IAS 28, exercises significant influence or has the power to participate in determining the financial and management policies of the investee without having control or joint control.

Joint ventures are those companies in which the Antares Vision Group, again pursuant to IAS 28, exercises joint control of their business activities on the basis of a contractual agreement. Joint control presupposes that the financial and operating policies of the investee are decided with the unanimous consent of all the parties sharing control.

Associates and joint ventures are consolidated using the equity method and are therefore initially recognised at cost; after the acquisition, this cost is adjusted as a result of the changes in the Antares Vision Group's share of the investee's net assets. 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 Antares Vision Group's profit or loss reflects its share of the investee's profit or loss for the period and the Antares Vision Group's other comprehensive income reflects its share of the investee's other comprehensive income. Such gains and losses are recorded in a specific item of the income statement from the date on which the Antares Vision Group exercises significant influence or joint control and until this ceases. When necessary, appropriate adjustments are made to the financial statements of associates or joint ventures to ensure compliance with international accounting standards and the accounting policies of the Antares Vision Group.

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.

If an associate or joint venture recognises a change directly to shareholders' equity, Antares Vision Group recognises its share, where applicable, in the statement of changes in shareholders' equity.

Translation of financial statements in foreign currencies

The assets and liabilities of Antares Vision 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 separate income statement or statement of other comprehensive income are translated at the average exchange rate for the period. Exchange rate differences arising on translation of foreign currency financial statements are recognised in the statement of other comprehensive income and the contra-entry is booked to "Other reserves" under shareholders' equity.

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 the 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 exchange rate for the period. The revenue and costs of foreign operations are expressed in the functional currency of the foreign operation and translated at the average exchange rate for the period. 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.

The exchange rates used to translate local currencies into Euro are shown in the following table:

TASSI DI CAMBIO				
Valuta	**Cambio puntuale al 30/06/2024**	**Cambio medio al 30/06/2024**	**Cambio puntuale al 30/06/2023**	**Cambio medio al 30/06/2023**
Euro	1	1	1	1
Dollaro statunitense	1.0705	1.0812	1.0866	1.0811
Real brasiliano	5.8915	5.4946	5.2788	5.4833
Rupia indiana	89.2495	89.9804	89.2065	88.8775
Dollaro Honk Kong	8.3594	8.4535	8.5157	8.4747
Dinar Serbo	117.1052	117.14	117.1796	117.3002
Yuan cinese	7.7748	7.8011	7.8983	7.4898
Bath tailandese	39.319	39.1237	38.482	36.9675
Franco svizzero	0.9634	0.9616	0.9788	0.9856
Won sudcoreano	1474.86	1460.405	1435.88	1401.535

Scope of consolidation

The condensed half-year consolidated financial statements are prepared on the basis of the interim accounts of the Parent Company and of the companies in which it has, directly or indirectly, control, significant influence or a joint venture. The interim accounts of the investee companies have been appropriately adjusted, where necessary, in order to make them consistent with international accounting standards and the accounting policies of the Antares Vision Group.

In addition to the Parent Company Antares Vision S.p.A., the entities included in the scope of consolidation at 30 June 2024 are as follows.

SCOPE OF CONSOLIDATION 2024

Name	Headquarters	Currency	Direct parent company	Direct investment	Indirect investment	Shareholders' equity (in euro)	Profit/(loss) (in euro)	Consolidation method
Antares Vision Inc. America	USA	USD	Antares Vision S.p.A.	100.00%	0.00%	161,724,655	-1,874,638	Line-by-line consolidation
Antares Vision North America LLC	USA	USD	Antares Vision Inc. America	100.00%	100.00%	5,398,471	-1,554,732	Line-by-line consolidation
Imago Technologies GmbH	Germany	EUR	Antares Vision S.p.A.	100.00%	0.00%	8,451,693	77,596	Line-by-line consolidation
Antares Vision do Brasil Ltda	Brazil	BRL	Antares Vision S.p.A.	99.99%	0.00%	-5,302,982	-2,002,562	Line-by-line consolidation
Antares Vision France Sas	France	EUR	Antares Vision S.p.A.	100.00%	0.00%	-1,896,689	-792,715	Line-by-line consolidation
Antares Vision Ireland Ltd	Ireland	EUR	Antares Vision S.p.A.	100.00%	0.00%	9,379	-35,450	Line-by-line consolidation
Antares Vision Asia Pacific Ltd	Hong Kong	HKD	Antares Vision S.p.A.	100.00%	0.00%	-3,440,362	-987,287	Line-by-line consolidation
FT System S.r.l.	Italy	EUR	Antares Vision S.p.A.	100.00%	0.00%	24,956,573	596,527	Line-by-line consolidation
FT System North America LLC	USA	USD	FT System	100.00%	100.00%	912,950	-460,727	Line-by-line consolidation
FT Hexagon	France	EUR	FT System	100.00%	100.00%	348,601	-115,398	Line-by-line consolidation
Tradeticity Service d.o.o	Serbia	RSD	Tradeticity d.o.o Old	100.00%	82.80%	-97,139	-2,700	Line-by-line consolidation
Antares Vision Germany	Germany	EUR	Antares Vision S.p.A.	100.00%	0.00%	-10,499	-44,852	Line-by-line consolidation
Applied Vision Corporation	USA	USD	Antares Vision Inc. America	100.00%	100.00%	56,240,248	749,381	Line-by-line consolidation
AV Electronics	Italy	EUR	FT System	100.00%	100.00%	3,359,248	170,580	Line-by-line consolidation
Pen-Tec S.r.l.	Italy	EUR	FT System	100.00%	0.00%	2,048,492	276,859	Line-by-line consolidation
Rfxcel Corporation	USA	USD	Antares Vision Inc. America	100.00%	100.00%	3,350,106	-549,817	Line-by-line consolidation
Antares Vision Shezen	China	CNY	Antares Vision S.p.A.	100.00%	100.00%	501,090	-4,519	Line-by-line consolidation
Antares Vision India Private Limited	India	INR	Antares Vision S.p.A.	100.00%	0.00%	486,967	113,583	Line-by-line consolidation
ACSIS, Inc.	USA	USD	Rfxcel Corporation	100.00%	100.00%	-3,050,565	-845,804	Line-by-line consolidation
Antares Vision (Thailand) Co., Ltd.	Thailand	THB	Antares Vision Asia Pacific Ltd	49.00%	49.00%	195,699	11,036	Line-by-line consolidation
Ingg. Vescovini Srl	Italy	EUR	FT System	0.00%	0.00%	-	-	Line-by-line consolidation
Packital srl	Italy	EUR	FT System	0.00%	0.00%	-	-	Line-by-line consolidation
Antares Vision Svizzera	Switzerland	CHF	Antares Vision S.p.A.	100.00%	100.00%	-253,683	-84,601	Line-by-line consolidation
Wavision	Italy	EUR	FT System	60.00%	60.00%	-28,335	-53,467	Line-by-line consolidation
Tradeticity d.o.o	Italy	EUR	Antares Vision S.p.A.	82.80%	0.00%	255,549	-21,134	Line-by-line consolidation
Antares Vision Korea Limited	Korea	KRW	Antares Vision Asia Pacific Ltd	100.00%	100.00%	146,177	21,381	Line-by-line consolidation
SmartPoint Technologies Private Limited	India	INR	Rfxcel Corporation	100.00%	100.00%	1,616,532	265,236	Line-by-line consolidation
AVI Excellence Private	India	INR	Antares Vision S.p.A.	100.00%	0.00%	532,886	-137,752	Line-by-line consolidation
Shezen Andaruixin Technology Co., Ltd	China	CNY	Antares Vision Shezen	100.00%	100.00%	-494,595	-231,485	Line-by-line consolidation
OROBIX SRL	BERGAMO, ITALY	EUR	Antares Vision S.p.A.	37.50%	0.00%	665,636	-82,712	Shareholders' equity
RURALL SPA	MILAN, ITALY	EUR	Antares Vision S.p.A.	25.00%	0.00%	5,828,937	14,807	Shareholders' equity
OPTWO SRL	BRESCIA, ITALY	EUR	Antares Vision S.p.A.	24.90%	0.00%	733,967	-130,733	Shareholders' equity
LIGHT SCARL	BRESCIA, ITALY	EUR	Antares Vision S.p.A.	38.20%	0.00%	Not available	Not available	Shareholders' equity
SIEMPHARMA SRL	APRILIA (LT), ITALY	EUR	Antares Vision S.p.A.	45.00%	0.00%	5,289,174	563,850	Shareholders' equity

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

The following changes in the scope of consolidation have taken place compared with 31 December 2023 and 30 June 2023:

- the company T2 Software SA and Pharmatrack Sistemas LTDA left the scope of consolidation in April 2024 following the sale of 51% to the founding partners, already holders of 49% through Antares Vision Do Brasil Ltda. As a result, the company only features for three months in the consolidated accounts for the first half of 2024;
- the departure from the scope of consolidation of the Russian subsidiaries Antares Vision Rus OOO, Markirovka As A Service LLC and Rfxcel LLC and of Innovative Marketing Digital Solutions (IMDS) UK Ltd from January 2024 due to the events that led to the loss of control, already explained in detail in the directors' report (see "Significant subsequent events"). The companies do not therefore feature in the consolidated accounts for the first half of 2024;

In relation to the individual companies, note the absorption of Packital Srl by FT System Srl on 1 May 2024, even though this did not have any impact on the scope of consolidation with respect to 31 December 2023 and 30 June 2023.

For further details on the above changes, please refer to the paragraph in this report entitled “Significant events during the period”.

Business combinations

Business combinations are accounted for, in accordance with IFRS 3, using the acquisition method, under which the identifiable assets acquired and liabilities assumed must be measured at their respective fair values at the date of acquisition. Adjustments to previous accounting figures to align them with the current value involve recording the related deferred taxation.

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.

The complexity of the acquisition method envisages a measurement period of up to one year from the acquisition date. The measurement period ends as soon as the missing information on facts and circumstances existing at the acquisition date becomes available, or it is decided that it is not possible to obtain further information. If at the end of the period in which the combination takes place the initial accounting for the combination is incomplete, the provisional amounts of the assets and liabilities are recorded; these will be adjusted retroactively, if necessary, to reflect new information learned about facts and circumstances existing at the acquisition date which, if known, would have influenced the measurement of the amounts recognised at that date.

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. Since each CGU is the smallest identifiable group of cash-generating activities that are largely independent of the cash inflows generated by other activities or groups of activities, it follows that each CGU cannot be larger than the operating segments identified on the basis of IFRS 8.

On first-time adoption of IFRS, the Antares Vision Group did not apply IFRS 3 to acquisitions made prior to the IAS/IFRS transition date. Goodwill generated on acquisitions prior to that date has been maintained at the figures resulting from the application of Italian accounting principles and is periodically subjected to impairment testing.

During the six-month period under review, the Antares Vision Group did not carry out any business combinations.

Fair value measurement and Financial assets and liabilities, including derivatives

Fair value measurement and Financial assets and liabilities

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, pursuant to IFRS 13, 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 condensed consolidated half-year financial statements show financial assets and liabilities and derivatives 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 fixed income securities (Treasury bills) held by the Parent Company fall within the Level 1 hierarchy as their fair value is directly observable from official market prices;
- the derivatives 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 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 and liabilities recognised in these condensed consolidated half-year 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.

During the first half of 2024 there were no transfers between Level 1 and Level 2 of the fair value measurement, nor from or to Level 3, as there have been no changes in the Group's valuation processes, techniques and criteria used to calculate fair value during the period.

Derivatives

The Antares Vision Group uses contracts to mitigate interest rate risk and exchange rate risk. Derivatives are classified as “hedging derivatives” and accounted for at fair value using hedge accounting, but only when the relationship between the derivative and the object being hedged is formally documented and the hedge is considered effective based on an effectiveness test; otherwise, even if they are taken out with the intention of managing risk exposure, they are recognised, classified and accounted for as "non-hedging derivatives".

When derivatives hedge the risk of changes in the cash flows of the instruments being hedged (i.e. cash flow hedges), they are recognised at fair value with the effects being charged to other comprehensive income. Specifically, the effective part of the changes in the fair value of the financial instrument is recorded among the components of other comprehensive income and reflected in the expected cash flow hedging reserve. The ineffective part of the changes in the fair value of the derivative is recognised immediately in profit or loss for the period.

When hedging derivatives hedge the risk of changes in the fair value of the instruments being hedged (i.e. fair value hedges), they are recognised at fair value with the effects being charged to the income statement.

Derivatives are shown under financial assets or liabilities if they present a positive or negative mark to market at the reporting date.

At 30 June 2024, Antares Vision Group holds the following derivatives, which are both hedging and non-hedging. It should be noted that the non-hedging derivatives are considered as such because they do not satisfy all of the hedge accounting requirements of IFRS 9.

