



**BME - GROWTH**

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

Alicante, 26th July 2021

**COMUNICACION- 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).

On 23 July, the Board of Directors of FacePhi accepted the resignation of Chairman of the Board, Mr. Salvador Martí Varó, in order to have time to focus on other business projects. All the members of the Board of Directors wish to express their gratitude for the work carried out by Mr. Salvador Martí Varó throughout this time.

On that date, the Board of Directors unanimously agreed to appoint Mr. Javier Mira Miró as Chairman of the Board of Directors, which he will combine with his position as Chief Executive Officer.

It was also agreed to appoint Mr. Fernando Orteso de Travesedo as Vice-Chairman and Mr. David José Devesa Rodríguez as Vice-Secretary of the Board of Directors of FacePhi.

Finally, the Board approved the new composition of the Audit Committee, which now comprises Mr. Pablo Reig Boronat, as Chairman, and Mr. Fernando Orteso de Travesedo and Mr. David José Devesa Rodríguez as Secretary and spokesman, respectively.

The Company then presents the results preview for the first half of 2021 with the unaudited consolidated profit and loss account of the FacePhi Group as of 30 June 2021, as well as the same audited period of the previous year.

PROFIT AND LOSS (000)			
	First semester 2021 (Consolidated)	Audited first semester 2020 (Individual)	Var. %
<b>Total REVENUE</b>	<b>4,904 €</b>	<b>3,029 €</b>	<b>61.91%</b>
Net Revenue	4,150 €	2,586 €	60.48%
Tasks performed by the company for assets	754 €	443 €	70.27%
<b>Total EXPENSES</b>	<b>-5,486 €</b>	<b>-3,556 €</b>	<b>54.28%</b>
Procurements	-862 €	-921 €	-6.38%
Personnel expenses	-2,464 €	-1,462 €	68.58%
Other operating expenses	-2,211 €	-1,207 €	83.15%
Other results	51 €	34 €	52.61%
<b>EBITDA</b>	<b>-582 €</b>	<b>-527 €</b>	<b>-10.33%</b>

During this period, FacePhi has obtained a revenue from the sale of licenses of 4.15 million euros, which translates into a growth of 60% compared to the turnover of the same period of the previous year, and a negative EBITDA of 581,734 euros. These financial figures have not been audited, but are in the process of being reviewed by the auditor. For this reason, the amounts presented in the half-yearly financial information may differ from the data presented after the Company's auditors review.

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**

$\Phi$ FacePhi  
*Beyond Biometrics*

A dark blue, semi-transparent background image showing a group of business professionals in a meeting. In the foreground, a person's hands are shaking another person's hand over a laptop. Other people are visible in the background, some looking at the laptop. The overall tone is professional and collaborative.

# General Information

## Year-end 2020

# General Information

## Year-end 2020

### World leaders in Digital Identity

Biometric and digital onboarding solutions for identity verification.

### Sectors



Banking



Healthcare



Insurances

### Figures

**+90**  
CLIENTS

**+39M**  
USERS

### Dual listing



**EURONEXT**  
From 2020

**BME Growth**  
From 2014

Revaluation  
last 5 years

**647%**

Capitalization

**€73M**

Revenue  
2020

**€7.2M**



**φFacePhi**  
Beyond Biometrics

# General Information

## Year-end 2020

### Offices in Spain and South Korea

We have international clients such as:



