

PRESS RELEASE

THE ANTARES VISION GROUP EXPANDS ITS SOFTWARE CAPABILITIES THROUGH THE ACQUISITION OF RFXCEL CORPORATION

Travagliato (BS), 16 February 2021 –Antares Vision, a leading global provider of intelligent Track & Trace, Inspection and Smart Data Management solutions for the Life Science and Food & Beverage sectors, today announced entering into an agreement for the acquisition of **rfXcel Corporation** (“**rfXcel**”), a leading US-based Software-as-a-Service (“SaaS”) company, serving the Life Science and Food & Beverage sectors, for an upfront consideration of \$120 million on a debt free and cash free basis.

Key Highlights of the Acquisition

- 1) rfXcel’s AI-enabled SaaS platform more than doubles Antares Vision Group’s software business and adds high share of contracted, recurring and scalable revenues
- 2) Combining rfXcel’s industry leading software platform with Antares Vision Group’s Track & Trace complete solution will significantly enhance value for Life Science and Food & Beverage customers in North America, Europe and Asia
- 3) Antares Vision Group will leverage rfXcel’s software to continue to drive global growth and expand into new market segments requiring end-to-end supply chain digitalisation solutions
- 4) The acquisition is expected to be accretive to Antares Vision Group’s (1) revenue growth, (2) EPS and (3) Free Cash Flow from year-1 (before synergies)

Highly Attractive Standalone Business

Founded in 2003 by Glenn Abood and Jack Tarkoff, and backed by Kayne Partners Fund, the growth private equity group of Kayne Anderson Capital Advisors, L.P. since August 2017, rfXcel is a pure play software provider to the global Life Science sector, offering SaaS-based Track & Trace solutions that improve safety, enable regulatory compliance and deliver real-time business insights. The company provides supply chain digitalisation and transparency through a comprehensive, data driven offering that includes traceability, serialisation and integrated supply chain monitoring. rfXcel operates a 100% SaaS business model with a significant portion of its revenues deriving from long-term subscription-based contracts, largely recurring and with strong visibility (average contract length >4 years, >80% recurring in nature).

Headquartered in Reno, Nevada (USA), offices in San Francisco and subsidiaries in UK and Russia, rfXcel has 63 full time employees and is led by an experienced management team of veterans each averaging over 25 years of experience in the industry. With global presence in 40 countries, a diversified customer base of more than 190 clients and thousands of partners across the Life Science, the Food & Beverage and the Public sectors, rfXcel is one of the leading Track & Trace software players in the market. The company has created over 5 billion serial numbers and has the capacity to process over one million items a day, enabling complete supply chain transparency and rapid digitalisation.

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For the 12-month period ending 31 December 2020, rfXcel reported consolidated revenues of \$17 million (c.80% generated in the US and all derived from software contracts), with a gross margin above 85%. In the period 2018-2020¹, rfXcel recorded a revenue CAGR in excess of 25% and the company is expected to continue to perform on a similar trajectory over the coming years.

Strategic and Operational Rationale

The acquisition of rfXcel will strengthen further Antares Vision Group's software capabilities, consolidating its position as one of the global leaders in Track & Trace. The Antares Vision Group will leverage rfXcel capabilities and software suite to help customers accelerating the transition towards digital and sustainable supply chains, enabling full transparency and visibility. The acquisition will also enable significant opportunities to cross-sell (i) rfXcel solutions across Antares Vision Group's large and growing installed base of Track & Trace and Inspection solutions and across a broad, blue-chip customer base of over 2,500 clients, as well as (ii) Antares Vision Group's products to rfXcel's existing customer base.

Together with rfXcel, the Antares Vision Group makes an important headway to provide full stack end-to-end digital solution enabling traceability, serialisation processing, regulatory compliance and gathering and monitoring of real-time data to optimise and streamline customers' supply chains while providing complete end-to-end visibility: from the product ingredients and raw materials to the end customer experience. The acquisition meaningfully increases Antares Vision Group's share of contracted, recurring, high growth and high margin software revenue, more than doubling to c.21% of total Group revenues (compared to 9% LTM as of June-2020 prior to the transaction).

