



## **Expert.ai: Preliminary Consolidated 2021 Results**

- **Total Revenue Slightly Below Guidance but Strong YoY Software Revenue Growth**
- **EBITDA Outperforms Guidance Range**

### ***March 3, 2022***

The Board of Directors of expert.ai today examined some of the main preliminary unaudited consolidated financial and economics estimates concerning as of December 31, 2021.

Total 2021 **revenues** range between Euro 30.5 million and Euro 31 million, slightly below the guidance range of Euro 33 - 35 million. Within that, recurring software license revenue grew by 24% - 25% YoY, from Euro 11.3 million in 2020 to about Euro 14 - 14.2 million in 2021, representing roughly half of total revenue in 2021. Professional services revenue accounted for the variance to guidance, primarily driven by fewer large custom project deployments and consistent with the company shift to scalable technology and delivery. Both mark an acceleration of the transformation toward recurring software revenue streams as the core growth driver for expert.ai.

**EBITDA** in 2021 ranges between Euro -9 and -10 million, against estimates of Euro -11 and -13 million. The EBITDA outperformance reflected effective cost control while continuing to invest in key growth capabilities including our sales, marketing, and development teams.

Please note that all the above results are of an operational nature and have not been subject to audit.

As per the financial calendar, the complete economic and financial results of the Issuer and of the Group will be published on March 29, 2022, following the approval of the draft financial statements by the Board of Directors.

The Board of Directors today approved the renewal of the Group financing plan that provides for payment of loans to expert.ai subsidiaries up to a maximum of 15 million euros (the "**Transaction**") and repayment by December 31, 2024 ("**Expiration Date**").



The Transaction will provide expert.ai subsidiaries with the funding to support development and implementation of the Group's strategy. Loans, including outstanding loans, may be repaid in a single payment on the Maturity Date or, at the discretion of the individual subsidiary, in advance in several payments or in a single payment with interest calculated on a prorated basis and without additional charges.

The subsidiaries may also request to extend the Maturity Date. In accordance with the arm's length principle, the interest rate is equal to the interest rate "that has been agreed upon or that would have been agreed upon or a similar loan taken out by independent companies," based on the expert.ai market of reference, since "it is the lender's market that must be considered as relevant."

Please note that the Transaction falls within the cases of exclusion under the Procedure for Transactions with Related Parties pursuant to article 8 of the Related Party Transaction Regulation of Borsa Italiana and to article 10, letter (e) of the Procedure itself.

This press release is available on the Company's website [www.expert.ai](http://www.expert.ai) and on [www.emarketstorage.com](http://www.emarketstorage.com)

#### **About expert.ai**

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.

#### **Expert.ai**

##### **IR Manager**

Stefano Spaggiari

[ir@expertsystem.com](mailto:ir@expertsystem.com)

##### **Press office**

Francesca Spaggiari

Tel. +39 059 894011

[press@expert.ai](mailto:press@expert.ai)

#### **IR**

CDR Communication Srl

Silvia Di Rosa

[silvia.dirosa@cdr-communication.it](mailto:silvia.dirosa@cdr-communication.it)

Federico Bagatella

[federico.bagatella@cdr-communication.it](mailto:federico.bagatella@cdr-communication.it)

#### **Euronext Growth Advisor**

Integrae SIM S.p.A.

Tel: +39 02 39 44 83 86

[info@integraesim.it](mailto:info@integraesim.it)