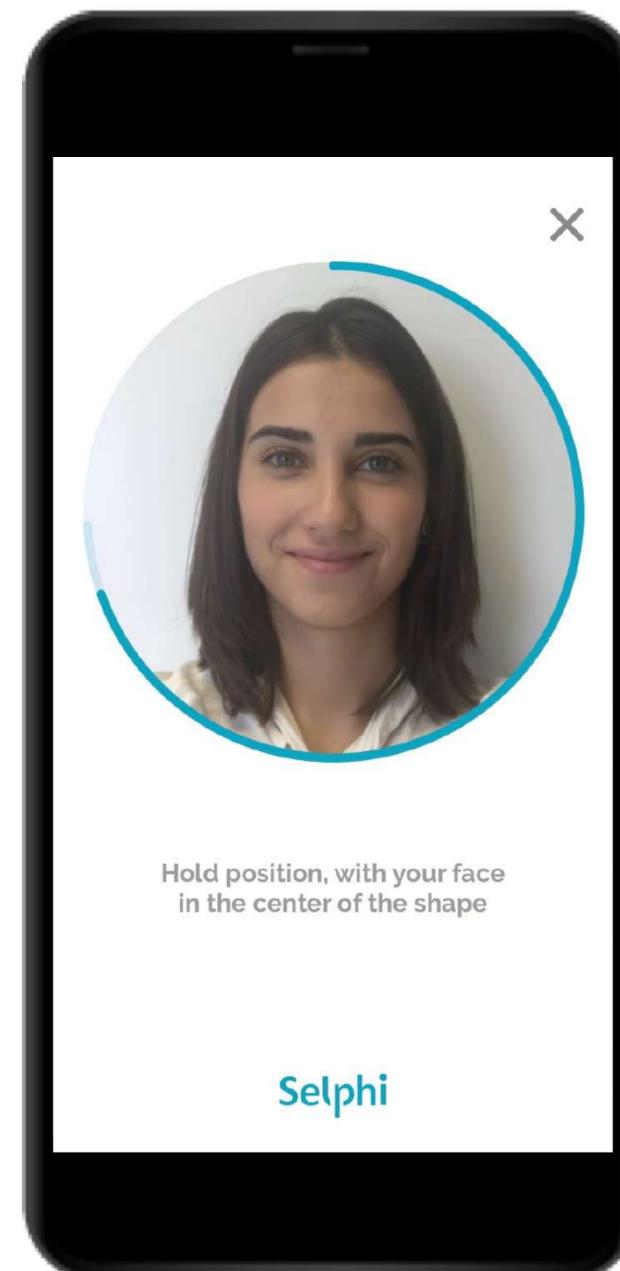
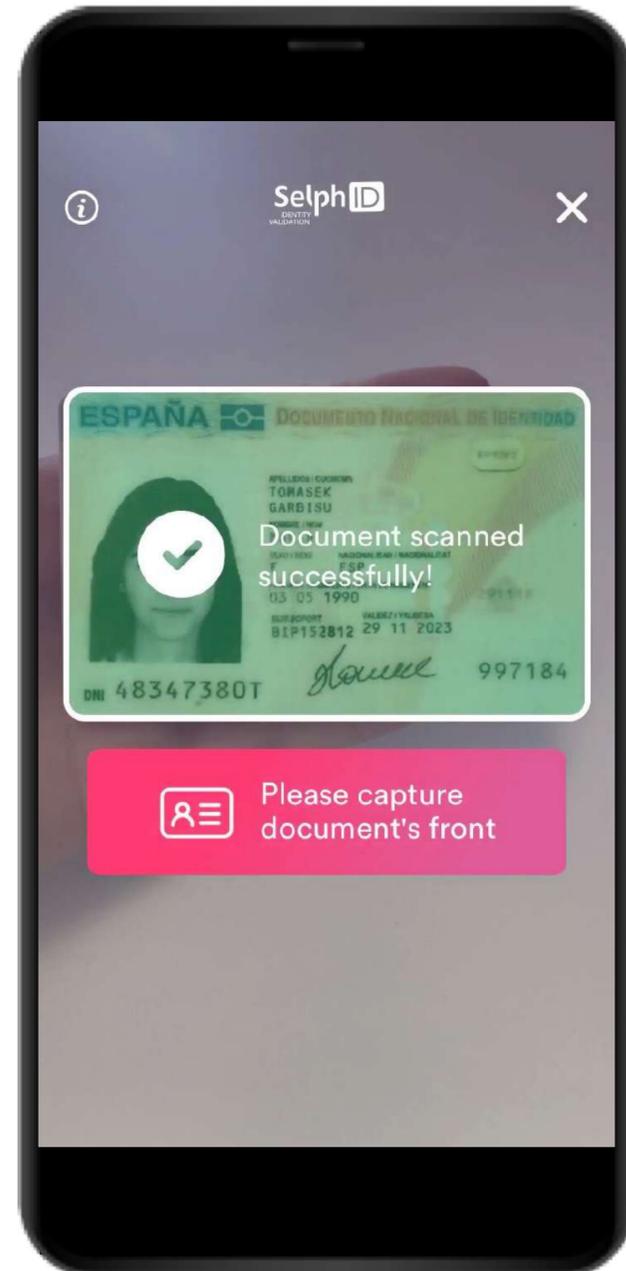
We have more than 80 partners such as:



