

<p>Informazione Regolamentata n. 20040-3-2023</p>	<p>Data/Ora Ricezione 27 Gennaio 2023 19:51:01</p>	<p>Euronext Growth Milan</p>
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Informazione
Regolamentata

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Diffusione presunta

Oggetto : BoD resolves on capital increase, updates
2022B-2024E Plan, allocates Stock Grant,
appoints SB, convenes Ordinary
Shareholders' Meeting

Testo del comunicato

Vedi allegato.



Expert.ai: the Board of Directors resolves to partially exercise the proxy granted by the Shareholders' Meeting held on October 15, 2021 and to increase the share capital with the exclusion of the option right for a maximum total amount of Euro 239,974.00

2022B-2024E Industrial Plan estimates updated

Ordinary Shareholders' Meeting convened for the appointment of the independent auditor

Allocation of 665,000 Stock Grant from the second tranche of the 2020-2023 Stock Grant Plan

Supervisory Body appointed

January 27, 2023

The Board of Directors of Expert.ai (the "**Company**" or the "**Issuer**"), a leading company in the Artificial Intelligence market with shares listed on the Euronext Growth Milan multilateral trading system, organized and managed by Borsa Italiana S.p.A., held today resolved, *inter alia*, in partial execution of the resolution of the Shareholders' Meeting held on October 15, 2021, pursuant to Article 2443 of the Italian Civil Code, the execution of a capital increase, against payment and in divisible form, for a maximum total amount, including additional paid-in capital, of Euro 239,974.00, one tranche of which reserved to **Walt Mayo, CEO of the Company**, by issuing a maximum number of 393,400 new ordinary shares with regular dividend rights, with no par value, at a price of Euro 0.61 per share, with the exclusion of the option right pursuant to Article 2441, paragraph 5, of the Italian Civil Code.

Consolidated Industrial Plan 2022B - 2024E

On the same date, the Board of Directors re-examined the 2022B - 2024E consolidated industrial plan (the "**Plan**") in consideration of the final results of the capital increase under option resolved by the Board of Directors on November 30, 2022 as well as the above-mentioned reserved capital increase.

In particular, the estimates disclosed to the market on December 2, 2022, have been modified in relation to the financial year 2022B, reporting an Equity value in a range of Euro 16-18 million compared to the previously indicated



range of Euro 18-20 million and a Net working capital in a range of Euro 8-10 million compared to the previously indicated range of Euro 10-12 million.

Estimates for 2022B remain unchanged in relation to revenues in the range of Euro 31-33 million, negative EBITDA in the range of Euro 12-14 million, Annual Recurring Revenues in the range of Euro 17.5-19.5 million and Net Financial Position in the range of Euro 14-16 million.

As part of the ongoing cost optimization initiatives, the Board of Directors also examined certain measures to support the execution of the Plan, including the possible use of flexible working tools for a limited period of time.

Below the main economic and equity targets for the financial years 2023E and 2024E, which also remain unchanged:

- revenues of Euro 38 million and Euro 49 million for, respectively, financial year 2023E and financial year 2024E;
- EBITDA of Euro 6 million and Euro 16 million for, respectively, financial year 2023E and financial year 2024E;
- *Annual Recurring Revenues* of Euro 27 million and EUR 37 million for, respectively, financial year 2023E and financial year 2024E;
- Net working capital of Euro 12 million and Euro 17 million for, respectively, financial year 2023E and financial year 2024E;
- Net financial position of Euro 17 million and 15 million for, respectively, financial year 2023E and financial year 2024E.

The main drivers behind the Plan are confirmed. The Plan is focused on achieving profitability within the framework of sustainable growth based on:

- revenues based on constant renewals from customers, solid growth in North America, new opportunities in both the public and private markets in Italy, and identified key account engagements in Europe;
- improved EBITDA driven by increasingly replicable solutions, cost savings and increased efficiency in the implementation of the expert.ai platform;
- reduction of operating costs with a view to alignment with growth objectives through the ability to offer the best technological solutions to partners and customers, having completed the transformation process and concluded the phase of major investments for the evolution of the platform and the launch of the Go-to-Market strategy.

The updated presentation of the Plan is available on the Issuer's website <https://www.expert.ai/investor-relations/presentations/>.

Convening of the Ordinary Shareholders' Meeting



The Board of Directors also resolved to convene the Ordinary Shareholders' Meeting of the Company, on first call on February 13, 2023, at 9.30 a.m., and on second call on February 14, 2023, at 9.30 a.m., in order to proceed with the appointment of the independent auditor for the three-year period 2022-2024 and the determination of its remuneration. The documentation relating to the items on the agenda will be made available to the public at the Company's registered office and on the website www.expert.ai in accordance with current regulations.

Stock Grant Plan 2020-2023

With reference to the Stock Grant Plan 2020-2023 (the "**Incentive Plan**"), the Company's Board of Directors acknowledged that it has received acceptance letters from the beneficiaries for a total amount of no. 665,000 rights out of a total of no. 697,100 assigned and, consequently, resolved to increase the share capital free of charge, through the use of reserves, for a total amount of Euro 6,650.00 by issuing 665,000 newly issued ordinary shares, having the same characteristics as those already in circulation, serving the Incentive Plan.

Appointment of Supervisory Body

In accordance with the provisions set forth under "Organisation, Management and Control Model" implemented by the Company pursuant to Legislative Decree No. 231/2001 (the "**Model 231**"), the Board of Directors appointed the Supervisory Body, which will remain in office for three financial years, from the date hereof until January 27, 2025, composed as follows:

- Mr. Costantino Di Miceli, Chairman and External Member;
- Mr. Stefano Termanini, External Member; and
- Mr. Nicola Bortoletto, Internal Member.
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This press release is available on the Company's website www.expert.ai/it/investor-relations and on www.emarketstorage.it.

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