Emidio Zorzella, Chairman and CEO of Antares Vision said:

"Massimo and I are delighted that we have reached agreement to acquire rfXcel. The acquisition has a compelling strategic rationale with strong operational and financial benefits. The combination will strengthen Antares Vision Group's position as one of the global leaders in the Track & Trace segment, accelerating our growth and representing an attractive value creation opportunity for our customers, our shareholder the whole Antares Vision Group.

Demand for traceability and serialised products and services has increased significantly over the last few years, and this transaction accelerates our ability to offer best-in-class propositions in all our key reference sectors, Life Science and Food & Beverage. We look forward to welcoming the management and employees of rfXcel to the Antares Vision Group and working together to serve our customers across the world.

The acquisition of rfXcel will be perfectly in line with our strategic vision and it will accelerate our role in the digitisation of the industrial world. The acquisition will enable the Antares Vision Group to broaden and deepen its relationships with existing and new customers thanks to a more comprehensive and complementary product portfolio to market."

¹ Based on rfXcel fiscal year ending March 2018-20

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Glenn Abood, President and Founder of rfXcel said:

"This transaction represents the next chapter in rfXcel's evolving story—the combined company will offer the most comprehensive Track and Trace solution in every market around the globe. When Jack Tarkoff and I started rfXcel over 17 years ago, our vision was to make it possible to Track & Trace finished goods, raw materials and ingredients as they move in the supply chain. Antares Vision shares the same goals and, by virtue of their size and global footprint, we will be able to accelerate our plans. The rfXcel management team is delighted to join with Antares Vision to offer customers in the Life Science, Food & Beverage and other industries the most complete end-to-end solution for Track & Trace on the market today."

Additional Details on the Acquisition

The acquisition of the entire share capital of rfXcel for an upfront consideration equivalent to \$120 million (on a debt free and cash free basis, assuming a normalised level of working capital and payable in cash at closing), will be carried out as a reverse triangular merger between rfXcel and Antares Vision Acquisition Corporation, a newly incorporated vehicle of Antares Vision Inc., fully owned US subsidiary of Antares Vision S.p.A. The transaction represents an acquisition multiple of 6.9x LTM revenues at Dec-20, well below recent precedents in the industrial software space.

The parties have also agreed to an additional potential deferred cash consideration of up to \$30 million payable in Q1 2023 by Antares Vision to rfXcel's current shareholders, should certain cash-in targets be reached. The earn-out payment is linked to the collection of up to \$19 million of cash from certain specific existing contracts, underpinning recurring subscription revenues and currently sitting outside of rfXcel's standalone business plan.

As part of the transaction, it has also been agreed that rfXcel's key management team, including CEO and founder Glenn Abood, will reinvest a significant portion of the cash proceeds from the sale of rfXcel's shares owned by them into Antares Vision (40% of their post-tax cash proceeds, totalling c. \$8 million), while remaining in their roles to continue expanding the company and to support the delivery of the full strategic, operational and financial benefits of the acquisition. Antares Vision Group values the expertise of rfXcel's management team and employees and will work closely with them to support the integration. As in similar recent transactions, the Antares Vision Group expects rfXcel's management to become an integral part of our team, focusing on continuing the rapid growth of the combined business Software and Smart Data offering.

The transaction will be financed primarily with a committed bank facility provided by Mediobanca S.p.A. At closing, Antares Vision will transfer to Antares Vision Inc. the necessary funds required to complete the transaction through a capital increase before completion of the transaction. This financing transaction qualifies as a related party transaction pursuant to Antares Vision's Procedure for Related Parties Transactions (as Antares Vision Inc is wholly owned by Antares Vision). However, the transaction benefits from the exemption provided for in article 3(e) of Antares Vision's Procedure for Related Parties Transactions, as there are no significant interests of other related parties of Antares Vision in its subsidiary Antares Vision Inc.

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Financial Impact of the Acquisition

The transaction is expected to be accretive to Antares Vision across multiple dimensions: (i) highly accretive to future revenue growth given the expected performance of rfXcel's over the coming years; and (ii) accretive to Antares EPS and Free Cash Flow already from year-1 before considering any additional synergy impact.

The acquisition of rfXcel is expected to support the achievement of Antares Vision Group's medium-term targets and enhance its long-term growth opportunity, with further upside through operational leverage, cost and revenue synergies thanks to Antares Vision Group's global presence, installed base and customer portfolio to deploy combined and integrated solutions across the Life Science, Food and Beverage and adjacent sectors.