Finacials 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	Bank borrowing	Interest rate risk	Hedging	30/09/2021	29/09/2028	0.200%	EUR	30,000,000	**2,100,585**	Non-current financial assets
Interest Rate Swap	Bank borrowing	Interest rate risk	Hedging	30/09/2021	30/09/2029	0.095%	EUR	28,800,000	**2,290,718**	Non-current financial assets
								58,800,000	**4,391,303**	
Interest Rate Swap	Leasing	Interest rate risk	Speculative **	01/08/2016	01/02/2026	0.450%	EUR	1,969,864	**85,367**	Non-current financial assets
Interest Rate Swap	Leasing	Interest rate risk	Speculative **	01/12/2019	01/12/2026	0.800%	EUR	2,325,818	**145,991**	Non-current financial assets

Cross Currency Swap	Intercompany borrowing	Exchenge rate risk	Speculative **	14/04/2023	30/04/2026	1.122%	USD	5,950,000	**-33,468**	Non-current financial liabilities
								10,245,682	**197,890**	
Total								**69,045,682**	**4,589,193**	

** 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.*

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"). In other words, stock option plans consist of assigning to specific beneficiaries identified by name a certain number of options that vest and give the right to acquire/or subscribe the ordinary 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.

This cost, together with the corresponding increase in equity, is recognised under personnel costs for the options assigned to employees (Note 30) and under service costs for the options assigned to the directors (Note 35) 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 granting of equity instruments may be subject to certain vesting conditions, such as service conditions, performance conditions and market conditions. Vesting conditions, with the exception of market conditions, are not considered in the estimate of the shares' fair value. However, the probability that these conditions will be met is taken into account in establishing the best estimate of the number of equity instruments that will vest so that, ultimately, the amount recognised in the financial statements for goods or services received as consideration for the equity instruments granted is based on the number of equity instruments that will ultimately vest. Market conditions have to be considered in the estimate of the shares' fair value.

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 and/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 service and/or performance 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.

First Stock Option Plan

On 20 May 2020, the Shareholders' Meeting of Antares Vision S.p.A. approved a stock incentive plan called the “2020-2022 Stock Option Plan” (the “First Stock Option Plan”), in favour of executive directors and employees of the Group. For a maximum period of five years from the date of the resolution, the First Stock Option Plan provided for the right to increase the share capital, in a divisible manner and with the exclusion of the option right pursuant to art. 2441 paragraphs 5 and 8 of the Italian Civil Code, for a maximum nominal amount of Euro 2,400.00 and had as its object the granting of a maximum of 1,000,000 Ordinary Shares without par value assignable in 3 successive cycles: (i) maximum 333,334 Ordinary Shares by 20 August 2020, (ii) maximum 333,333 Ordinary Shares by 20 May 2021 and (iii) maximum 333,333 Ordinary Shares by 20 May 2022.

The objectives of the First Stock Option Plan, to which the vesting of the options is subject, are represented by a weight of 25% of the Total Shareholder Return (TSR) with respect to the constituents of the FTSE All Share index, of the cumulative EBIT of the three-year period, of the cumulative Net Profit of the three-year period and of the cumulative Free Cash Flow of the three-year period.

Minimum, target and maximum levels are established for each of the performance conditions. For EBIT, Net Profit and Free Cash Flow, upon reaching the minimum performance level (90%), the target level (100%) or the maximum level (120%), the number of Ordinary Shares awarded corresponds respectively to 50%, 100% or 120% of the rights granted. Below the minimum performance level, no shares are vested.

The TSR is defined in relation to the companies making up the FTSE Italia All Share index by measuring the performance over the three-year Performance Period of the Plan. On achieving a TSR equal to or greater than the median, the objective is considered achieved and the number of ordinary shares attributed corresponds to 100% of the rights granted. If the TSR is lower than the median, no shares are attributed.

The vesting of the options presupposes a constant relationship with the Parent Company or its subsidiaries during the vesting period. Termination of the relationship during the vesting period results in the loss of options, except in some specific cases. The vesting period is 48 months from the award of each cycle for executive directors and 36 months from the award of each cycle for employees. However, it should be remembered that the executive directors of the Parent Company have waived their options of the second tranche 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.

Based on what we have just explained, the first tranche was assigned to directors and employees, whereas the second and third tranches were assigned to employees only.

Second Stock Option Plan

On 24 March 2021, the Shareholders' Meeting of Antares Vision S.p.A. approved a stock incentive plan called the “2021-2023 Stock Option Plan” (the “Second Stock Option Plan”), in favour of executive directors and employees of the Group. The Second Stock Option Plan provided for the granting of free allocation rights to the beneficiaries of a maximum of 1,000,000 Ordinary Shares of the Parent Company, assignable in 3 successive cycles: (i) maximum 333,334 Ordinary Shares by 24 June 2021, (ii) maximum 333,333 Ordinary Shares by 24 September 2022 and (iii) maximum 333,333 Ordinary Shares by 24 December 2023.

The objectives of the Second Stock Option Plan, to which the vesting of the options is subject, are represented by consolidated turnover and EBITDA, and by quantitative and qualitative objectives allocated individually to each beneficiary according to their position.

For each of the objectives illustrated above, minimum, target and maximum performance levels are established. On reaching the minimum level (70%) for each of the turnover, EBITDA and individual quantitative objectives, the number of options that 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 its subsidiaries during the vesting period. Termination of the relationship during the vesting period results in the loss of options, except in some specific cases. The vesting period is 48 months from the award of each cycle for executive directors and 36 months from the award of each cycle for employees. 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.

Based on what we have just explained, the tranches were assigned only to employees.

“First Stock Grant Plan”

On 28 February 2024, the Shareholders' Meeting of Antares Vision S.p.A. approved the “First Stock Grant Plan” in favour of the CEO, Gianluca Mazzantini. The “First Stock Grant Plan” provides for the increase in share capital, with the 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, and has as its object the granting of a maximum of 1,382,422 Ordinary Shares of the Parent Company. Gianluca Mazzantini subscribed the shares on 8 March 2024.

Reference should be made to the specific section of the directors' report for details and specifications relating to this stock option plan.

The vesting of the options presupposes a constant relationship with the Parent Company or its subsidiaries during the vesting period. Termination of the relationship during the vesting period results in the loss of options, except in some specific cases. The vesting period is 60 months from the date of the assignment.

The Stock Option Plans have been measured at fair value at the grant date determined by applying the Black & Scholes valuation model. This is based on the construction of a portfolio of underlying assets and a certain number of options, in such a way that the relative 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 "log-normal distribution").

	30.06.2024	31.12.2023

Stock Option Plans	Number	PMPE	Number	PMPE
outstanding at the beginning of the period	1,478,546		1,673,026	
1st tranche of SOP I	253,922	2.24	253,922	2.24
2nd tranche of SOP I	277,697	2.48	281,247	2.48
3rd tranche of SOP I	325,000	2.96	369,000	2.96
1st tranche of SOP II	302,927	2.22	326,857	2.22
2nd tranche of SOP II	319,000	2.96	442,000	2.96
1st Stock Grant Plan 24	-	-	-	-
granted during the period	1,382,422	-	-	-
1st tranche of SOP I	-	-	-	-
2nd tranche of SOP I	-	-	-	-
3rd tranche of SOP I	-	-	-	-
1st tranche of SOP II	-	-	-	-
2nd tranche of SOP II	-	-	-	-
1st Stock Grant Plan 24	1,382,422	-	-	-
cancelled during the period	242,801	-	194,480	-
1st tranche of SOP I	61,000	2.24	-	-
2nd tranche of SOP I	54,627	2.48	3,550	2.48
3rd tranche of SOP I	54,000	2.96	44,000	2.96
1st tranche of SOP II	63,174	2.22	23,930	2.22
2nd tranche of SOP II	10,000	2.96	123,000	2.96
1st Stock Grant Plan 24	-	-	-	
exercised during the period	-	-	-	-
expired during the period	-	-	-	-
outstanding at the end of the period	1,235,745	-	1,478,546	-
1st tranche of SOP I	192,922	2.24	253,922	2.24
2nd tranche of SOP I	223,070	2.48	277,697	2.48
3rd tranche of SOP I	271,000	2.96	325,000	2.96
1st tranche of SOP II	239,753	2.22	302,927	2.22
2nd tranche of SOP II	309,000	2.96	319,000	2.96
1st Stock Grant Plan 24	-	-	-	-
	-	-	-	-

The main elements and parameters used in measuring the rights to free allocation of shares for these stock option plans are summarised in the following table:

	FIRST STOCK OPTION PLAN				SECOND STOCK OPTION PLAN		FIRST STOCK GRANT
	I TRANCHE		II TRANCHE	III TRANCHE	I TRANCHE	II TRANCHE	I TRANCHE
	Directors	Employees	Employees	Employees	Employees	Employees	Directors
Weighted fair value at the measurement date(€)	2,2416	2,2361	2,4818	2,9631	2,2164	2,9631	2,4000
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	0,6500

Risk-free Interest rate (€)	-0,0040	-0,0040	-0,0040	0,0140	-0,0040	0,0140	0,0302
Expected usefull life of 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	2,4000
Model adopted	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes	Black & Scholes

In the first half of 2024, the stock option plans generated an overall impact on the consolidated income statement of Euro 943,307. The contra-entry in the statement of financial position under "SOP Reserves" is an amount equal to Euro 3,360,545.

Use of estimates and assumptions

Preparing the condensed consolidated half-year financial statements of the Antares Vision Group requires the directors to make discretionary assessments, estimates and assumptions that affect the values of revenues, costs, assets and liabilities and the disclosure of contingent liabilities. Uncertainty about these estimates and assumptions could lead to outcomes that will require a significant future adjustment to the carrying amount of such assets or liabilities.

These discretionary assessments, estimates and assumptions have been applied consistently to all periods presented in this half-year financial report, unless otherwise indicated. The detailed description of the discretionary assessments, estimates and assumptions is contained in the notes to the consolidated financial statements of the Antares Vision Group at 31 December 2023 to which reference should be made for further details, but where the assessment period has led to particular conclusions, specific additional information is provided in these explanatory notes. If in the future, should such estimates and assumptions, which are based on the best assessment by management, differ from the actual circumstances, they will be appropriately modified in the period in which such circumstances occur.

Deferred tax assets and liabilities have been estimated based on the tax rates that are expected to be in effect at the time of the eventual realisation of the assets or extinction of the liabilities to which they refer.

Segment reporting

The segment reporting has been prepared in accordance with IFRS 8 - Operating Segments, which means that the identification of the operating segments (or Business Units) 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.

It should be remembered that up until 2022 the Group had only one operating sector, whereas during 2023 the Group modified and adopted a new internal organisational structure identifying four operating sectors:

- Life Sciences and Cosmetics (“**LS&C**”);
- Fast Moving Consumer Goods (“**FMCG**”);
- Supply Chain Transparency (“**SCT**”);
- Other (“**Other**”).

For the purposes of the control procedures envisaged by IAS 36, the new organisational structure has allowed management to identify and configure four separate cash generating units (CGU), corresponding to the four Business Units indicated above. These four CGUs therefore represent the groups of activities on the basis of which control procedures are carried out on the goodwill recorded in the annual consolidated financial statements at 31 December 2023, to which reference should be made for further details.

Note that since the four CGUs were identified mainly in the second half of 2023, the 30 June 2023 Restated for the four CGUs is the result of an approximation process. The impairment on the restated figures at 30 June 2023, which showed that there was "headroom", was therefore carried out only on one CGU.
As explained in Note 2, to which reference should be made for further details, the directors have updated the impairment test as of 30 June 2024, with respect to 31 December 2023, recognising a permanent loss in value of the SCT CGU's goodwill of Euro 1,340 thousand.

