

BME - GROWTH

Palacio de la Bolsa
Plaza de la Lealtad, 1
28014 Madrid

Alicante, 4th of August 2022

COMMUNICATION- PRIVILEGED INFORMATION - FACEPHI BIOMETRIA, S.A.

Dear Sirs,

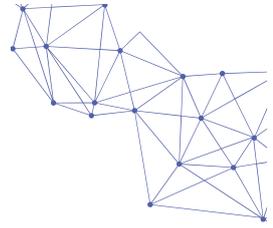
Under the provisions of article 17 of the Regulation (EU) No. 596/2014 on market abuse, and article 228 of the consolidated text of the Spanish Securities Market Law, approved by the Royal Legislative Decree 4/2015, of 23rd October, and related provisions, as well as in the Circular 3/2020 of BME Growth, we inform you about the following information related to the company FACEPHI BIOMETRIA, S.A. (hereinafter "FacePhi" or "the Company", interchangeably).

The Company presents the Results Preview for the first half of 2022, compared to the revised consolidated profit and loss account of the FacePhi Group as of June 30, 2021.

	FIRST SEMESTER 2022 RESULTS PREVIEW	FIRST SEMESTER 2021 REVIEWED RESULTS	VAR. %
TOTAL REVENUE	€9,715	€4,904	98.1%
Net revenue	€7,859	€4,150	89.4%
Tasks performed by the company for assets	€1,856	€754	146.0%
TOTAL EXPENSES	-€9,259	-€5,470	69.3%
Procurements	-€1,420	-€852	66.8%
Personnel expenses	-€4,278	-€2,466	73.5%
Other operating expenses	-€3,633	-€2,194	65.6%
Other results	€73	€41	76.1%
EBITDA	€456	-€566	180.6%
Depreciation of Fixed Assets	-€869	-€598	45.4%
Losses, impairment and variation in provisions	-€60	-€107	-44.3%
EBIT	-€473	-€1,271	-62.8%

The Company presents its results preview for the first half of 2022, with an increase of 89,4% in turnover compared to 2021, reaching 7.86 million euros and a positive EBITDA of 455,869 euros.

A growth of more than 180% is confirmed with respect to the result achieved in the first half of 2021, which has represented an improvement of 19.4 percentual points in the EBITDA margin over sales. This result in EBITDA is determined by the significant increase in income over expenses, which have also increased in the first half of 2022 by almost 70%, due to the strong investment made by the listed company to promote the commercialization of its solutions in all the world.



The amounts indicated are in the process of being reviewed by the Company's Auditor. For this reason, the amounts published in the semi-annual financial information could differ from the data presented after the completion of its work by the Company's auditor.