A business combination with rfXcel is also expected to result in cost and capex synergies driven by operational efficiencies, cost structure optimisation, enhanced operating leverage and an acceleration of Antares Vision Group's R&D plans and innovation capabilities. Antares Vision and rfXcel have a complementary product offering, which provides revenue synergies in multiple industries, enabling product integration and customer value.

The acquisition of rfXcel is not significant within the meaning of art. 12 of Regolamento Emittenti AIM, as none of the applicable relevance indices exceeds 25%.

Expected Timetable to Completion

The acquisition is subject to customary closing conditions, including expiration of the Hart-Scott-Rodino waiting period in the US and the Russian Antitrust approval by Federal Antimonopoly Service, and is expected to close in March 2021.

Advisor to the Transaction

Morgan Stanley (financial advisor), Skadden Arps (legal advisor and legal due diligence) and Orsinger Ortu (legal advice on financing and rfXcel's management reinvestment), New Deal Advisor (financial due diligence), Funaro & Co (fiscal advisor and fiscal due diligence) and Mediobanca (acquisition financing), supported the Antares Vision Group in connection with the transaction.

DC Advisory (financial advisor), O'Melveny & Myers (legal advisor) and Armanino (auditor) supported rfXcel in connection with the transaction.

Investor and Analyst call

Antares Vision is hosting a webinar tomorrow for analysts and investors which will start promptly at **16:30 CET time on Wednesday 17 February 2021**.

Please **register here** <https://attendee.gotowebinar.com/register/3974086235599351310> **by 14.00 CET time on Wednesday 17 February 2021 to receive the access credentials.**

The presentation that management will use is available here:

<https://www.antaressvision.com/investors/investor-relations/6725/mta-admission>

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Investors and analysts wishing to ask questions to management on the acquisition are kindly requested to **send their questions by 14.00 CET time on Wednesday 17 February 2021 to: investors@antaresvision.com.**

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For further information

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About Antares Vision

Listed since April 2019 on the AIM Italia market of the Italian Stock Exchange, **Antares Vision Group** guarantees the protection of **products, people and brands** through **inspection systems** for quality control, **Track & Trace solutions** for anti-counterfeiting and supply chain transparency, **smart data management** tools for maximized efficiency and digitalization of the supply chain, from the point of production to the end consumer. The Antares Vision Group is active in the life science sector, including the pharmaceutical, medical device and hospital segments, as well as in other industries, including, primarily, food & beverage, cosmetics and in consumer-packaged goods. The Group reaches over 60 countries worldwide with complete and flexible solutions, hardware and software, with related services: it has five offices in Italy (Brescia, Parma, Piacenza, Latina and Vicenza), 15 foreign branches (Germany [2], France [2], USA [3], Latin America [2], India, Russia, Hong Kong, China, Croatia and Serbia), three Innovation and Research Centers (Italy) and a worldwide network of more than 40 partners. With the twenty years of experience in vision technologies of the two founding partners, the Antares Vision Group is the supplier of ten of the 20 leading pharmaceutical companies in the world (by turnover), with more than 25,000 inspection systems, which ensure everyday product safety and quality, 6,500 quality controls and more than 3,500 serialization modules on lines installed all over the world. With the aim of continuing and supporting the growth and development strategy,

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during 2019, Antares Vision finalized participation agreements with **T2 Software**, a Brazilian company specialized in smart data management solutions, and **Orobix**, an Italian company leader in artificial intelligence services, and acquired 100% of **FT System**, leader in control and inspection in the beverage sector. In 2020, Antares Vision acquired 82.83% of **Tradeticity**, a Croatian company specialized in software management of traceability and serialization processes, 100% of **Convel**, an Italian company specialized in automated inspection machines for the pharmaceutical industry, the assets of **Adents High Tech International**, a French company specialized in software for serialization and traceability, and 100% of **Applied Vision**, a global leader in inspection systems for glass and metal containers in food & beverage. In 2019, **Emidio Zorzella** and **Massimo Bonardi** won the Ernst & Young "**Entrepreneur of the Year**" award for innovation. For more info: www.antaresvision.com.