# General Information

## Year-end 2020

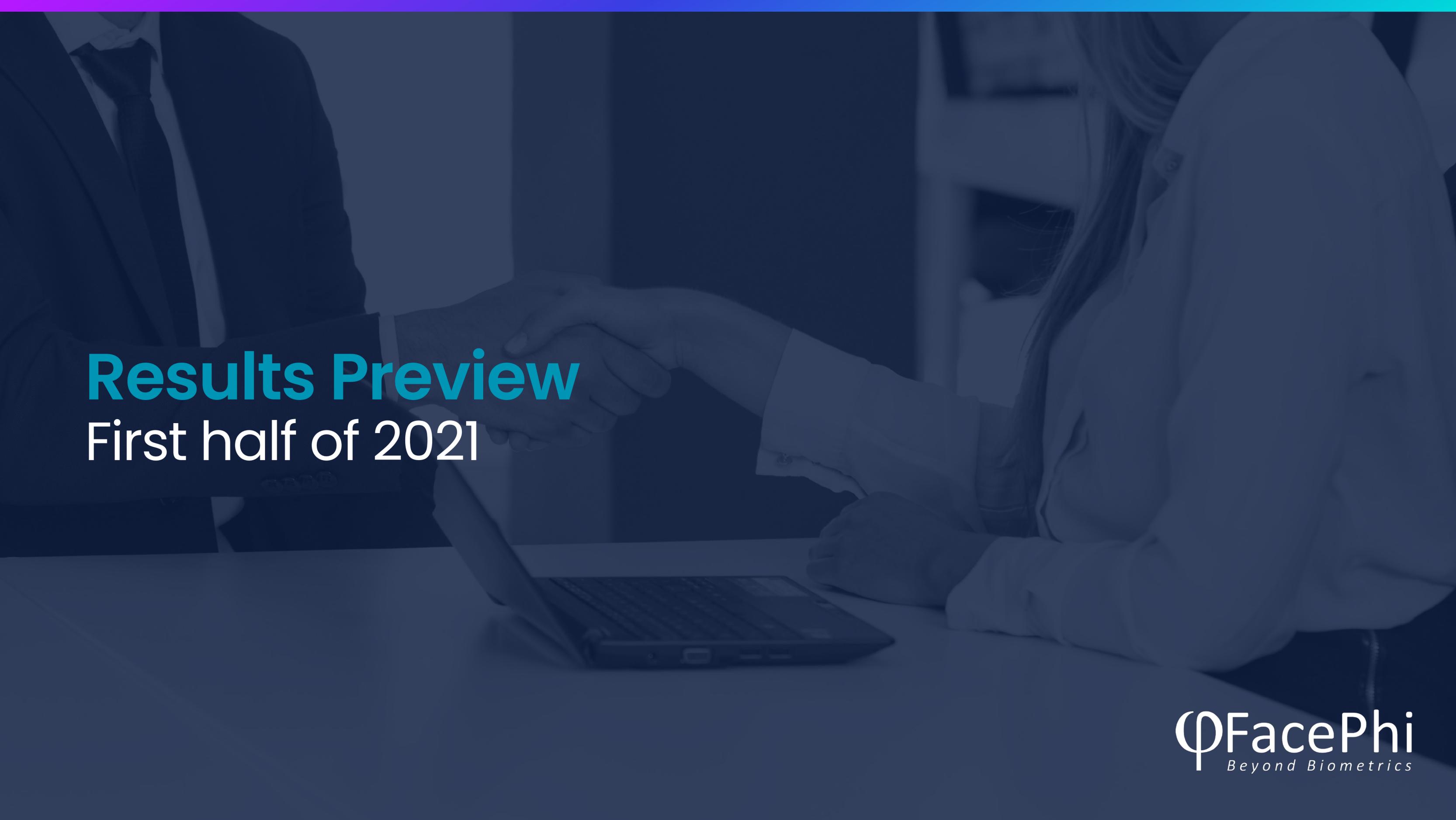
### DIGITAL ONBOARDING



### AUTHENTICATION

#### BIOMETRICS



A dark blue, semi-transparent overlay covers the entire image. The background shows a group of business professionals in a meeting, with one person pointing at a laptop screen. The text is overlaid on the left side of the image.

# Results Preview

## First half of 2021



Javier  
Mira

## CEO's Note

The first half of 2021 has been a period that we can consider as the beginning of a new economic scenario, in which many companies have begun to recover their strategic plans.

From FacePhi we have lived this new stage as an **opportunity to gain momentum**, reinforcing our organizational structure to continue addressing expansion to new markets and increasing our presence in regions where we are already consolidated, such as Latin America and Asia-Pacific.

The agreements we have reached in recent months clearly outline our roadmap. In 2021 we **made the leap to Africa** with a first project in Nigeria, in addition to having entered two other new markets: **Vietnam** and **Chile**. This expansion in our client portfolio has not only led to our landing in more countries, but has also allowed us to take the first step in sectors such as **airlines or sporting events**. All this reflects the adaptability of our technology and the fact that more and more companies trust us and see the **great added value** that a solution like ours can bring.

During this period, we have managed to recover the **growing trend** in our income, growing by more than 60% compared to the first half of 2020.

We continue to bet on **investing our resources in fueling our growth**, in order to be able to tackle all the new challenges and opportunities that are being presented to us. An example of this is the increase in our workforce, which is now made up of a solid team of more than 120 professionals who bring their experience and innovative profile to the company.

We are aware of the challenge posed by the great rate of growth we are experiencing at FacePhi. To do this, we continue to strengthen ourselves both structurally and organizationally and we are fully prepared to continue complying with our solid business plan and achieving the ambitious objectives we have for the company.