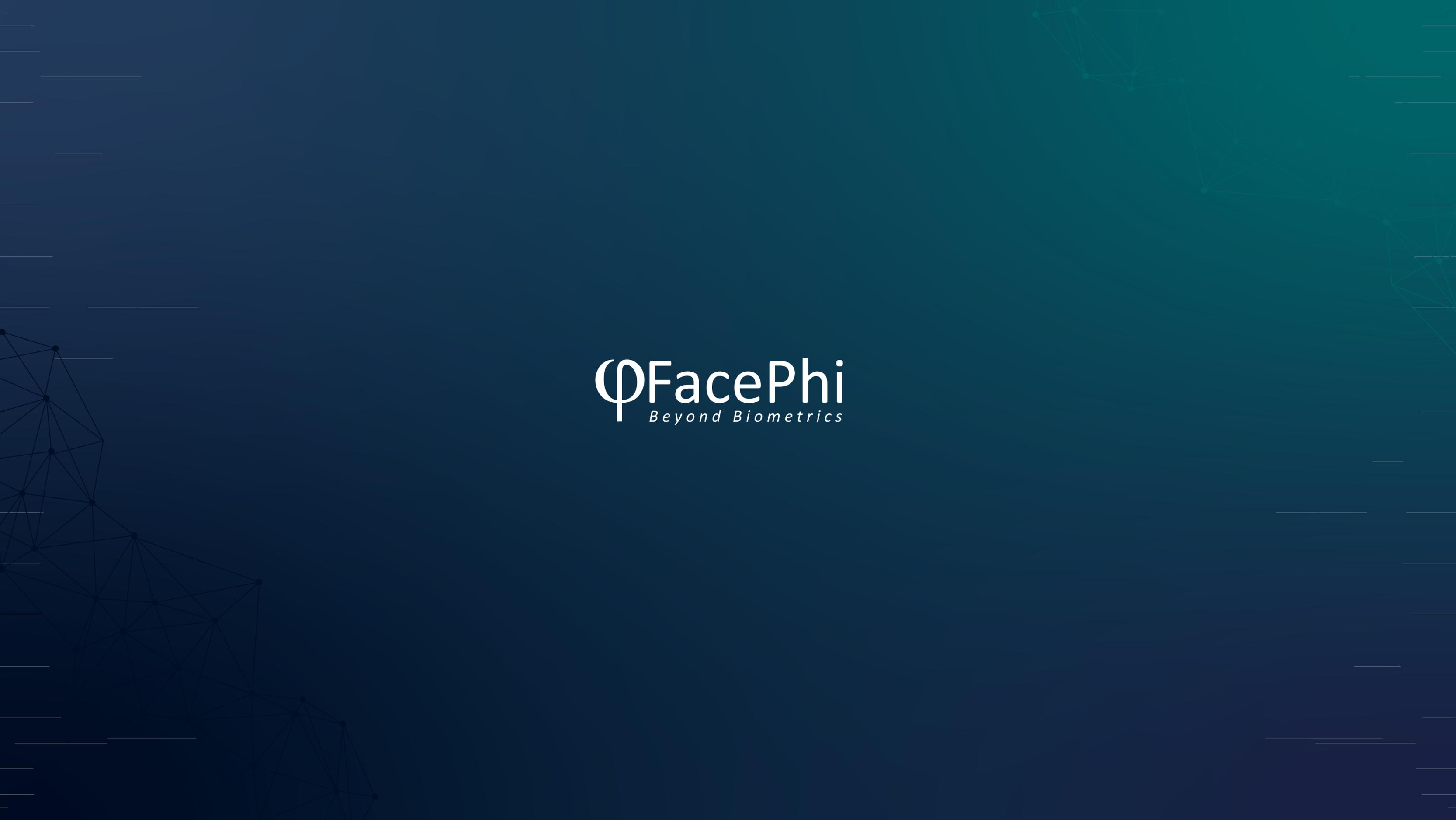
In compliance with Circular 3/2020 of the segment BME Growth of BME MTF Equity, it is expressly stated that the information hereby communicated has been produced under the sole responsibility of the company and its administrators.

We remain at your disposal for any clarification you might deem necessary.

Sincerely,

Javier Mira Miró

Chairman of the Board of Directors



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RESULTS ***PREVIEW***

FIRST HALF OF 2022



CEO's note

Javier Mira ———

In the first months of 2022 we achieved a **new milestone**, closing the first semester with the **best turnover in our history**. In addition, although we have kept **investing in commercialisation and personnel** to continue promoting our **expansion**, thanks to our large sales increase, we achieved a positive EBITDA that almost tripled the one from the first half of 2021.

During this period, we have continued to take fundamental steps to **maintain our growth** and pivot our **business model** to make it **even more scalable** and reach new customers faster.

Our team's **efforts** to **develop the best product possible** have allowed us to offer our clients a **greater range of functionalities**, which is being decisive for continuing to take advantage of all the **business opportunities** that come our way. The **demand** for identity verification technologies is **increasing**, and the **digitalisation** of companies is an **unstoppable** reality. We have the best product, and these months have been the right opportunity to **reinforce our commercial team and our own international structure** with the opening of two new subsidiaries, to boost the search for new business opportunities, and, on the other hand expanding our **alliances with partners**, with the objective of boosting our business development.