Financial position by operating segment

The main balance sheet figures of the Antares Vision Group are shown below, split by operating segment at 30 June 2024 and 31 December 2023:

Antares Vision Group Consolidated financial statements ('000,€)	AREA LS&C	AREA FMCG	AREA SCT	AREA OTHER	30.06.24 CONSOLIDATED
Property	*25,938*	*6,495*	*585*	*520*	*33,538*
Financial Assets	*8,676*	*0*	*0*	*0*	*8,676*
Property, plant and equipment, net	*1,015*	*2,092*	*252*	*21*	*3,380*
Intangible fixed assets, net	*27,706*	*60,852*	*80,431*	*0*	*168,989*
Total fixed assets	**63,335**	**69,439**	**81,268**	**541**	**214,583**
% of NIC	**85.1%**	**81.3%**	**101.3%**	**5.9%**	**86.1%**
Raw materials	*12,537*	*13,059*	*0*	*-420*	*25,176*
Work in progress	*9,245*	*1,399*	*29*	*559*	*11,232*
Finished products	*11,511*	*1,911*	*0*	*1,120*	*14,542*
Total inventory	**33,293**	**16,369**	**29**	**1,259**	**50,950**
Trade receivables	*30,435*	*14,482*	*9,243*	*485*	*54,645*
Trade payables	*-18,920*	*-5,921*	*-1,113*	*-247*	*-26,201*

Advances from customer	*-18,218*	*-1,715*	*-10,648*	*0*	*-30,581*
Net operating working capital	**26,590**	**23,215**	**-2,489**	**1,497**	**48,813**
% of NIC	**35.7%**	**27.2%**	**-3.1%**	**16.3%**	**19.6%**
Other current assets	*11,477*	*1,787*	*3,496*	*7,209*	*23,969*
Other current liabilities	*-18,691*	*-5,357*	*-2,059*	*-7*	*-26,114*
Net working capital	**19,376**	**19,645**	**-1,052**	**8,699**	**46,668**
% of NIC	**26.0%**	**23.0%**	**-1.3%**	**94.4%**	**18.7%**
Severance indemnities	*-5,545*	*-3,073*	*0*	*0*	*-8,618*
Provigions	*-2,773*	*-565*	*0*	*-28*	*-3,366*
Net invested capital (NIC)	**74,393**	**85,446**	**80,216**	**9,212**	**249,267**
% of NIC	**100%**	**100%**	**100%**	**100%**	**100%**

Antares Vision Group Consolidated financial statements ('000,€)	AREA LS&C	AREA FMCG	AREA SCT	AREA OTHER	30.06.24 CONSOLIDATED
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*
Total fixed assets	**61,831**	**69,997**	**81,976**	**929**	**214,733**
% of NIC	**63.2%**	**81.2%**	**103.5%**	**10.5%**	**78.9%**
Raw materials	*13,086*	*11,618*	*0*	*1,373*	*26,077*
Work in progress	*6,886*	*1,853*	*26*	*111*	*8,876*
Finished products	*9,768*	*2,411*	*0*	*1,594*	*13,773*
Total inventory	**29,740**	**15,882**	**26**	**3,078**	**48,726**
Trade receivables	*49,063*	*16,049*	*6,183*	*333*	*71,628*
Trade payables	*-16,346*	*-6,646*	*-1,848*	*-498*	*-25,338*
Advances from customer	*-13,803*	*-1,278*	*-8,309*	*-2,652*	*-26,042*
Net operating working capital	**48,654**	**24,007**	**-3,948**	**261**	**68,974**
% of NIC	**49.7%**	**27.9%**	**-5.0%**	**3.0%**	**25.4%**
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*
Net working capital	**43,093**	**20,110**	**-2,800**	**8,070**	**68,473**
% of NIC	**44.0%**	**23.3%**	**-3.5%**	**91.6%**	**25.2%**
Severance indemnities	*-6,153*	*-3,199*	*0*	*-164*	*-9,516*
Provigions	*-914*	*-747*	*0*	*-28*	*-1,689*
Net invested capital (NIC)	**97,857**	**86,161**	**79,176**	**8,807**	**272,001**
% of NIC	**100%**	**100%**	**100%**	**100%**	**100%**

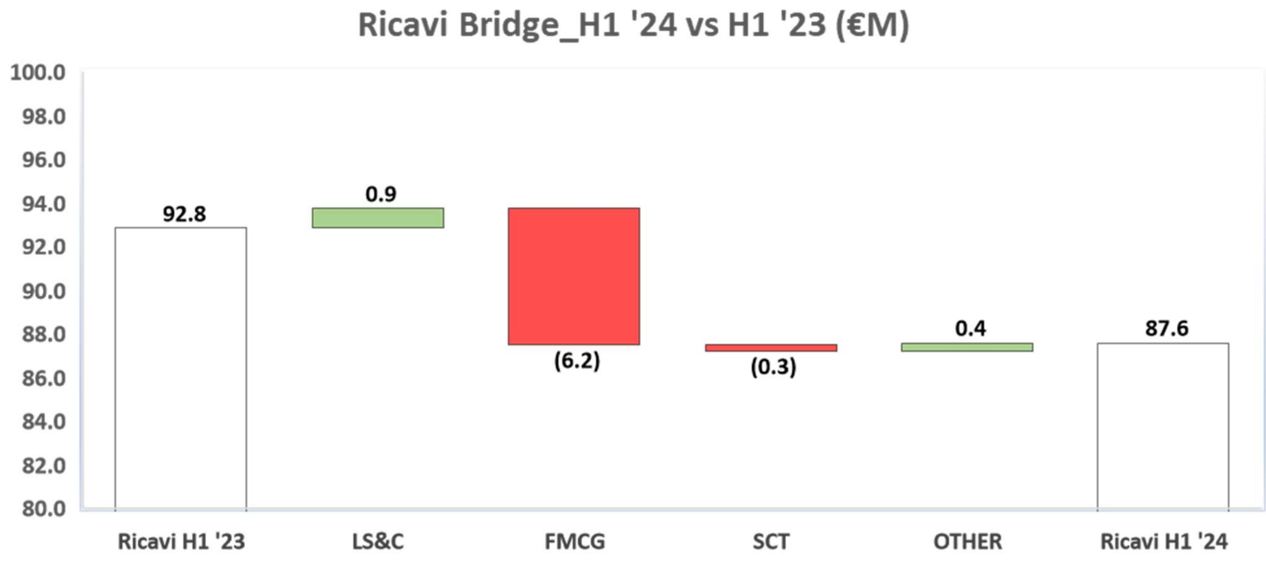
From a balance sheet point of view, the FMCG and SCT segments are both showing high values of intangible assets. This is a direct consequence of the goodwill resulting from the acquisitions made from 2019 onwards. On the other hand, these Business Units benefit from a lower proportion of working capital compared with LS&C, 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 a rapid rotation of resources and more efficient management of working capital. In the case of SCT, the situation is further enhanced by the absence of inventory, as this sector relies more on services and technologies rather than physical products, leading to a reduction in the need for working capital and contributing to a higher level of operating efficiency.

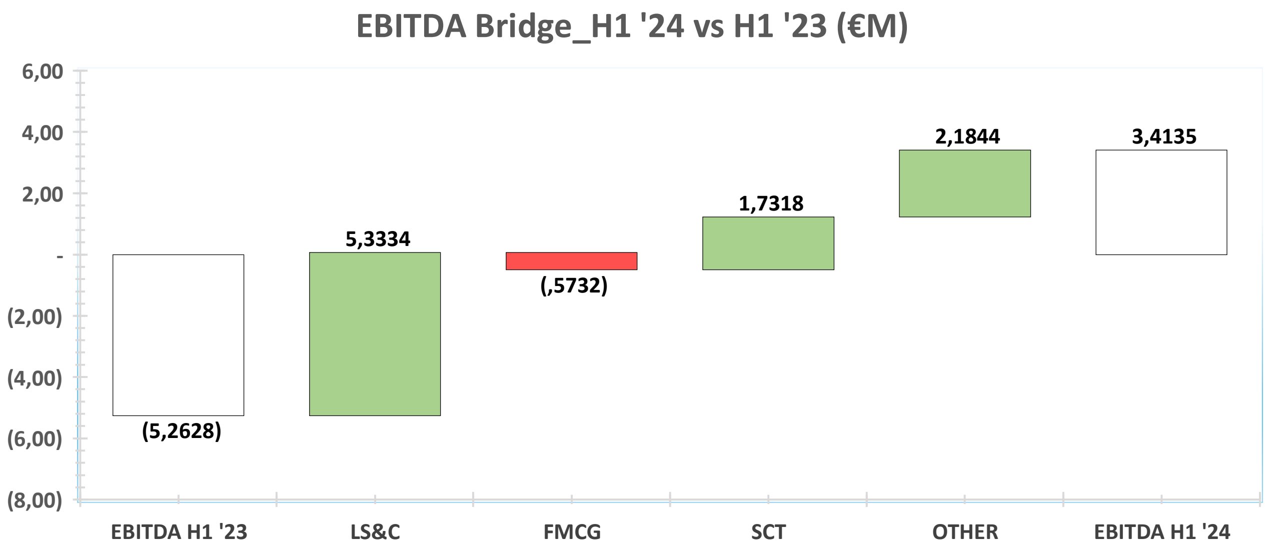
Results by operating segment

The main comparative economic data of the Antares Vision Group are shown below, split by operating segment, with details of their performances (incremental values) in terms of Revenue and EBITDA. The economic data presented have been identified by company management as the minimum information for the evaluations of sector performance:

Consolidated financial statement ('000,€) H1 '24	AREA LS&C	AREA FMCG	AREA SCT	AREA OTHER	H1 2024 CONSOLIDATED
Sales Revenues	*37,108*	*31,263*	*15,463*	*3,731*	*87,565*
EBITDA	*-6,977*	*1,291*	*-738*	*788*	*-5,638*
EBITDA ADJUSTED	*-2,360*	*3,575*	*1,180*	*1,018*	*3,413*
EBITDA ADJUSTED %	**-6.4%**	**11.4%**	**7.6%**	**27.3%**	**3.9%**

Consolidated financial statement ('000,€) H1 '23	AREA LS&C	AREA FMCG	AREA SCT	AREA OTHER	H1 2023 CONSOLIDATED
Sales Revenues	*36,230*	*37,500*	*15,734*	*3,372*	*92,836*
EBITDA	*-7,638*	*3,468*	*-870*	*-1,379*	*-6,420*
EBITDA ADJUSTED	*-7,491*	*4,104*	*-552*	*-1,325*	*-5,263*
EBITDA ADJUSTED %	**-20.7%**	**10.9%**	**-3.5%**	**-39.3%**	**-5.7%**





From an economic point of view, net of the allocations of Group overheads and the capitalisation of R&D costs, FMCG is the most profitable Business Unit (16.8%). This is mainly attributable to the fact that it has a lower proportion of personnel and external costs, allowing this Business Unit to maintain higher operating margins. In this regard, we would emphasise that, despite a reduction in consolidated revenue compared with the same period of 2023, mainly attributable to the American market, the net effect in terms of EBITDA appears to be attenuated by a reduction in operating expenses. In terms of EBITDA, after allocating Group overheads, which include administrative expenses and other common costs, and the effect of R&D cost capitalisations, the share of profitability attributable to FMCG exceeds 11%.

Despite an improvement in profitability compared with 6 June 2023, the LS&C Business Unit is showing a profitability, net of Group overhead allocations and the effect of R&D cost capitalisations, of 0.3%. The recovery in profitability is mainly driven by a form of operating leverage which has allowed us to absorb a poorer sales mix compared with the same period of 2023. In this regard, it should be emphasised that the higher revenues recorded for inspection systems and after-sales services, business lines with higher profit margins, were not sufficient to offset the loss of volumes of Track & Trace and Serialisation equipment. In terms of EBITDA, after the allocation of Group overheads, which includes administrative expenses and other common costs, and the capitalisation of R&D costs, the share of profitability attributable to LS&C is -6.4%.

The SCT Business Unit confirms its level of revenue in absolute terms in line with the same period of last year, but with EBITDA on the rise. The increase in profitability is mainly due to the reorganisation of Rfxcel Corporation, which also absorbed the lowest amount of R&D capitalisation (-1.2M€). In terms of EBITDA, after the allocation of Group overheads, which includes administrative expenses and other common costs, and the capitalisation of R&D costs, the share of profitability attributable to SCT is close to 8%.

Lastly, the Other Business Unit is the most profitable one (27.3%) in terms of EBITDA after allocating Group overheads and R&D capitalisations relating to the Digital Care Platform. In organic terms, net of the changes in the scope of consolidation (Antares Vision Russia), if compared with the same period of 2023, there has been an increase in revenue of 1.8M€ and in EBITDA of 1.2M€. Financial income and charges, income tax, gains and losses on changes in the fair value of certain financial assets and liabilities are not allocated to an individual segment as the underlying instruments are managed at Group level. As a result, there is no segment reporting for these items.

Notes to the statement of financial position

Non-current assets

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

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 31/12/2023	37,837,473	37,837,473	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**
Valore di bilancio 31.12.2023	**28,168,906**	**471,546**	**1,669,037**	**3,143,109**	**2,953,519**	**36,406,117**
Increase	1,855,248	147,492	118,420	758,735	22,439	**2,902,334**
Increase in historical cost due to changes of the scope of consolidation	5,448	-	-	-140,314	-13,610	**-148,476**
Transfers	407,293	-77,316	77,316	-	-407,293	**-**
Exchange rate effect	103,020	2,949	45,653	167	-754	**151,035**
Dismissions	-	-	2	-68,408	-	**-68,406**
Depreciation for the period	-1,341,072	-50,054	-258,222	-675,513	-	**-2,324,861**
Total changes	**1,029,937**	**23,071**	**-16,831**	**-125,333**	**-399,218**	**511,626**
Historical cost 30/06/2024	40,584,388	1,248,941	3,915,543	7,749,877	2,554,300	**56,053,049**
Accumulated depreciation 30/06/2024	-11,385,544	-754,324	-2,263,337	-4,732,101	-	**-19,135,306**
Carrying amount 30/06/2024	**29,198,844**	**494,617**	**1,652,206**	**3,017,776**	**2,554,300**	**36,917,743**

"Property, plant and equipment and right-of-use assets" at 30 June 2024 amount to Euro 36,917,743 (Euro 36,406,117 at 31 December 2023) and consist of Euro 494,617 of plant and machinery, Euro 3,017,776 of Other assets (including rights of use of vehicles), Euro 1,652,206 of industrial and commercial equipment and Euro 2,554,300 of fixed assets under construction and advances.

"Land and buildings", amounting to Euro 29,198,844 at 30 June 2024 (Euro 28,168,906 at 31 December 2023), is the value of land and buildings owned by the Group, as well as the value of buildings held under financial leases and the right of use of long-term lease, rental and hire contracts that fall within the scope of application of IFRS 16, increased by the value of any improvements made to the assets as required by international accounting standards.

