



Expert.ai: Industrial Plan 2022B – 2024E approved

December 2, 2022

The Board of Directors of expert.ai S.p.A. (the "**Company**" or the "**Issuer**"), a leader in the Artificial Intelligence market, with shares listed on the multilateral trading facility Euronext Growth Milan, organized and managed by Borsa Italiana S.p.A., held today, approved the consolidated industrial plan (the "**Industrial Plan**") for the financial years 2022B and 2024E aimed at significantly accelerating the Group's growth in the international artificial intelligence market, in order to achieve, among other things, the following targets:

- for FY 2022B, revenues in a range of Euro 31-33 million, negative EBITDA in a range of Euro 12-14 million and Annual Recurring Revenues in a range of Euro 17.5-19.5 million;
- 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 2024B;
- Annual Recurring Revenues of Euro 27 million and Euro 37 million for, respectively, financial year 2023E and financial year 2024E.

Main drivers of the Industrial Plan

The Industrial Plan is focused on achieving profitability in the context of sustainable growth based on:

- revenues based on sustained renewals from customers, strong growth in North America, opportunities emerging across both our public and business markets in Italy, and identified key account engagements in Europe;
- gross margin improvement driven by more replicable solutions, cost-savings and increased efficiency in deploying expert.ai platform;
- reduction of operating costs to align to achievable growth targets through the ability to engage and serve customers with best-in-class technological solutions, having completed the transformation process, and concluded the phase of the most relevant investments for the evolution of the expert.ai platform and the launch of the Go-to-Market strategy.

Walt Mayo, CEO of expert.ai, commented as follows:

"We have completed the evolution path that allowed us to innovate and deeply redefine our business model. Against a backdrop of general economic uncertainty, to balance growth and profitability we will implement a series of actions to achieve positive EBITDA in 2023, also due to a reduction of the costs, following the current year's investment



peak. To achieve our growth goals, we will focus on our core verticals of insurance and finance, life sciences and healthcare, and information services with "ready now" solutions. Our significant successes in the U.S. corporate market, the solid base we have in Italy, and the growth of our partner network and technology integrations are all indicators of significant value creation for the next phase of our evolution."

In the context of the Industrial Plan, is placed the capital increase under option approved by the Board of Directors on November 30, 2022 in partial execution of the proxy granted on October 15, 2021 (the "**Capital Increase**"), the successful completion of which is a strategic prerequisite for the Group to achieve the goals of the Industrial Plan.

The presentation of the 2022B - 2024E Industrial Plan will be available on the Issuer's website in the www.expert.ai/investor-relations/presentations section on Monday, December 5 onwards.

This press release is available on the Company's website www.expert.ai and on www.emarketstorage.com.

Expert.ai (EXAI:IM) is a leading company in AI-based natural language software. Organizations in insurance, banking and finance, publishing, media and defense all rely on expert.ai to turn language into data, analyze and understand complex documents, accelerate intelligent process automation and improve decision making. Expert.ai's purpose-built natural language platform pairs simple and powerful tools with a proven hybrid AI approach that combines symbolic and machine learning to solve real-world problems and enhance business operations at speed and scale. With offices in Europe and North America, expert.ai serves global businesses such as AXA XL, Zurich Insurance Group, Generali, The Associated Press, Bloomberg INDG, BNP Paribas, Rabobank, Gannett and EBSCO.

For more information: <https://www.expert.ai/>

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Press Release

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