So far this year our sales team has already taken our technology to a large number of **international events** such as Money 20/20 in Amsterdam or Identity Week in London. But in addition to attending events specialised in the banking sector, or in the digital identity sector itself, we **have also attended** those of other sectors in which we have also penetrated, such as sports events with SportsPro Live. In addition, we will soon participate in the International Airport Summit, a benchmark event for the travel and transport industry. For us, these types of meetings are the key to establishing a **closer and more personal connection with the potential client and partner** who seek to understand how our technology can add value to their business. Being close to our customers, offering them the best product possible and taking care of them is one of our

differential points as a company. That is why we have opted to transform our support partner in Latin America into **our second subsidiary, FacePhi LATAM**, located in Uruguay, from which we are our clients and partners' travel companions. Although we are not only pursuing this goal in Latin America, this year we have set ourselves a new challenge, to increase our presence in Europe, the Middle East and Africa with the **launch of FacePhi EMEA**, a subsidiary with which we hope to change everything and undertake a journey of no-return to FacePhi's **definitive international expansion**.

Our **technology's success** would not be possible without the support we get from obtaining **new quality certifications**. A recognition that is the result of our team's work, and on which we want to support ourselves to achieve the best distinctions that make the quality of FacePhi's technology speak for itself.

But all these developments are not the result of individual efforts, but of the more than **200 professionals** who today are part of FacePhi's team. A team made up of the **best experts** that continues to strengthen its presence in markets around the world, bringing innovation wherever it is required to demonstrate that a person is who they say they are.

These first months of the year have been challenging, but they have resulted in many **achievements**. We want the roadmap we have marked to guide us on the path we are on, making FacePhi an increasingly **large and extraordinary company and of great value to our investors**, whom I thank for their trust and for being part of our project. Here **we never stop**, thanks to a team spread all over the world that makes **FacePhi active 24 hours a day**. This is just the beginning; **stay** with us and **discover** how far we can go.

KEY FACTS

Experts in users' **digital identity verification**, specialised in digital onboarding and biometric authentication solutions.

 OFFICES

-  **+300M**
USERS
-  **+25**
COUNTRIES
-  **+150**
CLIENTS

Dual-listing

BME Growth

 **EURONEXT**



Industries of application of the technology:



FINANCIAL SERVICES



PUBLIC ADMINISTRATION



SHARED MOBILITY



HEALTH



TRAVEL AND TRANSPORTATION



INSURANCE SERVICES



SPORTS EVENTS



#1 COMPANY'S EVOLUTION

OUR STRATEGY

INTERNATIONAL STRUCTURE

NEW CERTIFICATIONS

EVENTS

BUSINESS DEVELOPMENTS

#2 FINANCIAL EVOLUTION

TURNOVER AND EBITDA

PROFIT AND LOSS



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COMPANY'S EVOLUTION

Our strategy

FacePhi was born with the objective that **our technology is present in businesses around the world**. For this reason, from our beginnings we have kept in mind that to achieve this objective, it is necessary to **gather the resources** that allow us to invest in the development and commercialisation of our technology.

To boost our growth, in 2019 we closed an **investment agreement** with the Swiss fund Nice & Green. In 2020 we signed a new agreement that will be in force until the end of 2022. In addition, we closed a syndicated loan for up to 13 million euros.

Obtaining these resources has been **key for accelerating our growth** and investing in the development of the best identity verification product on the market, the FacePhi Identity Platform, our new solution that came to make our **business model even more recurrent and scalable**. Thanks to this new product, we give our clients great flexibility, offering to them new functionalities and the possibility of customising their own solution according to their needs. Now we are capable of **covering on-premise and SaaS needs**, thus **maximising our business opportunities**.

OBJETIVE: our technology in businesses all over the world

So far, we have focused our efforts in:



FINDING RESOURCES

✓ **Investment agreement with Nice & Green for**

Up to €20M

✓ **Syndicated loan for**

Up to €13M



INVESTING IN TECHNOLOGY

✓ **Development of an innovative product**

ΦFacePhi
Identity Platform

✓ **A more recurrent and scalable business model thanks to**

The SaaS model

COMPANY'S EVOLUTION

During the first half of 2022 we have fully entered a new phase: the commercialisation of our new platform. For this we are strengthening our commercial and sales team while **increasing our alliances with international partners.**

In order to accelerate our arrival to every corner of the world, **we expanded our network of subsidiaries.** Thanks to having teams dedicated exclusively to each region, we can maximise business opportunities and offer our clients the best support, being able to adapt to the specific needs of each area. **We strengthened our presence in Latin America with the opening of FacePhi LATAM,** our new offices in Uruguay dedicated exclusively to working on new and existing projects and offering uninterrupted support to all of our clients in the region.

