

The Board of Directors decided to partially exercise the authorisation delegated by the shareholders' meeting of 7 July 2017, and increased the share capital for a total maximum amount of Euro 4.990.000 by issue of new ordinary shares to offer in option to the shareholders



Modena, 13 October 2017 – The Board of Directors of Expert System S.p.A. (“**Expert System**” or the “**Company**”), a leading company in the area of cognitive computing and text analytics, listed on the multilateral trading system “AIM Italia / Alternative Capital Market” organised and managed by Borsa Italiana S.p.A., held a meeting at the notary’s office today, in partial exercise of the authorisation delegated by the shareholders’ meeting of 7 July 2017 in accordance with article 2443 of the Civil Code, and decided to increase the share capital against payment, and in tranches, for a total amount, including any premium, by a maximum of Euro 4.990.000, by issue of new ordinary shares with standard rights, without indicating an express par value, and to offer them as an option to the eligible parties in accordance with article 2441 of the Civil Code (the “**Share Capital Increase**”).

The other terms and conditions of the above-mentioned Share Capital Increase will be established closer to when the option offer is made, and will determine, *inter alia*, the definitive increase amount, the maximum number of new shares to issue, the offer price (including any premium) and the option ratio for the shareholders.

The Expert System Group made this decision in order to raise the financial resources needed to support implementation of its geographic diversification strategy and to maintain the highest standards of the “Cogito” technological platform.

The offer shall be aimed, without distinction and with equal conditions, to all Expert System shareholders, without limitation or exclusion of option rights, and should commence in November.

To that end, in accordance with the “*Warrant Expert System S.p.A. 2016 - 2018*” rules (the “**Rules**” and the “**Warrants**”), there is an exercise period in place up to 31 October 2017, at the exercise price of Euro 2.40. In accordance with article 7.1 (a) of the Rules, any Warrant holders who wish to take part in the above-mentioned Share Capital Increase will have the right to exercise their above-mentioned warrant exercise rights, and subscribe to the relative conversion shares at the relative exercise price by the end of the current month, taking effect by the ex-date of the Share Capital Increase option right. The option offer will only start when the current Warrant exercise period and relative issue of conversion shares ends.

The other terms and conditions of the Rules shall apply (available on the Company Internet site www.expertsystem.com/it/investor-relations/warrant), to which the reader should refer.



Finally, in accordance with article 6.1 (d) of the Rules, due to the execution of the Share Capital Increase and its characteristics, the strike price of the conversion shares to the Warrants shall be adjusted, to be applied in the next exercise period, giving due notice to the market.

No guarantee and/or placement consortia will be established for the Share Capital Increase.

The Company's Nominated Adviser is Integrae SIM S.p.A., while Simmons & Simmons is acting as the legal consultant in order to conclude the operation.

This press release is available on the website of the Company www.expertsystem.com/it/

Expert System, listed on the AIM Italia market of the Borsa Italiana, is a leader in the cognitive computing and text analytics sector. Through its proprietary Cogito technology, based on semantic analysis, Expert System innovates the way in which businesses process information, offering its artificial intelligence tool to understand the meaning of large volumes of documents, and acquire strategic knowledge from big data to increase their competitive advantage and improve decision-making processes. The group has offices in Italy, France, Spain, Germany, UK, USA, and Canada, and its customers include: Shell, Chevron, Eni Group, Telecom Italia, Intesa Sanpaolo, Il Sole 24 Ore, Eli Lilly, BAnQ, Biogen, Bloomberg BNA, Elsevier, Gannett, IMF, RSNA, Sanofi, SOQUIJ, The McGraw-Hill Companies, Thomson Reuters, Wiley, Wolters Kluwer, Networked Insights, as well as the United States Departments of Agriculture and Justice.

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