During the half-year, property, plant and equipment and right-of-use assets recorded a net positive change of Euro 511,626 of which:

- Euro 1,855,248 for investments during the period, mainly relating to new property rental contracts which, as mentioned previously, are recorded as assets in accordance with IFRS 16;
- Euro 5,448 for the changes in the scope of consolidation;
- Euro -1,341,072 of depreciation for the period;
- Euro 407,293 transferred from fixed assets under construction and advances for the closure of construction activities for the modernisation of the production plant at Sorbolo, which means that depreciation of the asset can commence;

- Euro 103,020 for the exchange rate effect, not of particular importance, because the main assets are in the same currency as the consolidation;

"Plant and machinery", amounting to Euro 494,617 at 30 June 2024 (Euro 471,546 at 31 December 2023), recorded a positive net change of Euro 23,071, made up of:

- Euro 147,492 for investments during the period, mainly relating to new machinery for the production of machines in the factories;
- Euro 50,054 of depreciation for the period;
- Euro 2,949 for the exchange rate effect, not of particular importance, because the main assets are in the same currency as the consolidation;
- Euro 77,316 for the transfer to "Industrial and commercial equipment" for a more correct allocation of an asset.

"Industrial and commercial equipment", amounting to Euro 1,652,206 at 30 June 2024 (Euro 1,669,037 at 31 December 2023), recorded a negative net change of Euro 16,831, made up of:

- Euro 118,420 for investments during the period, mainly relating to new machinery for the production of machines in the factories;
- Euro 258,222 of depreciation for the period;
- Euro 45,653 for the exchange rate effect, not of particular importance, because the main assets are in the same currency as the consolidation;
- Euro 77,316 for the transfer from "Plant and machinery" for a more correct allocation of an asset.

"Other fixed assets" amount to Euro 3,017,776 at 30 June 2024 (Euro 3,143,109 at 31 December 2023) with a decrease of Euro 125,333.

"Fixed assets under construction and advances", amounting to Euro 2,554,300 at 30 June 2024 (Euro 2,953,519 at 31 December 2023), refers to an asset that is part of a machine that still has to be completed and installed.

2. GOODWILL

"Goodwill" at 30 June 2024 amounts to Euro 97,360,651 (Euro 96,821,372 at 31 December 2023). The change during the period of Euro 539,279 is mainly due to the exchange rate effect.

In compliance with the provisions of IAS 36, goodwill is allocated to cash-generating units (CGUs) and is not amortised, but only subjected to impairment testing to verify its recoverable value at least once a year, and in any case whenever there are facts or circumstances that suggest that there may be a risk of a permanent loss in value.

The following table shows the Goodwill at 30 June 2024 allocated to each CGU:

Goodwill					
Description	**LIFE SCIENCES**	**FMCG**	**SCT**	**OTHER**	**Total**
Amount at 31.12.2023	**12,661,595**	**36,642,773**	**47,413,090**	**103,914**	**96,821,372**
Increases for new acquisitions	-	-	-	-	**-**
Disposal on sale	-101,984	-	-	-	**-101,984**
Write-downs	-	-	-1.340.000	-	**-1.340.000**
Exchange rate effect	16,093	464,855	1,502,271	-1,956	**1,981,263**

Amount at 30.06.2024	**12,575,704**	**37,107,628**	**47,575,361**	**101,958**	**97,360,651**

The impairment tests carried out for the purposes of the consolidated financial statements at 31 December 2023 highlighted losses in value for a total of Euro 66,300 thousand, of which Euro 30,100 thousand relating to the FMCG CGU and Euro 36,200 thousand to the SCT CGU.

For the purposes of preparing these condensed half-year consolidated financial statements, the Antares Vision Group has assessed the existence and, in the case examined, the concrete implications for each CGU of the following exogenous and endogenous indicators of permanent loss of value.

In this context, in the specific case of the SCT CGU, positive half-year results were seen (Adjusted EBITDA of Euro 1,180 thousand), but not entirely in line with the annual forecasts used for the impairment test at 31 December 2023, a situation which led the directors to update the test at 30 June 2024, with the recognition of a permanent loss in value of the goodwill of the GCU in question of Euro 1,340 thousand.

A sensitivity analysis was performed on the recoverable value of the CGU in question as a function of the discount rate (WACC) and the perpetual growth rate (G) shown below.

Cover/(Impairment) Sensitivity Analysis

€ mln		WACC				
		12,1%	**11,9%**	**11,6%**	**11,4%**	**11,1%**
G rate	**2,6%**	(2,2)	(0,0)	2,3	4,8	7,4
	2,3%	(3,9)	(1,8)	0,4	**2,8**	5,3
	2,1%	(5,5)	(3,5)	**(1,3)**	0,9	3,3
	1,8%	(7,0)	**(5,1)**	(3,0)	(0,9)	1,4
	1,6%	(8,5)	(6,6)	(4,6)	(2,6)	(0,4)

The directors remain strongly convinced of the development and potential of this business in light of the significant commercial opportunities that are arising in the world of L4 and L5 platforms, which for prudence sake are not currently being considered in the forecasts.

Lastly, with reference to the market capitalisation compared with the book net equity, the stock market valuation at 30 June 2024 of Euro 224.228 million is higher than the book net equity at the same date, namely Euro 150.938 million.

3. Other intangible assets

"Other intangible assets" at 30 June 2024 amounted to Euro 84,765,418 (Euro 86,682,772 at 31 December 2023), made up exclusively of intangible assets with a finite useful life.

OTHER INTANGIBLE ASSETS								
DescriptioN	Development costs	Industrial patent, rghts and use of intellectual property	Concessions, licenses, trademarks and similar rights	Customer list	Know-how	Other intangible assets	Fixed assets in course of formation and advances	TOTAL
Historical cost 31/12/2023	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	-	-44.848.727
Carrying amount 31/12/2023	14.581.769	79.372	3.402.776	38.197.196	20.674.133	98.104	9.649.422	86.682.772
Increases	1.360.802	23.892	290.047	-	-	5.258	2.394.088	4.074.087
Increase in historical cost due to changes of the scope of consolidation	-	-	-	-	-	-23.289	-	-23.289
Exchange rate effect	218.580	-	19.477	939.121	503.059	12	460.079	2.140.328
Dismissions	-	-	-103.875	-	-	-	-	-103.875
Amortization for the period	-3.203.296	-26.631	-547.641	-2.804.007	-1.361.185	-61.848	-	-8.004.608
Total changes	-1.623.914	-2.739	-341.992	-1.864.886	-858.126	-79.867	2.854.167	-1.917.357
Historical cost 30/06/2024	33.576.835	540.676	6.367.469	56.161.994	28.940.534	117.490	12.503.590	138.208.588
Accumulated depreciation 30/06/2024	-20.618.979	-464.042	-3.306.684	-19.829.684	-9.124.527	-99.254	-	-53.443.170
Carrying amount 30/06/2024	12.957.856	76.634	3.060.785	36.332.310	19.816.007	18.236	12.503.590	84.765.418

"Development costs", amounting to Euro 12,957,856 at 30 June 2024 (Euro 14,581,769 at 31 December 2023), includes the costs incurred for the application of research results or other know-how to a project for the production of new or substantially improved devices, processes or services, before the start of commercial production or use. The Antares Vision Group capitalises development costs once the cost has been reliably determined and there is reasonable certainty that the expected future economic benefits will come about.

The item records a negative net change of Euro 1,623,913, made up of:

- Euro 1,360,802 for investments during the period, mainly relating to R&D projects previously mentioned in the directors' report;
- Euro - 3,203,296 of depreciation for the period;
- Euro 218,580 for the exchange rate effect;

"Industrial patent rights and use of intellectual property", amounting to Euro 76,634 at 30 June 2024 (Euro 79,372 at 31 December 2023), recorded a negative net change of Euro 2,739, made up of:

- Euro 23,892 for investments during the period;
- Euro 26,631 of depreciation for the period;

"Concessions, licences, trademarks and similar rights", amounting to Euro 3,060,785 at 30 June 2024 (Euro 3,402,776 at 31 December 2023), recorded a negative net change of Euro 341,992, made up of:

- Euro 290,047 for investments during the period;
- Euro 547,641 of depreciation for the period;
- Euro -103,875 for disposals

- Euro 19,477 for the exchange rate effect, not of particular importance, because the main assets are in the same currency as the consolidation;

"Customer Lists", amounting to Euro 36,332,310 at 30 June 2024 (Euro 38,197,196 at 31 December 2023), recorded a negative net change of Euro 1,864,886, made up of:

- Euro 2,804,007 of depreciation for the period;

- Euro 939,121 due to the exchange rate effect, which is of particular importance as several acquisitions involved American companies: the exchange rate of the US dollar has been coming closer to that of the euro, so this has led to an appreciation in the value of the asset;

"Know-how", amounting to Euro 19,816,007 at 30 June 2024 (Euro 20,674,133 at 31 December 2023), recorded a negative net change of Euro 858,126, made up of:

- Euro - 1,361,185 of depreciation for the period;

- Euro 503,059 due to the exchange rate effect, which is of particular importance as several acquisitions involved American companies: the exchange rate of the US dollar has been coming closer to that of the euro, so this has led to an appreciation in the value of the asset;

"Other intangible assets", amounting to Euro 18,236 at 30 June 2024 (Euro 98,104 at 31 December 2023), recorded a negative net change of Euro 79,867, made up of:

- Euro 5,258 for investments during the period;
- Euro -61,848 of depreciation for the period;

- Euro -23,289 for the change in the scope of consolidation linked to deconsolidation of T2 Software;
- Euro 12 for the exchange rate effect;

"Fixed assets in course of formation and advances", amounting to Euro 12,503,590 at 30 June 2024 (Euro 9,649,422 at 31 December 2023), recorded a positive net change of Euro 2,854,167, made up of:

- Euro 2,394,088 for investments during the period, mainly related to R&D activities
- Euro 460,079 for the exchange rate effect;

Fixed assets in course of formation and advances include Euro 12,168,612 of development costs relating to projects not yet completed at the end of the half-year and therefore not yet subject to amortisation.

4. Investments in associates, joint ventures and other companies

The "Investments in associates, joint ventures and other companies" at 30 June 2024 amount to Euro 8,676,330 (Euro 8,553,256 at December 31, 2023) and consist of Euro 2,865,164 of investments in associates, Euro 3,996,894 in joint ventures and Euro 1,994,272 in other companies.

On the December 2023 financial statements, the value of Pygsa's investment was completely written down because it is believed that the value cannot be recovered, unlike the recorded value of the company Optwo, which is strategic within the group.

INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND OTHER COMPANIES												
	Associates					JOINT VENTURE		Other Companies				
Description	OROBIX	RURALL	OPTWO	LIGHT	PYGSA	SIEMPHARMA	SHENZHEN ANTARUIXIN	NEURALA	FONDAZIONI	ISINNOVA	ALTRE	TOTALE
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
Evaluation/(devaluation)	-31,017	3,702	-32,553	-	-	182,942	-	-	-	-	-	123,074
Amount at 30/06/2024	249,613	1,465,572	892,387	77,592	-	3,996,894	-	244,255	250,000	1,500,000	17	8,676,330

INVESTMENTS IN ASSOCIATES, JOINT VENTURES AND OTHER COMPANIES							
Name	**% shareholding**	**% shareholding**	**Shareholders' equity at 30.06.2024**	**Profit (loss) at 30.06.2024**	**Classification**	**Ownwer's Equity**	**Book value**
OROBIX SRL	BERGAMO, ITALY	37.5%	665,636	-82,712	Associate	249,614	249,613
RURALL SPA	MILAN, ITALY	25.0%	5,828,937	14,807	Associate	1,457,234	1,465,572
OPTWO SRL	BRESCIA, ITALY	24.9%	733,967	-130,733	Associate	182,758	892,387
LIGHT SCARL	BRESCIA, ITALY	38.2%	n.a	n.a.	Associate	n.a.	77,592
PYGSA S.A.	VALENCIA, SPAIN	30.0%	n.a.	n.a.	Associate	n.a.	-
Total investments in associates							**2,685,164**
SIEMPHARMA SRL	APRILIA (LT), ITALY	45.0%	5,289,174	406,536	Joint Venture	2,380,128	3,996,894
Total investments in joint ventures							**3,996,894**
NEURALA	BOSTON (USA)	0.4%	n.a.	n.a.	Other companies	n.a.	244,255
FOUNDATIONS (*)	n.a.	n.a.	n.a.	n.a.	Other companies	n.a.	250
ISINNOVA SRL	BRESCIA, ITALY	15.0%	n.a.	n.a.	Other companies	n.a.	1,500,000
OTHER INVESTMENTS	n.a.	n.a.	n.a.	n.a.	Other companies	n.a.	17
Total investments in other companies							**1,994,272**
TOTAL							**8,676,330**

(*) this concerns participation in the Centro Nazionale di Ricerca per le Tecnologie dell'Agricoltura - Agritech and in the Centro Nazionale per lo sviluppo di terapia genica e farmaci con tecnologia a RNA

5. Non-current financial assets

Non-current financial assets at 30 June 2024 amount to 4,824,298 (Euro 5,083,990 at 31 December 2023) and mainly relate to security deposits paid to guarantee outstanding contracts for Euro 228,492 and derivatives for Euro 4,589,193, the latter all belonging to the Parent Company. For further details on derivatives, please refer to the paragraph entitled "Fair value measurement and Financial assets and liabilities, including derivatives".