In addition, we make a definitive commitment to one of the largest and most attractive markets in the world and **we set out to conquer Europe, the Middle East and Africa** with the establishment of our new subsidiary **FacePhi EMEA** in the United Kingdom, which is specially focused on the search and development of commercial opportunities in throughout this market.

We add a fundamental part to this commercial strategy: our **attendance at events around the world.** Thanks to them we were able to present our technology to potential clients and partners, generating new business opportunities.

OBJETIVE: our technology in businesses all over the world

WHERE ARE WE **NOW?**

Since the beginning of 2022:



INVESTING IN COMMERCIALISATION

How?

New subsidiaries in LATAM and EMEA

Strengthening EMEA's commercial team

Strengthening our partner network

Events

International structure

Our structure continues to consolidate year after year, expanding throughout the world through subsidiaries and breaking down borders, thus **maximising the reach of our technology**.

We started in 2012 at our headquarters in Spain, to which we gradually incorporated different professional profiles until we created the multidisciplinary team that we have today. In 2019 we wanted to go one step further and we established ourselves in Seoul, South Korea, with our first subsidiary: FacePhi APAC, which has allowed us to enter the Asian market unstoppably thanks to the business and support team that makes up that office. This movement has been crucial to overcome the barriers posed by the time difference between regions and to have a team **with extensive knowledge of the specific needs of this market**.

These first months of 2022 we have continued to expand our international presence. Last March we opened our subsidiary FacePhi LATAM in Uruguay, from which we offer support to all our clients in the area, and which has become a key element for being able to continue offering the best service to a **number of clients that grows every day**. Last May we decided to boost our presence in Europe, the Middle East and Africa with the creation of FacePhi EMEA, located in the United Kingdom and in which we will have a projects, sales, marketing, and operations team. In this way, although the business strategy and technological development will continue to be carried out in our Headquarters, by having offices located in strategic areas we take fundamental steps to consolidate ourselves as an **international company** and to promote our expansion.



+200 EMPLOYEES

2012
HQ Spain

- PROJECTS
- SALES
- SUPPORT
- MARKETING
- R+D
- OPERATIONS
- HR

2019
FacePhi APAC

- PROJECTS
- SALES
- SUPPORT

2022
FacePhi LATAM

- PROJECTS
- SUPPORT

2022
FacePhi EMEA

- PROJECTS
- SALES
- MARKETING
- OPERATIONS

New certifications

At FacePhi, we seek to convey to our current and potential clients **our commitment to making our technology the best in the market**. With this objective, we constantly obtain new certifications in the highest quality standards, which also represent a **great competitive advantage**.



ISO 30107-3 Level 2, of iBeta2

This recognition proves that our user digital identity verification technology meets the necessary requirements to prevent fraud or identity theft.



ISO 22301

This standard helps companies plan strategies that ensure their customers the uninterrupted provision of the services they contract, even if a serious incident occurs.



National Security Scheme

This certification is mandatory for those companies that work with the Spanish public administration.



PINAKES

It distinguishes us as an approved technology provider for any national banking identity.

Events

The demand for identity verification technologies is increasing, and at FacePhi we have a versatile, innovative product that guarantees the highest quality. In order to take advantage of the greatest number of business opportunities and accelerate our arrival to the market, we choose the most important events in the sector to **showcase our technology**, presenting it to new clients and participating in presentations as experts in user identity verification.

These first six months of the year we have attended various **events in America, Europe and Asia** that have been decisive in continuing to build new relationships with potential customers and partners. In addition, we continue to attend events where we meet personally with national and international investors who want to know more about us and our business plan, conveying to them the **great growth potential** that the company has.

BUSINESS



Miami



Amsterdam



London



Seoul



Seoul

WITH INVESTORS

Investor Day



Madrid

Roundtable with



Valencia

Roundtable with



Valencia

One-to-one meetings



Paris

One-to-one meetings



Madrid

Roadshow with



Online

Business developments

At FacePhi, we started this 2022 expanding the use of our solutions. On the one hand, we **completed our presence throughout Central America** with our entry into Nicaragua through BAC Credomatic, a contract that also involved the application of our technology in 5 other countries. We also entered for the first time into the **shared mobility industry** together with WiBLE, the car-sharing service promoted by Repsol and Kia, and we took a new step in the health and public administration industry, this time in Spain, launching a **project with INGESA** for the implementation of an identity verification system for patients in Ceuta and Melilla's hospitals.

