

## **EXPERT SYSTEM: Launch of share capital increase under option**

**Unit subscription price set at € 1.30 per share (inclusive of share premium) and issue ratio set at 2 new ordinary shares for every 15 shares held**

**The transaction will entail the issue of up to 3,718,654 ordinary shares of Expert System S.p.A., with no par value, with the same characteristics as the shares outstanding and regular entitlement, for a total maximum share capital increase value of € 4,834,250.20 (inclusive of share premium)**

**Offer under option and pre-emption period: from 13 to 30 November 2017**

**Period for trading option rights in the market: from 13 to 24 November 2017**

***Modena, 8 November 2017***

Expert System S.p.A. (“**Expert System**” or the “**Company**”), a leading company in the cognitive computing and text analytics market, listed on the “AIM Italia / Mercato Alternativo del Capitale [Alternative Capital Market]” multilateral trading facility organised and managed by Borsa Italiana S.p.A., in execution of the share capital increase resolution passed by the Board of Directors on 13 October 2017 (on the basis of the mandate conferred upon it by the shareholders’ meeting on 7 July 2017 pursuant to art. 2443 of the Italian Civil Code), has determined, by notarised resolution passed today, the definitive terms of the divisible share capital increase against payment to be offered under option to the shareholders pursuant to art. 2441 of the Italian Civil Code (the “**Share Capital Increase**”).

The Share Capital Increase is intended to obtain new financial resources to support the implementation of the geographical diversification strategy as well as maintain the highest standards of the “Cogito” technology platform.

As a result of the Share Capital Increase, the Company will issue up to 3,718,654 new ordinary Expert System shares with no expressed par value, with the same characteristics as those outstanding, with regular entitlement, to be offered under option to the shareholders with a ratio of 2 new ordinary shares for every 15 shares held at the price of € 1.30 per share (of which € 1.29 for the share premium), equal to a total value of up to € 4,834,250.20.

The option rights for the subscription of the newly issued shares, which have coupon no. 2, will be made available to those entitled through Monte Titoli S.p.A. and will have the ISIN: IT0005311409. One option

right will be assigned to each ordinary share held. The distribution date of the relative option rights is 13 November 2017.

The option rights will need to be exercised, under penalty of forfeiture, during the offer period from 13 to 30 November 2017 inclusive.

It will be possible to trade the option rights on the AIM Italia / Mercato Alternativo del Capitale multilateral trading facility organised and managed by Borsa Italiana S.p.A. from 13 to 24 November 2017 inclusive.

The subscription offer must be accepted using a dedicated subscription form to be completed, signed and delivered to the authorised intermediary participating in the system for the centralised transfer of shares managed by Monte Titoli S.p.A., where the rights are deposited. The intermediaries will be required to provide the relative instructions to Monte Titoli S.p.A. by 2:00 p.m. on 30 November 2017. Therefore, each subscriber will need to submit the dedicated subscription application with the procedures and by the deadline that the depositary intermediary will have indicated to ensure that the deadline laid out above is met.

Acceptance of the offer will be irrevocable and may not be subjected to conditions.

Pursuant to art. 2441 of the Italian Civil Code, those who exercise the option right, provided they so request on the subscription form, will have the pre-emption right on the acquisition of the shares which remain unopted at the end of the offer period, at the same price of € 1.30 for each share. If the shares that remain unopted are insufficient to satisfy all subscription applications received, the Company will make the assignment on the basis of a mechanism for allocation in proportion with the securities already held by the requesting parties, also calculating those subscribed as a result of the exercise of the option right, by 4 December 2017. Any shares that remain unopted subsequent to the exercise of the option right and the pre-emption right by the shareholders may be placed, by the management body and in compliance with regulations in force, by the final subscription deadline of 31 March 2018.

The new shares must be paid for in full to the authorised intermediary to which the subscription application will be submitted and in accordance with the terms and procedures specified on the subscription form; no cost or accessory expense shall be borne by the requesting party.

The new shares subscribed by the end of the offer under option will be credited to the accounts of the intermediaries participating in the system for the centralised transfer of shares managed by Monte Titoli S.p.A. at the end of the accounting day of the last day of the option period and shall therefore be available from the subsequent day of settlement. The new shares that will be assigned following any exercise of the



pre-emption right will be credited to the accounts of the intermediaries participating in the system for the centralised transfer of shares managed by Monte Titoli S.p.A. at the end of the accounting day of 30 November 2017 and shall therefore be available from the subsequent day of settlement.

The offer under option shall be filed, pursuant to the law, with the Trento Register of Companies. This press release is made available to the public at the registered office of the Company, at Borsa Italiana S.p.A. and on the Company's website ([www.expertsystem.com/it/investor-relations](http://www.expertsystem.com/it/investor-relations)).

The subscription form shall be available on the Company's website [www.expertsystem.com/it/investor-relations](http://www.expertsystem.com/it/investor-relations) and at the intermediaries participating in the system for the centralised transfer of shares managed by Monte Titoli S.p.A.

No underwriting and/or selling syndicates will be created to carry out the Share Capital Increase.

Lastly, please recall that, pursuant to art. 6.1(d) of the regulation of the "Expert System S.p.A. 2016-2018 Warrants" ("Warrants"), as a result of the execution of the Share Capital Increase the strike price of the Warrant conversion shares valid for the next conversion period shall be adjusted, and the market promptly informed.

The Nominated Advisor of the Company is Integrae SIM S.p.A. while Simmons & Simmons is acting as legal advisor for the completion of this transaction.

*This press release is available on the Company's website [www.expertsystem.com/it/](http://www.expertsystem.com/it/)*

**Expert System**, listed on the Borsa Italiana AIM Italia market, is a leader in the Cognitive Computing and Text Analytics sector. Through its proprietary Cogito technology, based on semantic analysis, Expert System has innovated the way businesses process information, offering its artificial intelligence tool to help them understand the significance of large quantities of documents, and drawing strategic knowledge from big data to boost their competitive advantage and improve decision-making processes. Amongst the main customers of the Group, which has offices in Italy, France, Spain, Germany, the UK, the US and Canada, are: Shell, Chevron, Eni Group, Telecom Italia, Intesa Sanpaolo, Il Sole 24 ORE, Ely Lilly, BAnQ, Biogen, Bloomberg BNA, Elsevier, Gannett, IMF, RSNA, Sanofi, SOQUIJ, The McGraw-Hill Companies, Thomson Reuters, Wiley, Wolters Kluwer, Networked Insights, the United States Department of Agriculture and the United States Department of Justice.

[www.expertsystem.com/it](http://www.expertsystem.com/it)

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