NON-CURRENT FINANCIAL ASSETS

Description	Security deposits	Derivatives receivable	Other non-current financial assets	Total
Amount at 31.12.2023	**212,344**	**4,865,026**	**6,620**	**5,083,990**
Changes during the period	16,148	-242,366	-7	**-259,692**
Amount at 30.06.2024	**228,492**	**4,622,660**	**6,613**	**4,857,766**

6. Deferred tax assets

Deferred tax assets at 30 June 2024 are equal to Euro 9,509,644 (Euro 9,985,713 at 31 December 2023) and represent the amounts that will probably be realised by being offset against future taxable income.

DEFERRED TAX ASSETS					
Description	**Temporary differences separate financial statements**	**Deferred Tax assets on tax losses**	**Tax effect of elimination of unrealised profits**	**Deferred tax assets from FTA IFRS**	**Total**
Amount at 31/12/2023	4,437,260	5,114,849	156,090	277,514	9,985,713
Change during the period	-307,788	-101,642	-,25,674	-40,965	-476,069
Amount at 30/06/2024	4,129,472	5,013,207	130,416	236,549	9,509,644

Deferred tax assets include:

- Euro 4,129,472 of deferred tax assets between the balance sheet amounts recorded in the financial statements of the individual Antares Vision Group companies and the corresponding amounts recognised for tax purposes, at the tax rates that are expected to apply when these differences reverse;
- Euro 130,416 of deferred tax assets for the elimination of unrealised intercompany profits;
- Euro 5,013,207 of deferred tax assets on prior year tax losses, mainly attributable to the Parent Company. It should be noted that, for prudence sake, no deferred tax assets have been recognised on the tax losses at 31 December 2023 and 30 June 2024..

  The Board of Directors believes that the recovery of deferred tax assets by offsetting taxable income in the future is probable over a medium-term time horizon, in line with what is foreseen in the 2024-2026 Business Plan;

- Euro 236,549 of deferred tax assets for first-time adoption of IAS/IFRS after the reversal of Euro 40,965 during the half-year;

7. Other non-current assets

"Other non-current assets" at 30 June 2024 amount to Euro 6,261,896 (Euro 6,261,896 at 31 December 2023) and represent the tax credits relating to Rfxcel generated by the process of restatement at 31 December 2023; for further details, please refer to the annual consolidated financial statements at 31 December 2023.

Current assets

8. Inventories

"Inventories" at 30 June 2024 amount to Euro 51,495,295 (Euro 48,564,717 at 31 December 2023) and are made up as shown in the following table:

INVENTORIES					
Description	**Raw materials, ancillary and consumables**	**Work in progress and semi-finished goods**	**Finished products and goods**	**Advances for stocks**	**Total**
Amount at 31.12.2023	**25,300,966**	**13,731,416**	**8,839,739**	**692,596**	**48,564,717**
Change during the period	**1,164,745**	**690,272**	**1,223,234**	**-147,673**	**2,930,578**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*879,931*	-	-	-	***879,931***
of which effect of the change in the scope of consolidation - T2 Software	*36,342*	-	-	-	***36,342***
of which effect of the change in the scope of consolidation - Markirovka As a Service	*32,619*	-	-	-	***32,619***
Amount at 30.06.2024	**26,465,711**	**14,421,688**	**10,062,973**	**544,923**	**51,495,295**

The increase compared with 31 December 2023 is Euro 2,930,578 and includes the effect of the change in the scope of consolidation of Euro 948,892.

Inventories are valued at the lower of purchase or production cost and their estimated realisable value based on market trends. They are recorded net of an inventory provision which writes down obsolete inventory that is no longer compliant with current standards and/or slow-moving inventory to market value. Goods that are not included in the Group's future sales plans are written down to zero. The following table provides details of the changes in the inventory provision by type of inventory:

INVENTORY PROVISION				
Description	**Raw materials, ancillary and consumables**	**Work in progress and semi-finished goods**	**Finished products and goods**	**Total**
Amount at 31.12.2023	**2,796,072**	**370,126**	**3,510,043**	**6,676,241**
Provisions	1,115,959	-246,030	-512,431	**357,498**
of which effect of the change in the scope of consolidation - Antares Vision Rus	-313,176	-	-	**-313,176**
Amount at 30.06.2024	**3,598,855**	**124,096**	**2,997,612**	**6,720,563**

9. Trade receivables

"Trade receivables" at 30 June 2024 amount to Euro 54,662,716 (Euro 73,537,997 at 31 December 2023), net of a provision for doubtful accounts of Euro 8,269,528 (Euro 4,473,118 at 31 December 2023).

TRADE RECEIVABLES			
Description	**Trade receivables**	**Provision for doubtful accounts**	**Total**
Amount at 31.12.2023	**78,011,115**	**4,473,118**	**73,537,997**
Change during the period	**-15,078,870**	**3,796,410**	**-18,875,280**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*-1,367,253*	*996,240*	***-1,367,253***
of which effect of the change in the scope of consolidation - T2 Software	*-7,340*	-	***-7,340***

of which effect of the change in the scope of consolidation - Markirovka As a Service	*-21,480*	*15,770*	***-21,480***
Amount at 30.06.2024	**62,932,245**	**8,269,528**	**54,662,716**

CHANGE IN THE PROVISION FOR DOUBTFUL ACCOUNTS		
Description	**Provision for doubtful accounts**	**Total**
Amount at 31.12.2023	**4,473,118**	**4,473,118**
Provisions	1,232,781	**1,232,781**
of which effect of the change in the scope of consolidation - Antares Vision Rus	996,240	**996,240**
of which effect of the change in the scope of consolidation - Markirovka As a Service	15,770	**15,770**
Exchange rate effect	-157,235	**-157,235**
Other changes	2,720,864	**2,720,864**
Amount at 30.06.2024	**8,269,528**	**8,269,528**

RECEIVABLES AGEING ANALYSIS				
	30.06.2024	**% incidence**	**31.12.2023**	**% incidence**
Not yet past due	37,443,786	59%	48,765,684	77%
Past due between 0-30 days	8,543,823	14%	8,900,591	14%
Past due between 31-60 days	2,513,329	4%	4,612,030	7%
Past due between 61-90 days	3,502,179	6%	4,282,097	7%
Past due between 91-120 days	1,089,239	2%	5,560,547	9%
Past due over 120 days	9,839,888	16%	5,890,166	9%
Total net of the provision for doubtful accounts	**62,932,244**	**100%**	**78,011,115**	**100%**
Provision for doubtful accounts	8,269,528		4,473,118	
Total trade receivables	**54,662,716**		**73,537,997**	

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 provision 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 ("expected loss").

In the first half of 2024, the provision for doubtful accounts increased mainly due to the Russian companies' departure from the scope of consolidation, as explained in the directors' report. This led to the reclassification of the provision for doubtful accounts receivable from the Russian companies from "intercompany" to "third parties".

Given the business model of the Antares Vision Group, 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. Note 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.

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" at 30 June 2024 amount to Euro 7,406,974 (Euro 7,936,237 at 31 December 2023) and show a decrease of Euro 529,264 compared with the previous year, while the effect of the change during the period comes to Euro 1,284,056.

OTHER RECEIVABLES					
Description	**Tax receivables**	**Advances to suppliers**	**Accrued income and prepaid expenses**	**Other receivables**	**Total**
Amount at 31.12.2023	**3,352,110**	**1,719,336**	**1,928,060**	**936,731**	**7,936,237**
Changes during the period	-351,767	-547,879	312,860	57,522	**-529,264**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*4,257*	*686,431*	-	*449,399*	***1,140,087***
of which effect of the change in the scope of consolidation - T2 Software	*16,090*	*22,491*	-	*102,415*	***140,996***
of which effect of the change in the scope of consolidation - Markirovka As a Service	*2,570*	*334*	-	*69*	***2,973***
Amount at 30.06.2024	**3,000,343**	**1,171,457**	**2,240,920**	**994,253**	**7,406,974**

"Tax receivables" amount to Euro 3,000,343 and mainly refer to:

- the Parent Company for Euro 981,081;
- Antares Vision Do Brasil for Euro 972,083;
- FT System for Euro 384,525.

The negative change compared with the previous year is due for Euro 1,284,056 to the companies that left the scope of consolidation.

"Advances to suppliers" amount to Euro 1,171,457 and include advances paid to suppliers for services.

"Other", equal to Euro 994,253, mainly includes receivables from social security institutions for Euro 106,688, the receivable (Euro 635,670) relating to the modernisation and expansion works that affected the Parent Company's registered office and which, due to the mandate without representation signed with the leasing company, are awaiting reimbursement by the latter, as well as receivables from employees (Euro 48,761).

11. Other current financial assets

"Other current financial assets" at 30 June 2024 amount to Euro 7,530,672 (Euro 13,241,708 at 31 December 2023) and include insurance policies for Euro 2,947,497 and Treasury bills and other fixed income securities for Euro 4,483,175.

As already mentioned in the paragraph "Fair value measurement and Financial assets and liabilities, including derivatives", securities fall into Level 1 of the hierarchy (Ordinary Treasury Bills), whereas insurance policies fall into Level 2. The restricted current accounts fall into Level 3 and are shown at nominal value which approximates their fair value.

12. Cash and banks

"Cash and banks" at 30 June 2024 amount to Euro 47,497,005 (Euro 43,364,784 at 31 December 2023). Please refer to the consolidated statement of cash flows for the changes during the period.

Shareholders' equity

13. Share capital and reserves

"Shareholders' equity" at 30 June 2024 amounts to Euro 151,030,455 (Euro 150,938,429 net of minority interests) and compares with the prior year figure of Euro 167,716,687 (Euro 167,809,952 net of minority interests).

Share capital

The share capital, equal to Euro 172,788, fully paid-up, is split into 70,753,559 ordinary shares. Compared with 31 December 2023, it has risen by Euro 3,331 due to the increase in share capital subscribed by the CEO, Gianluca Mazzantini, as part of the "First Stock Grant Plan", already explained in the section entitled "Share-based payments" to which reference should be made for further details.

Note that on 19 April 2024, 60 months had passed from the effective date of the absorption of ALP.I S.p.A. by the Parent Company, which 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. For further details, please refer to the section of this report entitled "Significant events during the period".

For further details on the shareholder structure, please refer to the section in this report entitled "Information on the shareholders and stock performance".

Other reserves

Other reserves amount to Euro 281,278,946 and include:

- the share premium reserve for Euro 209,467,141;
- the legal reserve for Euro 98,798;
- the extraordinary reserve for Euro 45,885,826;
- the reserve for translation of current year's equity for Euro 13,597,578;
- the IAS 19 reserve for Euro 4,690,189;
- the SOP reserve for Euro 3,360,545;
- other reserves for Euro 4,178,869;

Please refer to the consolidated statement of changes in shareholders' equity for further information on the changes in shareholders' equity during the first half of 2024.

FTA reserve

The FTA Reserve is equal to Euro -15,250,613 and represents the positive and negative effects resulting from the application of IAS/IFRS.

Retained earnings

The retained earnings/losses reserve amounts to Euro -93,276,137.

Minority interests

Minority interests amount to Euro 92,026 and show a change compared with the previous year of Euro 185,290.

Non-current liabilities

14. Non-current loans and borrowings

"Non-current loans and borrowings" at 30 June 2024 amount to Euro 122,817,854 (Euro 58,219 at 31 December 2023) and consist of payables to banks falling due beyond 12 months.

The change during the period of Euro 122,759,635 is due to the reclassification of the portion of payables to banks due beyond the following financial year, which at 31 December 2023 had been shown in "Current loans and borrowings" as the covenants had not been respected as of that date.

NON-CURRENT LOANS AND BORROWINGS		
Description	Medium/long-term loans (portion over 12 months)	Total
Amount at 31.12.2023	**58,219**	**58.219**
Changes during the period	122,759,635	**122.759.635**
Amount at 30.06.2024	**122,817,854**	**122.817.854**
of which: over 5 years	31.885.775	31.885.775

Medium/long-term loans

At 30 June 2024, the Antares Vision Group has outstanding payables to banks for medium-long term borrowings of Euro 139,890,571, of which Euro 17,072,717 due within the following year and therefore classified as current loans and borrowings, and Euro 122,817,854 due beyond the following year and therefore classified as non-current loans and borrowings (Note 14).

The amount of payables to banks for borrowings includes in turn:

- Euro 138,880,448 of liabilities for the principal portion of outstanding loans (of which Euro 15,623,045 current and Euro 123,257,403 non-current).
- Euro 1,330,984 of interest payable, of which Euro 43,121 relates to amortised cost interest and Euro 1,287,863 to accrued interest on outstanding loans.

The change during the period is mainly due to the repayment of Euro 6,956,627.

At 30 June 2024, the Antares Vision Group has medium-long term loans outstanding, as summarised in the table in the section on "Interest rate risk" of the directors' report, to which reference should be made for further details.