Although these have not been our only notable agreements. In 2022 we have also signed a contract with the retail company **Hites**, the fifth largest company in Chile, and with **SoYou**, a Spanish company specialised in loans and financing. In addition, we have expanded our alliances with partners by becoming a **new member of the Oracle Partner Network**.

NEW MARKET



NEW INDUSTRY



NEW AGREEMENTS OF GREAT STRATEGIC IMPORTANCE



Read press release



Read press release



Read press release



Read press release



Read press release



Read press release



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*FINANCIAL
EVOLUTION*

**Turnover
& EBITDA**

TURNOVER

€7.86M

↑ 89.4%*

EBITDA

€0.46M

↑ 180.6%*

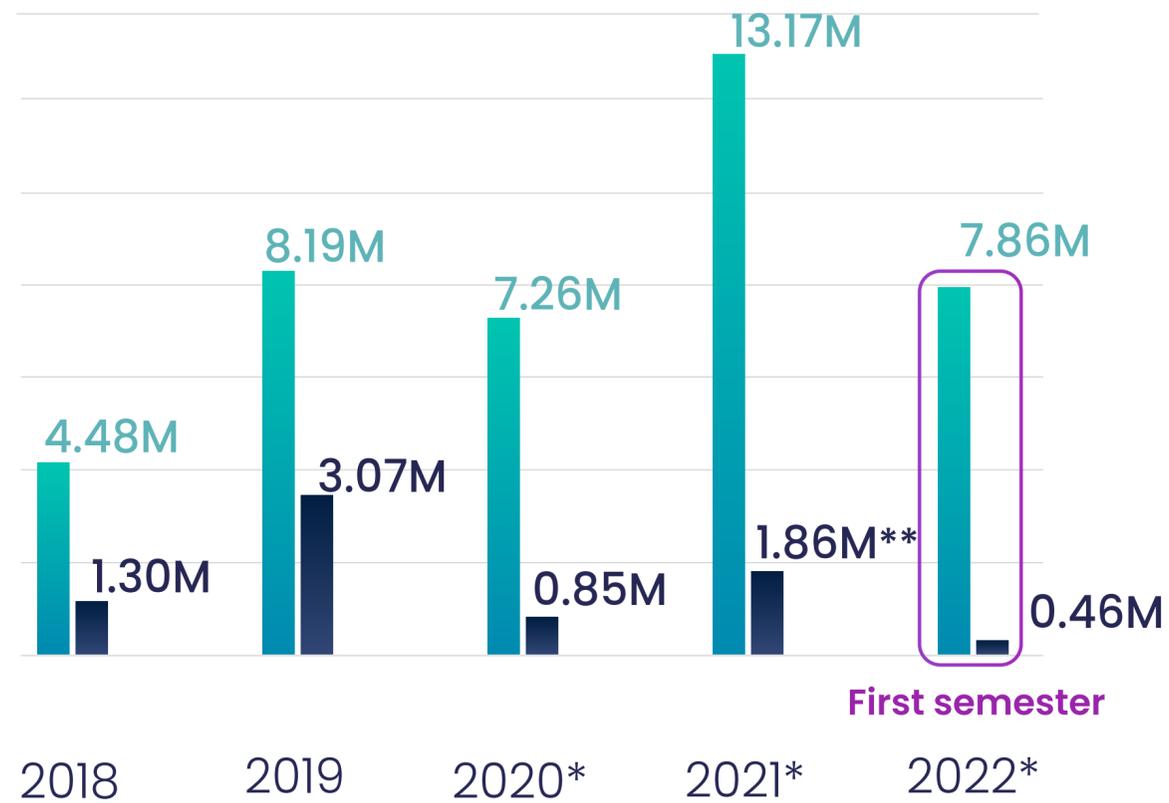
**EBITDA/SALES
5.80%**

✓ Improvement of 19.4 percentage points*

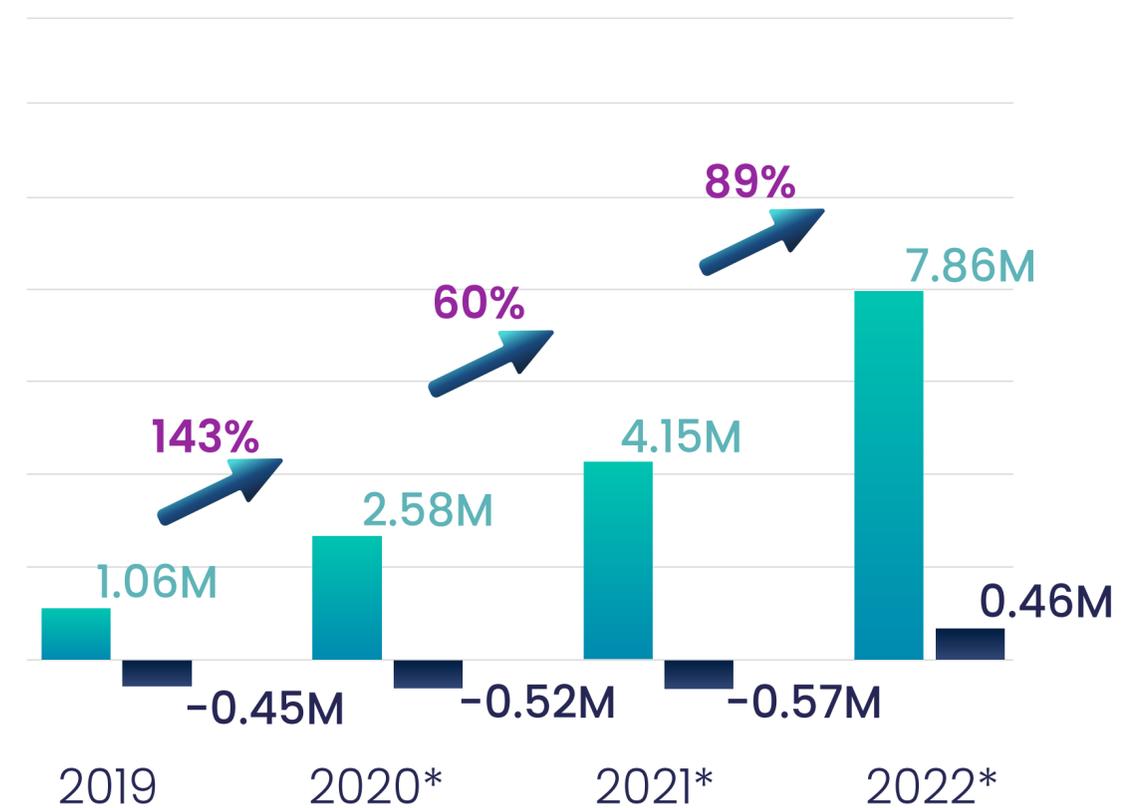
*VS first half of 2021

Turnover & EBITDA

EVOLUTION PER YEAR



EVOLUTION PER SEMESTER



● TURNOVER

● EBITDA

Source : FacePhi

*From 2020 onwards, FacePhi Group consolidated data.

**Adjusted EBITDA, having deducted from the EBITDA the expenses incurred for compensation payments according to note 15.A and the expenses of item 14 of the Profit and Loss Account of the Financial Information published on 29th April 2022.

Profit & Loss (000)

We started the first semester of 2022 with **an increase of almost 90% in our turnover**, going from €4.15M in the first half of 2021 to €7.86M achieved in these first months of 2022. In addition, the **146% increase in work carried out for the company for its assets** proves our firm commitment to the continuous development of technology to continue leading a sector in which constant innovation is crucial.

As a result of our **sales increase**, the cost of **supplies and commissions accrued** for said sales has also grown, maintaining thus the margin of previous periods. On the other hand, in order to support a growing number of projects that we carry out with our clients and to enhance our commercial expansion, **we have continued investing in personnel and we opened two new subsidiaries**, with which we intend to boost our international expansion.

In the first semester of the year, we have been able to resume our **attendance at national and international events. An investment that translates into** a wide range of opportunities to develop **business opportunities**.

Regarding our **EBITDA**, we achieved a **positive figure** in addition to an **improvement of more than 180%** compared to the same period in 2021, largely due to the sales increase.

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