The loans were initially recognised at fair value, including directly attributable transaction costs according to the amortised cost criterion. At 30 June 2024, the effect on the income statement of the amortised cost method comes to Euro 43,121 of interest.

Covenants

In light of the debt contracted with leading credit institutions, the Antares Vision Group has to comply with certain covenants. Compliance with these covenants is verified on a half-yearly basis and on an annual basis on the consolidated figures.

On 27 May 2024, Antares Vision Group signed amendment agreements with the relevant financial institutions which provide, among other things, for the remodulation of the covenants as they had not been complied with at 31 December 2023. The covenants currently in force are as follows:

- NFP/EBITDA ("leverage ratio") < 5.75%
- NFP/NE < 1.75%

These covenants involve all outstanding loans with the exception of the leverage ratio, which does not involve the loan from Banca Intesa.

These covenants are complied with at 30 June 2024.

15. Non-current lease liabilities

"Non-current lease liabilities" at 30 June 2024 amount to Euro 13,393,464 (Euro 12,884,193 at 31 December 2023) with a difference of Euro 509,271. The following table summarises the debt at 30 June 2024 broken down by due date:

Non-current lease liabilities										
Description	Quota scadente al 30 giugno 2025	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	279,330	142,303	1,275,792	-	-	-	-	-	-	-
Leasing Unicredit	91,819	46,229	93,103	93,970	94,844	191,627	-	-	-	-
Leasing Unicredit	31,073	15,645	31,508	31,802	32,099	32,398	54,422	-	-	
Leasing ICCREA	404,931	210,610	425,474	431,500	436,088	443,932	451,385	459,001	468,045	290,496
Leasing Unicredit	130,138	65,683	132,608	134,280	135,972	137,687	139,422	141,180	342,827	-
Rights-of-use IFRS 16 AVIT	844,920	308,508	502,017	273,171	46,094	44,150	13,799	-	-	-
Rights-of-use IFRS 16 Other Companie	1,847,389	1,243,042	1,525,673	1,005,837	657,257	331,242	201,542	183,871	75,329	-
Total	3,629,600	2,032,020	3,986,175	1,970,560	1,402,354	1,181,036	860,570	784,052	886,201	290,496

For further information on non-current lease liabilities, see Note 21 on current lease liabilities.

16. Other non-current financial liabilities

"Other non-current financial liabilities" at 30 June 2024 amount to Euro 33,467 (Euro 880,757 at 31 December 2023) and represent the accounting of the derivative with a negative Mark-to-Market, which is explained in details in the report on operations and in the paragraph "derivative financial instruments".

17. Retirement benefit obligations

"Retirement benefit obligations" at 30 June 2024 amount to Euro 8,617,920 (Euro 9,515,619 at 31 December 2023) and consist of the severance indemnity (TFR) recognised for the benefit of employees of the Group's Italian companies. The change is represented by the provision for the period, net of disbursements made to employees and to supplementary pension funds, as well as the effect of discounting the liability that existed at the reference date.

In application of IAS 19, paragraphs 67-69, the defined contribution plan method was used to evaluate the TFR based on the "Projected Unit Credit" (PUC). According to this method, the average current value of the accrued TFR obligations is a function of the service that the worker has provided up to the time when the measurement is carried out and of the future quotas of TFR that will be accrued by each employee up to the hypothetical moment of payment by projecting the employee's wages. The average present value of the TFR obligations also takes into account the probability of payment in the event of the employee leaving due to a request for an advance, dismissal, resignation, disability, death or retirement, as well as the seniority accrued at the measurement date compared with the overall seniority based on the hypothetical date of liquidation. The main actuarial assumptions underlying the "Projected Unit Credit" criterion are reported below:

ECONOMIC ASSUMPTIONS		
Description	**30.06.2024**	**31.12.2023**
Annual discount rate	3.61%	3.17%
Annual inflation rate	2.00%	2.00%
Annual rate of increase in severance indemnity (T.F.R.)	3.00%	3.00%
Real annual salary increase rate	1.00%	1.00%

TURNOVER AND ADVANCES HYPOTHESIS (*)		
Description	**30.06.2024**	**31.12.2023**
Frequency of advances	1.50%	1.50%
Frequency of turnover	2.50%	2.50%

(*) The annual frequency of advances and turnover are based on Antares Vision Group's past experience and the results of a benchmarking analysis with similar companies.

DEMOGRAPHIC ASSUMPTIONS	
Death	ISTAT 2022
Disability	INPS tables broken down by age and gender
Retirement	100% upon attainment of the AGO (compulsory state pension) requirements

The following is a reconciliation of the IAS 19 valuations at the beginning of the period and at 30 June 2024:

IAS 19 EVALUATIONS RECONCILIATION						
Description	**Antares Vision**	**FT System (*)**	**Pen-Tec**	**AV Electronics**	**Wavision**	**Total**
Defined Benefit Obligation (DBO) beginning of period	**6,160,240**	**2,152,849**	**161,693**	**476,227**	**3,511**	**8,954,520**
Service Cost	556,552	166,667	13,395	13,477	1,502	**751,593**
Interest Cost	93,395	36,319	2,442	7,117	56	**139,329**
Benefits paid	-535,596	-104,932	-15,229	-54,448	-	**-710,205**
Transfers or other adjustments	-212,421	370,795	-	-	-	**158,374**
Expected DBO end of period	**6,062,170**	**2,621,698**	**162,301**	**442,373**	**5,069**	**9,293,611**

A(G)/L from experience	-217,873	2,815	1,237	7,664	1,149	**-205,008**
A(G)/L from change of demographic assumptions	-	413	20	-71	2	**364**
A(G)/L from discount rate exchange	-299,625	-149,050	-7,831	-14,130	-411	**-471,047**
Defined Benefit Obligation (DBO) end of period	**5,544,672**	**2,475,876**	**155,727**	**435,836**	**5,809**	**8,617,920**

18. Deferred tax liabilities

"Deferred tax liabilities" at 30 June 2024 amount to Euro 15,768,358 (Euro 16,488,271 at 31 December 2023) and represent the taxable temporary differences between the values of consolidated assets and liabilities and the values recorded for tax purposes in the financial statements of the consolidated companies for the period.

The item mainly refers to the deferred tax liabilities generated at the time of the PPAs (Euro 13,137,343), to derivatives (Euro 855,174) and the capitalisation of development costs by Applied Vision and Rfxcel (Euro 788,886), only recorded at a consolidated level.

19. Other non-current liabilities

"Other non-current liabilities" at 30 June 2024 amount to Euro 17,923 (Euro 216,939 at 31 December 2023) and mainly refer to other payables.

Current liabilities

20. Current loans and borrowings

"Current loans and borrowings" at 30 June 2024 amount to Euro 17,271,581 (Euro 47,396,779 at 31 December 2023) and consist of the portion of payables to banks falling due within 12 months, as well as payables to banks for credit cards and the portion of payables due to other lenders due within 12 months.As explained in note 14, part of the change is the effect of the reclassification of payables from 31 December 2023.

It should be noted that during the semester, financial debt of Euro 6,956,627 was repaid.

CURRENT LOANS AND BORROWINGS					
Description	Medium/long-term loans (portion within 12 months)	Warrants	Credit cards	Other current loans	Total
Amount at 31.12.2023	**147,069,531**	**78,733**	**174,516**	**73,999**	**147,396,779**
Changes during the period	-130,099,496	-78,733	24,348	28,685	**-130,125,196**
Amount at 30.06.2024	**16,970,035**	**-**	**198,864**	**102,683**	**17,271,581**

<u>Credit cards</u>

At 30 June 2024, credit card liabilities amounted to Euro 198,864 with a negative change of Euro 24,348 compared with the previous year.

<u>Warrants</u>

As mentioned previously, at the time of the listing on the Euronext Growth Milan market 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 3,256 through the issue of up to 1,356,500 conversion shares. Then, on 28 April 2021, at the time of the translisting to the Euronext Milan market, the Board of Directors of the Parent Company updated the rules for the exercise and conversion of the warrants.

Under the rules, warrant holders had the right to exercise their warrants in total or in part by asking to subscribe conversion shares at the subscription price (Euro 0.10 per share), provided that the average monthly price was higher than the strike price (Euro 9.50 per share). When exercised, the conversion shares are assigned to the warrant holders based on the operating ratio calculated according to an acceleration condition.

The warrant expiry date was 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. Given that the expiry date referred to in point (i) above was reached on 19 April 2024, the warrants not exercised up to that date - a total of Euro 78,733 of financial liabilities already recorded under current liabilities - can no longer be exercised.

Consequently, at 30 June 2024, the residual financial liability was reversed in full, recording financial income of Euro 78,733. Furthermore, the negative reserve of Euro 9,050,000 recorded in shareholders' equity at the issue date of the warrants was released to the part of retained earnings relating to the fair value variations of the warrants in previous years. In fact, given that these are financial instruments which, once exercised, give the right to the delivery of a variable number of shares, the warrants do not fall within the definition of equity instruments according to IAS 32, paragraph 16; for this reason, at the time of initial recognition, they were classified as financial liabilities with a corresponding change in shareholders' equity, while subsequent adjustments to the financial liability were reflected in the income statement.

Note that, as warrants have not been exercised in the first half of 2024, the share capital and share premium reserve remained the same.

Other loans

At 30 June 2024, other loans amount to Euro 102,683 and mainly refer to a loan for the purchase of a car.

21. Current lease liabilities

“Current lease financial liabilities” at 30 June 2024 amount to Euro 3,629,600 (Euro 3,650,046 at 31 December 2023) with a change of Euro 509,271.

22. Other current financial liabilities

“Other current financial liabilities” at 30 June 2024 amount to Euro 741.418 (Euro 872,202 al 31 December 2023) and are almost entirely made up of the deferred component of the purchase price of Smart Point Technologies equal to euro 741,307.

23. Current provisions for risks and charges

The “Current provisions for risks and charges” at 30 June 2024 amount to Euro 3,366,651 (Euro 1,689,971 at 31 December 2023) with a net negative change of Euro 1,676,680 as shown in the following table:

CURRENT PROVISIONS FOR RISKS AND CHARGES

Description	Product warranty provision	Provision for ongoing disputes	Provision for agents' severance indemnity	Restructuring Provision	Total
Amount at 31.12.2023	**1,527,969**	**79,136**	**82,866**	**0**	**1,689,971**
Changes during the period	-455,430	205	1,905	2,129,999	**1,676,680**
Amount at 30.06.2024	**1,072,539**	**79,341**	**84,771**	**2,129,999**	**3,366,651**

The management of the Antares Vision Group makes a provision for risks and charges when, after consulting its legal and tax experts, it believes it is probable that a financial disbursement will occur in response to a liability that has been identified and when the amount of the losses likely to result from it can be reasonably estimated. The provisions set aside are reviewed at each reporting date and adjusted to show the best current estimate.

The product warranty provision, of Euro 1,072,539, relates to the estimated costs, based on historical data, of interventions and repairs to be carried out under warranty on machinery that has already been delivered.

The provision for ongoing litigation, amounts to Euro 79,341.

The provision for agents' severance indemnity, of Euro 84,771, relates to the compensation due to sales agents when the agency contract is terminated by the principal.

the restructuring fund of Euro 2,129,999, set aside entirely in the first half of 2024, refers to the Social Plan explained in “Significant events of the period” of the directors' report to which reference should be made for further details. Having already signed the agreements, the Parent Company set up this fund in compliance with IAS 37. During the initial months of the year, the fund was increased by a provision amounting to Euro 2,270,810 and was used to the extent of Euro 140,811.

24. Trade payables

“Trade payables” at 30 June 2024 amount to Euro 26,200,888 (Euro 25,339,586 at 31 December 2023) and, given that they have a maturity of less than 12 months, they are shown at their carrying amount, which approximates their fair value. It should be noted that the figure as at 30 June 2024 includes payables of the parent company to Russian companies for an amount of Euro 929,812 which as of 31 December 2023 were classified as intra-group.

TRADE PAYABLES		
Description	**Trade payables**	**Total**
Amount at 31.12.2023	**25,339,586**	**25,339,586**
Changes during the period	861,302	**861,302**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*306,941*	***306,941***
of which effect of the change in the scope of consolidation - T2 Software	*4,055*	***4,055***
of which effect of the change in the scope of consolidation - Innovative Digital Marketing Solutions	*4,306*	***4,306***
Amount at 30.06.2024	**26,200,888**	**26,200,888**

25. Advances

“Advances” at 30 June 2024 amount to Euro 30,580,710 (Euro 26,043,101 at 31 December 2023). This include advances from customers, the amounts collected from customers as an advance on sales still to be completed.

The increase compared to December 31, 2023, amounting to Euro 4,537,609 is mainly related to orders that will be completed and will give rise to revenues in the second half of the year.

26. Other payables

“Other payables” at 30 June 2024 amount to Euro 23,471,820 (Euro 23,688,192 at 31 December 2023) with an increase of Euro 216,371 compared with the previous year, of which Euro 420,290 are attributable to the change in the scope of consolidation.

OTHER PAYABLES						
Description	**Tax payables**	**Payables to social security institutions**	**Payables to personnel**	**Accrued expenses and deferred income**	**Other payables**	**Total**
Amount at 31.12.2023	**1,431,119**	**4,154,675**	**10,149,831**	**3,723,221**	**4,229,346**	**23,688,192**
Changes during the period	-178,569	-742,971	1,867,577	147,684	-1,310,092	**-216,371**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*375,175*	-	*-495*	-	-	***374,680***
of which effect of the change in the scope of consolidation - T2 Software	*3,930*	*20,216*	*13,966*	-	*7,498*	***45,610***
Amount at 30.06.2024	**1,252,550**	**3,411,704**	**12,017,408**	**3,870,905**	**2,919,254**	**23,471,820**

“Payables to personnel” amount to € 9,887,409 and include payroll amounts still to be paid at the end of the period. Moreover, at 30 June 2024, this item was affected by the departure from the scope of consolidation for Euro 13,471.

"Payables to welfare and social security institutions" amount to Euro 3,411,704 and include the payables of the Italian companies to INPS and INAIL (attributable to the Parent Company for Euro 3,132,378) and those of the foreign companies to local social security institutions.

"Tax payables" of Euro 1,252,550 include direct taxes due, net of any advances paid, and the amounts withheld from employees' salaries. At 30 June 2024, this item was affected by the departure from the scope of consolidation for Euro 379,105.

“Accrued expenses and deferred income”, equal to Euro 3,870,905, mainly include (i) the portions of revenue on assistance contracts that were already invoiced at the end of the period but not pertaining to it, and (ii) the deferred income on the contributions assigned relating to the tax credit for research and development and the non-refundable grants linked to the Digital Agenda tender which includes the Smart Ward Platform (**SWP**) project and the FCS - Innovation Agreements tender promoted by the Ministry of Economic Development, which includes the TFP Agrifood project.

"Contract liabilities" of Euro 2,340,005 reflect the value of the goods (net of their cost of goods sold) delivered to the customer, but for which installation has not yet been completed.

Explanatory notes to the income statement

27. Revenue

Revenue at 30 June 2024 amounts to Euro 86,968,989, compared with Euro 91,603,171 at 30 June 2023 restated, with a negative change during the period of Euro 4,634,182.

REVENUE	
Description	**Revenue**
Amount al 30.06.2023 restated	**91,603,171**
Amount at 30.06.2024	**86,968,989**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*-1,476,256*
of which effect of the change in the scope of consolidation - T2 Software	*-19,625*
of which effect of the change in the scope of consolidation - Markirovka As a Service	*-19,742*
Change during the period	**-4,634,182**
Change on a like-for-like basis	-3,118,559

Revenue by geographical area and business unit are shown below. Note that the revenue figures differ from those reported in the section on the “Consolidated financial figures of the Antares Vision Group” in the directors' report and in the section on “Segment Reporting” pursuant to IFRS 8 due to a different reclassification of other revenues, which are not included here. The section entitled “Consolidated financial figures of the Antares Vision Group” in the directors' report gives a reconciliation of consolidated revenues.

Revenue by geographical area (€mn)	Ist half 2024	%	Ist half 2023	%	Δ '24 vs '23	Δ %
Italy	20.2	23.1%	14.7	15.9%	5.5	37.1%
Europe	24.5	28.0%	25.0	26.9%	-0.5	-2.1%
North & South America	32.8	37.4%	41.8	45.0%	-9.0	-21.6%
Asia and Oceania	6.9	7.9%	7.5	8.1%	-0.6	-7.9%
Africa and the Middle East	3.2	3.6%	3.8	4.1%	-0.6	-16.1%
Total	**87.6**	**100.0%**	**92.8**	**100.0%**	**-5**	**-5.7%**

Business Unit (€mn)	Ist half 2024	%	Ist half 2023	%	Δ '24 vs '23	Δ %
LS&C	37.1	42.4%	36.2	39.0%	0.9	2.5%
FMCG	31.3	35.7%	37.5	40.4%	-6.2	-16.6%
SCT	15.5	17.7%	15.7	16.9%	-0.3	-1.7%
OTHER	3.7	4.3%	3.4	3.7%	0.3	9.7%
Total	**87.6**	**100.0%**	**92.8**	**100.0%**	**-5.3**	**-5.7%**

28. Other income

“Other income” at 30 June 2024 amounts to Euro 2,148,460 which compares with the balance of Euro 3,424,666 at 30 June 2023, with a negative change during the period of Euro 1,276,206. The effect of changes in the scope is negligible.

This item includes Euro 1,333,767 of operating contributions, pertaining to the Parent Company, represented by the portions of the tax credit for research and development activities accruing to the period, appropriately discounted for the part of the costs capitalised in accordance with the cost-revenue matching principle, Euro 249,667 of transport cost recoveries on sales, Euro 476,008 of other revenues and Euro 89,018 of out-of-period income.

29. Change in finished and semi-finished products

The “Change in finished and semi-finished products” at 30 June 2024 is positive for Euro 2,557,301 and is made up as shown in the following table:

CHANGE IN INVENTORIES OF FINISHED AND SEMI-FINISHED PRODUCTS			
Description	Change in inventories of semi-finished products and work in progress	Change in inventories of finished products	Total
Amount at 30.06.2023	7,439,086	5,963,132	13,402,218
Amount at 30.06.2024	690,272	1,867,029	2,557,301
Change during the period	-6,748,814	-4,096,103	15,959,519

30. Raw materials and consumables

“Raw materials and consumables” at 30 June 2024 amount to Euro 22,885,185 and compare with the balance of Euro 40,158,908 at 30 June 2023, with a change during the period of Euro 17,273,726. The item is affected by the inventory write-downs already mentioned in Note 8, as well as by the purchases made for the completion of finished products and semi-finished products.

RAW MATERIALS AND CONSUMABLES				
Description	Change in inventories of raw materials	Consumables	Goods	Total
Amount at 30.06.2023	-3,936,150	-1,150,452	-35,072,306	-40,158,908
Amount at 30.06.2024	1,164,745	-908,057	-23,141,870	-22,885,182
of which effect of the change in the scope of consolidation - Antares Vision Rus	*-1,970,777*	*7,271*	*2,586,942*	***623,436***
of which effect of the change in the scope of consolidation - T2 Software	*-8,770*	*1,180*	*9,667*	***2,077***
of which effect of the change in the scope of consolidation - Markirovka As a Service	-	*182*	-	***182***
Change during the period	5,100,895	242,395	11,930,436	17,273,726
Change on a like-for-like basis	7,080,442	233,762	9,333,827	16,648,031

31. Personnel costs

“Personnel costs” at 30 June 2024 amount to Euro 47,995,898 and compare with the balance of Euro 50,864,818 at 30 June 2023, with a negative change during the period of Euro 2,868,920. It should be noted that this item also includes costs for the Stock Option Plans in favour of employees for Euro 415,470. For further details on the Stock Option Plans, please refer to the section on “Share-based Payments”.

TOTAL PERSONNEL COSTS	
Description	Total personnel costs
Amount at 30.06.2023	-50,864,818
Amount at 30.06.2024	-47,995,898
of which effect of the change in the scope of consolidation - Antares Vision Rus	*1,390,388*
of which effect of the change in the scope of consolidation - T2 Software	*151,477*
of which effect of the change in the scope of consolidation - Markirovka As a Service	*138,471*
Change during the period	2,868,920
Change on a like-for-like basis	1,188,583

The decrease in personnel costs of 5.64% is attributable for Euro 1,688,336 to the departures from the scope of consolidation. Excluding this factor, the item would have increased by 2.34% compared with the figure at 30 June 2023.

The change also includes Euro 2,188,137 relating to the allocation to the Restructuring Fund following the Social Plan already described in the section "Significant events of the period" in the directors' report to which reference should be made for further details.

At 30 June 2024, the Antares Vision Group had 1,226 employees, whereas at 30 June 2023 it had 1,375.

32. Amortisation and depreciation

"Amortisation, depreciation and write-downs" at 30 June 2024 amounted to Euro 11,562,249 which compares with the balance of Euro 10,361,228 at 30 June 2023, with a change during the period of Euro 1,201,021.

AMORTISATION AND DEPRECIATION						
Description	**Depreciation**	**Amortisation**	**Write-downs of PPE**	**Write-downs of intangible assets**	**Write-downs of trade receivables**	**Total**
Amount at 30.06.2023	**-2,126,998**	**-7,902,675**	**-**	**-**	**-331,555**	**-10,361,228**
Amount at 30.06.2024	**-2,324,861**	**-8,004,607**	**-**	**-**	**-1,232,781**	**-11,562,249**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*16,290*	-	-	-	-	***16,290***
of which effect of the change in the scope of consolidation - T2 Software	*916*	-	-	-	*377*	***1,293***
of which effect of the change in the scope of consolidation - Innovative Digital Marketing Solutions	-	-	-	-	-	**-**
of which effect of the change in the scope of consolidation - Markirovka As a Service	*1,153*	-	-	-	-	***1,153***
Change during the period	**-197,863**	**-101,932**	**-**	**-**	**-901,226**	**-1,201,021**
Change on a like-for-like basis	-216,222	-101,932	-	-	-901,603	**-1,219,757**

"Depreciation" amounts to Euro 2,324,861 and shows an increase of Euro 197,863.

"Amortisation" amounts to Euro 8,004,607 and shows an increase of Euro 101,932. For further details on property, plant and equipment and intangible assets, please refer to Notes 1 and 3.

"Write-downs" of Euro 1,232,781 include the write-downs of trade receivables. For further details on credit risk management, please refer to the section entitled "Main risks and uncertainties" in the directors' report.

33. Impairment of non-current assets

The "Impairment of non-current assets" at 30 June 2024 amounts to Euro 1,326,739 and has to do entirely with the write-down of the goodwill of the SCT CGU as a result of the impairment test carried out on 30 June 2024, as described in Note 2 to which reference should be made for further details.
Since the goodwill was subject to write-down in a currency other than the functional currency of the Antares Vision Group, the impairment shown in the consolidated income statement also includes as exchange rate effect of Euro 13,261 for a total of Euro 1,340,000.

34. Capitalised development costs

"Capitalised development costs" at 30 June 2024 amount to Euro 3,222,991 and compare with the balance of Euro 4,247,100 at 30 June 2023, with a change during the period of Euro 1,024,109. The item represents the personnel costs incurred during the period that satisfy the conditions for capitalisation laid down in IAS 38. They also have to be linked to innovative projects from which the Antares Vision Group expects positive impacts in terms of higher future revenue and lower costs and, consequently, higher margins.

The item relates to the Parent Company for Euro 1,467,253, to FT System for Euro 337,677, to Applied Vision for Euro 285,476 and to Rfxcel for Euro 1,132,584.

Bear in mind that in the context of development and strengthening of one's competitive positioning, investments in research are expensed entirely to the income statement, whereas investments in development are capitalised if the conditions for capitalisation under IAS 38 are met.

35. Sales and marketing costs

"Sales and Marketing costs" at 30 June 2024 amount to Euro 2,470,564 and compare with the balance of Euro 3,736,710 at 30 June 2023, with a change during the period of Euro 1,266,146 mainly due to the decrease in sales which resulted in lower commissions paid to agents, and to a certain rationalisation of marketing events. The effect of changes in the scope of consolidation is negligible.

SALES AND MARKETING COSTS	
Description	**Sales and marketing costs**
Amount at 30.06.2023	**-3,736,710**
Amount at 30.06.2024	**-2,470,564**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*2,666*
of which effect of the change in the scope of consolidation - T2 Software	*4,250*
Change during the period	**1,266,146**
Change on a like-for-like basis	1,259,230

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 the Antares Vision Group uses to gain contracts in particular markets and geographical areas.

36. Service costs

"Service costs" at 30 June 2024 amount to Euro 25,891,550 and compare with the balance of Euro 23,117,968 at 30 June 2023, with a difference for the period of Euro 764,939 resulting from the change in the scope of consolidation.

SERVICE COSTS	
Description	**Service costs**
Amount at 30.06.2023	**-23,117,968**
Amount at 30.06.2024	**-25,891,550**

of which effect of the change in the scope of consolidation - Antares Vision Rus	*494,191*
of which effect of the change in the scope of consolidation - T2 Software	*75,444*
of which effect of the change in the scope of consolidation - Innovative Digital Marketing Solutions	*2,225*
of which effect of the change in the scope of consolidation - Markirovka As a Service	*13,079*
Change during the period	**-2,773,582**
Change on a like-for-like basis	-3,358,521

The composition of this item is shown below:

DETAILS OF SERVICE COSTS									
Description	External processing	**Travel expenses**	**Licence fees, lease instalments, rents and rentals**	**Costs for collaborators**	**Consulting and professional fees**	Compensation to board members	**General expenses and utilities**	**Other service costs**	**Total**
Amount at 30.06.2023	**-561,692**	**-8,345,208**	**-2,307,531**	**-1,885,889**	**-4,492,837**	**-1,294,715**	**-3,444,800**	**-785,296**	**-23,117,968**
Amount at 30.06.2024	**-1,188,284**	**-6,614,714**	**-3,448,545**	**-1,418,449**	**-8,051,749**	**-1,784,454**	**-2,952,955**	**-432,400**	**-25,891,550**
of which effect of the change in the scope of consolidation - Antares Vision Rus	-	*107,225*	*94,229*	-	*6,217*	-	*30,221*	*256,299*	***494,191***
of which effect of the change in the scope of consolidation - T2 Software	-	*2,164*	*2,596*	-	*35,078*	-	*1,701*	*33,905*	***75,444***
of which effect of the change in the scope of consolidation - Innovative Digital Marketing Solutions	-	-	-	-	*2,225*	-	-	-	***2,225***
of which effect of the change in the scope of consolidation - Markirovka As a Service	-	*50*	*11,106*	-	-	-	*1,923*	-	***13,079***
Change during the period	**-626,592**	**1,730,494**	**-1,141,014**	**467,440**	**-3,558,912**	**-489,739**	**491,845**	**352.896**	**-2,773,582**
Change on a like-for-like basis	-626,592	1,621,055	-1,248,945	467,440	-3,602,432	-489,739	458,000	62.692	**-3,358,521**

“Travel expenses”, for a total of Euro 6,614,714, show an overall decrease of Euro 1,730,494 (-20% compared with 2023), this decrease is a direct consequence of greater attention to costs and partly to lower revenues in the period.

“Consulting and professional fees”, equal to Euro 8,051,749, posted an increase of Euro 3,558,912 (+79%) mainly due to the Euro 6,275,472 of extraordinary costs explained in the directors' report.

“Software licences, fees and development costs”, amounting to Euro 3,448,545, have increased mainly due to the "go live" of the new Sap ERP and the supporting applications that were implemented in recent years.

The “Costs for collaborators” and “Compensation to board members”, for a total of Euro 3,202,903, show an overall increase of Euro 22,299 which reflects a cost that is stable over time.

The item "other costs for services" includes costs for insurance and bank charges.

37. Other operating expenses

“Other operating expenses” at 30 June 2023 amount to Euro 1,937,364 and compare with the balance of Euro 1,726,342 at 30 June 2023,with a change during the period of Euro 211,022.

OTHER OPERATING EXPENSES

Description	Other operating expenses
Amount at 30.06.2023	**-1,726,342**
Amount at 30.06.2024	**-1,937,364**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*2,877*
of which effect of the change in the scope of consolidation - T2 Software	*2,986*
Change during the period	**-211,022**
Change on a like-for-like basis	-216,886

The composition of this item is shown below:

DETAILS OF OTHER OPERATING EXPENSES					
Description	**Net provisions**	**Income tax and other taxes**	**Other operating expenses**	**Losses and capital losses**	**Total**
Amount at 30.06.2023	**-400,273**	**-136,226**	**-1,076,774**	**-113,068**	**-1,726,341**
Amount at 30.06.2024	**-216,492**	**-126,448**	**-1,145,096**	**-449,328**	**-1,937,364**
of which effect of the change in the scope of consolidation - Antares Vision Rus	-	-	*2,877*	-	***2,877***
of which effect of the change in the scope of consolidation - T2 Software	-	-	*2,986*	-	***2,986***
Change during the period	**183,781**	**9,778**	**-68,322**	**-336,259**	**-211,022**
Change on a like-for-like basis	183,781	9,778	-74,185	-336,259	**-216,885**

38. Financial charges

"Financial charges" at 30 June 2024 amount to Euro 3,810,712 and compare with the balance of Euro 3,352,405 at 30 June 2023, with a change during the period of Euro 458,308. The effect of changes in the scope of consolidation is negligible.

FINANCIAL CHARGES	
Description	**Financial charges**
Amount at 30.06.2023	**-3,352,405**
Amount at 30.06.2024	**-3,810,712**
of which effect of the change in the scope of consolidation - Antares Vision Rus	*6,280*
of which effect of the change in the scope of consolidation - T2 Software	*-1,062*
Change during the period	**-458,308**
Change on a like-for-like basis	-468,549

The item is made up principally of the following:

- Euro 3,671,383 of interest on loans and leases and other financial charges, attributable almost entirely 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. The technical characteristics of the derivatives, the risks being hedged, the accounting policy and the mark-to-market adjustment at the end of the period are explained in the section entitled "Fair value measurement and Financial assets and liabilities, including derivatives";
- Euro 139,329 for the interest cost relating to the application of IAS 19;

39. Financial income

"Financial income" at 30 June 2024 amounts to Euro 1,537,906 and compares with the balance of Euro 1,467,875 at 30 June 2023, with a change during the period of Euro 70,032. The effect of changes in the scope is negligible.

FINANCIAL INCOME	
Description	**Financial income**
Amount at 30.06.2023	**1,467,875**
Amount at 30.06.2024	**1,537,906**
of which effect of the change in the scope of consolidation - T2 Software	*-2,416*
Change during the period	**70,031**
Change on a like-for-like basis	72,447

The item is made up principally of the following:

- Euro 78 for the reversal of the financial liability relating to the residual warrants which are no longer exercisable, as explained in Note 13 to which reference should be made for further details.
- Euro 1,182,978 of positive effect from the accounting treatment of the derivatives held by the Parent Company. The technical characteristics of the derivatives, the risks being hedged, the accounting policy and the mark-to-market adjustment at the end of the period are explained in the section entitled "Fair value measurement and Financial assets and liabilities, including derivatives".
- Euro 111,441 of positive effect from the fair value adjustment to government bonds and insurance policies held by the Parent Company;
- Euro 7,585 of accrued interest income for the period on bank accounts held by the Parent Company.

40. Foreign exchange gains and losses

Foreign exchange gains and losses show a negative net balance of Euro 77,775 (negative for Euro 841,526 at 30 June 2024) 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 the scope are negligible.

The item includes Euro 453,898 of unrealised exchange gains, whereas unrealised exchange losses amount to Euro 648,005.

41. Income/(charges) on investments

"Income/(charges) on investments" at 30 June 2024 have a positive balance of Euro 123,073 (positive balance of Euro 83,368 at 30 June 2023) and include the adjustment to the value of the investments measured according to the equity method. More in detail:

- the result for the period attributable to the Group deriving from the 37.5% stake in Orobix was negative for Euro 31,017;
- the result for the period attributable to the Group deriving from the 25% stake in Rurall was positive for Euro 3,701;

- the result for the period attributable to the Group deriving from the 24.9% stake in Optwo was negative for Euro 32,552;
- the result for the period attributable to the Group deriving from the 38.2% stake in Light has negligible value;
- the result for the period attributable to the Group deriving from the 45% stake in Siempharma was positive for Euro 182,941.

42. Income taxes

"Income taxes" in the first half of 2024 amount to Euro -625,794 (Euro +499.58 in the first half of 2023) and are made up of current taxes for Euro +333,531 (Euro -1,710,176 in the first half of 2023) as well as deferred tax assets and liabilities for a net of Euro -746,119 (Euro +2,265,886 in the first half of 2023).

As already mentioned in Note 6, to which reference should be made for further details, at 30 June 2024 there are no accrued tax losses on which deferred taxes have been recognised, as management is of the opinion, for prudence sake, that such losses will not be recoverable in the short to medium term.

A reconciliation between the theoretical tax burden and the actual tax burden is provided below:

	01.01.2024 – 30.06.2024	%
Result before taxes	**- 21,399,313**	
Theoretical taxes	- 5,970,408	27.90%
Different taxable income for IRAP purposes	958,780	-4.48%
Different taxable income for IRES purposes	4,953,179	-23.15%
Deferred tax effect	746,119	-3.49%
Prior-year taxes	213,206	-1.00%
Effect of other foreign legislation	- 275,082	1.29%
Total	**625,794**	

43. Earnings per share (basic and diluted)

"Basic earnings per share" is calculated as the Group's share of the consolidated result divided by the weighted average number of shares outstanding during the period, excluding any treasury shares. The 33,916 treasury shares in portfolio at 30 June 2024 have therefore been excluded.

"Diluted earnings per share" is calculated as the Group's share of the consolidated result divided by the weighted average number of shares outstanding, taking into account the weighted average of all of the shares potentially deriving from the conversion of the ordinary shares with a dilutive effect. The 33,916 treasury shares in portfolio at 30 June 2024 have therefore been included.

It should be noted that in the first half of 2024 none of the warrants were exercised and they subsequently became non-exercisable as explained in Note 13, to which reference should be made for further details. They therefore did not have any dilutive effect.

EARNINGS PER SHARE		
Description	**30/06/2024**	**30/06/2023 Restated**
Earnings attributable to the ordinary shareholders of the Parent Company	-21,986,556	-19,182,697
Dilution	0	0
Total post-dilution earnings	-21,986,556	-19,182,697

Weighted average number of ordinary shares	70,138,899	69,093,030
Weighted average potential ordinary shares	0	0
Weighted average potential ordinary shares	70,138,899	69,030,030

Earnings per Share (EPS)	**-0.31**	**-0.28**
Earnings per Share (EPS) diluted	**-0.31**	**-0.28**

Other information

Guarantees given, commitments and other contingent liabilities

At 30 June 2024, the Antares Vision Group provided guarantees to its customers consisting of Euro 89,194 thousand in performance bonds to guarantee the execution of contracts and the proper operation of the machinery sold, Euro 1,318,161 thousand in advance bonds to guarantee advance payments already received from customers, Euro 838,553 thousand in tender bonds to guarantee tenders and Euro 88,450 thousand in warranty bonds for proper execution of the contract.

Note too 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 incurred in 2023. After careful analysis, based on the information available to us, it was not deemed necessary to make any provision.

Lastly, we would point out that the Parent Company has 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.

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 Regolo S.p.A. For example, the Parent Company autonomously manages the treasury and commercial relations with its customers and suppliers in addition to not making use of any service provided by its parent company.

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	1,690,976	66,990

(*) amount including the cost relating to Stock Option Plans

Information pursuant to art. 149-duodecies of 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**	**Fees**
Audit (*)	EY S.p.A.	38,000

(*) amount relating to the audit of the condensed consolidated half-year financial statements of the Antares Vision Group.

These explanatory notes, as well as the entire condensed consolidated half-year 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 period.

Travagliato, 12 September 2024

Chief Executive Officer

Gianluca Mazzantini

A signed copy of this 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 Gianluca Mazzantini, as Chief Executive Officer and Stefano De Rosa, 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 of 24 February 1998, confirm:

- the adequacy in relation to the characteristics of the company and
- the effective application of the administrative and accounting procedures for the preparation of the half-year consolidated financial statements during the first half of 2024.

No significant aspects emerged in this regard.

They also confirm that:

- the condensed half-year consolidated financial statements:

  a) 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;

  b) agree with the balances shown in the books of account and accounting entries;

  c) are suitable for providing 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.

- The directors' report on operations includes a reliable analysis of important events that took place during the first half of the year and their impact on the half-year consolidated financial statements.

Travagliato (Brescia), 12 September 2024

Chief Executive Officer	Manager in charge of preparing the accounting and corporate documents
Gianluca Mazzantini	Stefano De Rosa

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

Antares Vision S.p.A.

Condensed half-year consolidated financial statements as of 30 June 2024

Review report on the condensed half-year consolidated financial statements
(Translation from the original Italian text)

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Review report on the condensed half-year consolidated financial statements
(Translation from the original Italian text)

To the Shareholders of
Antares Vision S.p.A.

Introduction

We have reviewed the condensed half-year consolidated financial statements, comprising the consolidated statement of financial position, the consolidated income statement, the consolidated statement of other comprehensive income, the statement of changes in the consolidated shareholders' equity, the consolidated statement of cash flows and the related explanatory notes of Antares Vision S.p.A. and its subsidiaries (the "Antares Vision Group") as of 30 June 2024. The Directors of Antares Vision S.p.A. are responsible for the preparation of the condensed half-year consolidated financial statements in conformity with the International Financial Reporting Standard applicable to interim consolidated financial reporting (IAS 34) as adopted by the European Union. Our responsibility is to express a conclusion on these condensed half-year consolidated financial statements based on our review.

Scope of review

We conducted our review in accordance with review standards recommended by Consob (the Italian Stock Exchange Regulatory Agency) in its Resolution no. 10867 of 31 July 1997. A review of condensed half-year consolidated financial statements consists of making inquiries, primarily of persons responsible for financial and accounting matters, and applying analytical and other review procedures. A review is substantially less in scope than an audit conducted in accordance with International Standards on Auditing (ISA Italia) and consequently does not enable us to obtain assurance that we would become aware of all significant matters that might be identified in an audit. Accordingly, we do not express an audit opinion on the condensed half-year consolidated financial statements.

Conclusion

Based on our review, nothing has come to our attention that causes us to believe that the condensed half-year consolidated financial statements of Antares Vision Group as of 30 June 2024 is not prepared, in all material respects, in conformity with the International Financial Reporting Standard applicable to interim financial reporting (IAS 34) as adopted by the European Union.

Emphasis of matter

We draw attention to the paragraph “Restatement for errors and accounting changes (IAS 8)” in the explanatory notes to the condensed half-year consolidated financial statements, where the Directors present the effects of the restatement of the group's comparative data as of June 30, 2023, due to the correction of errors in the half-year consolidated financial statements as of that date. Our conclusions are not modified in respect of this matter.

Brescia, 13 September 2024

EY S.p.A.
Signed by: Andrea Barchi, Auditor

This report has been translated into the English language solely for the convenience of international readers