# Table of contents

---

01

## Financial Information

Revenue and EBITDA  
Profit and Loss

02

## Management Report

Business evolution  
Company evolution

01

# Financial Information



# Financial Statement

## Revenue and EBITDA

Revenue

**4.15M**

Gross  
Margin

**79.22%**

Improvement  
EBITDA / revenue

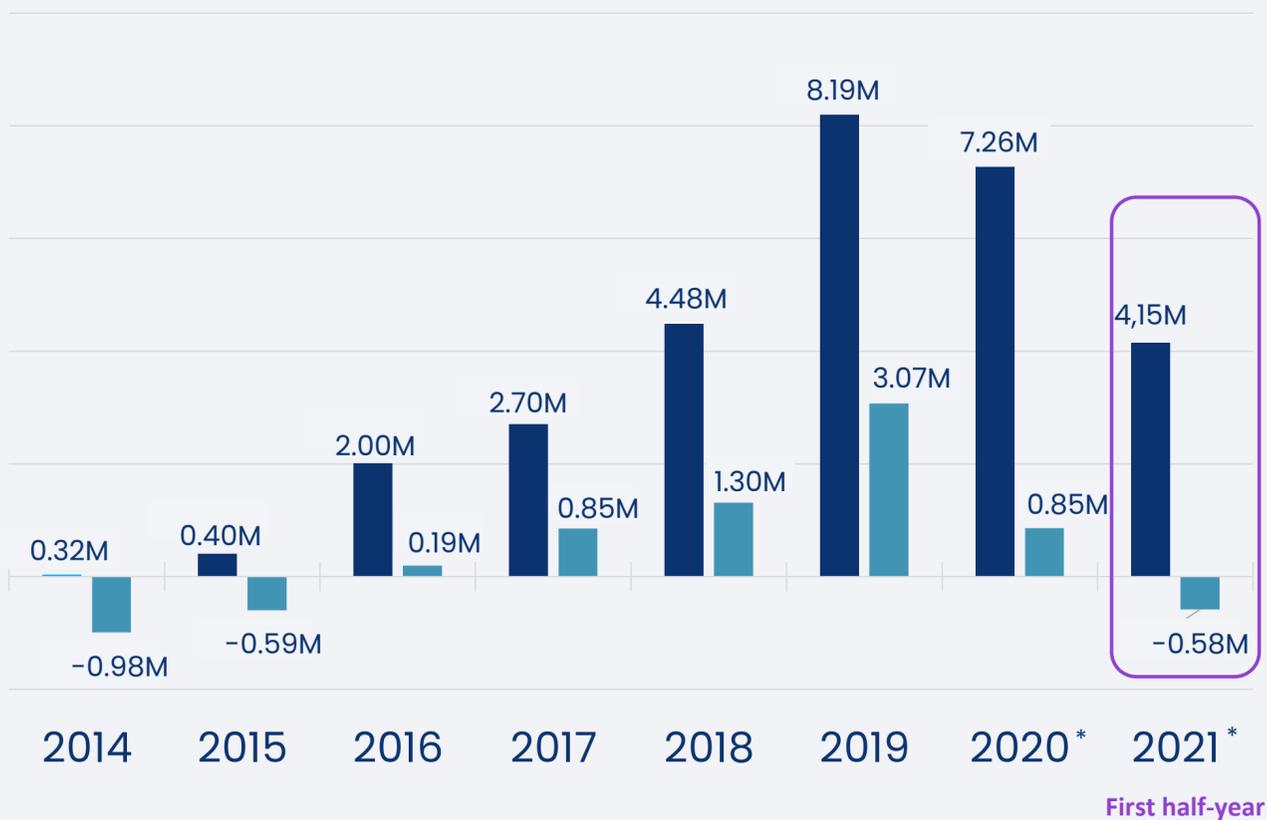
**6.2** Percentage  
points

Source: FacePhi

# Financial Statement

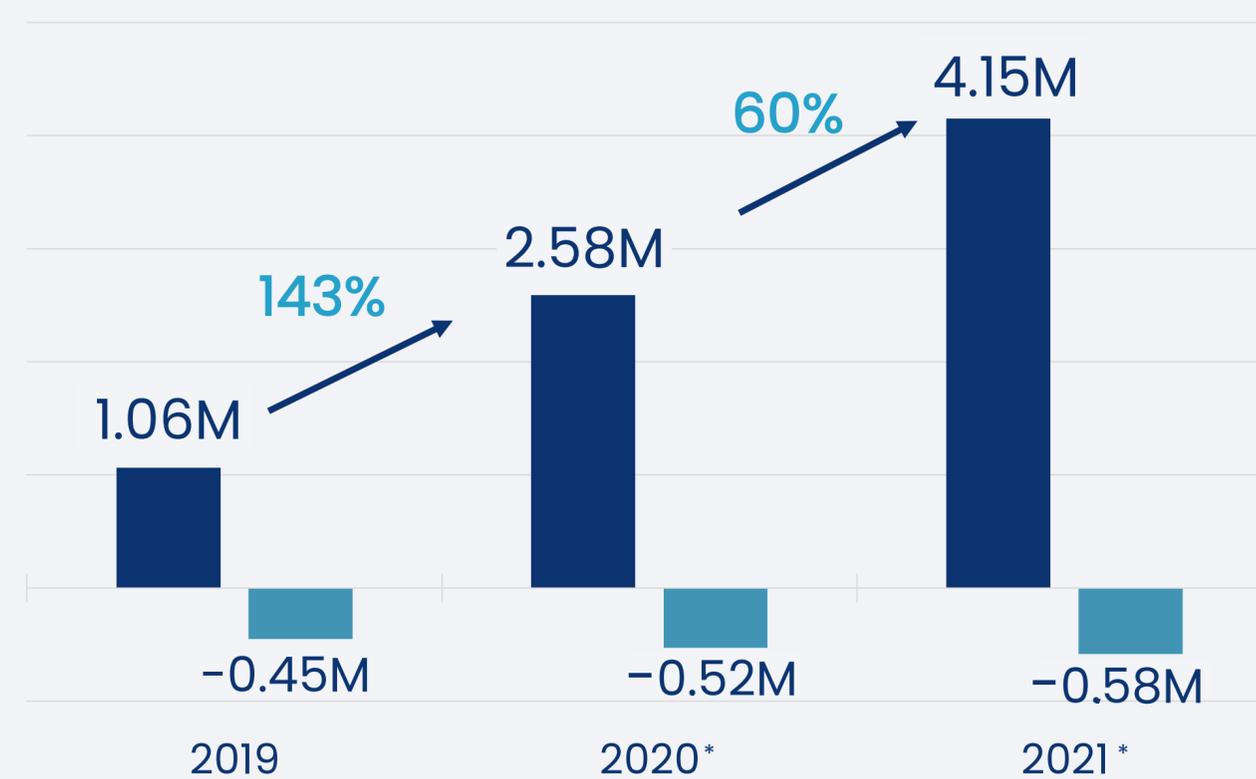
## Revenue and EBITDA

Evolution per year (Millions)



Source: FacePhi

Evolution per half-year (Millions)



Source: FacePhi

■ Revenue ■ EBITDA

\* As of 2020, consolidated data from the FacePhi Group

# Financial Statement

## Profit and Loss (000)

PROFIT AND LOSS (000)			
	First semester 2021 (Consolidated)	Audited first semester 2020 (Individual)	Var. %
<b>Total REVENUE</b>	<b>4,904 €</b>	<b>3,029 €</b>	<b>61.91%</b>
Net Revenue	4,150 €	2,586 €	60.48%
Tasks performed by the company for assets	754 €	443 €	70.27%
<b>Total EXPENSES</b>	<b>-5,486 €</b>	<b>-3,556 €</b>	<b>54.28%</b>
Procurements	-862 €	-921 €	-6.38%
Personnel expenses	-2,464 €	-1,462 €	68.58%
Other operating expenses	-2,211 €	-1,207 €	83.15%
Other results	51 €	34 €	52.61%
<b>EBITDA</b>	<b>-582 €</b>	<b>-527 €</b>	<b>-10.33%</b>

Source: FacePhi

Due to the increase in revenues, and with the aim of remaining a competitive and market-leading company, FacePhi continues to reinvest all its resources in its growth and expansion.

The main items of expenses are: Increase in staff in all departments to undertake projects and growth. In other operating expenses, the commissions equivalent to partners and collaborators, sales team and increased spending on support in Latin America, investment in marketing, and consulting and advisory services.

Also noteworthy is the improvement of 6.2 percentage points in EBITDA / revenue compared to the previous year.

02

# Management Report

**φFacePhi**  
*Beyond Biometrics*

# Business evolution

## Strategic approach: 3 key pillars

### Entry into new markets

During 2021 the company has opened **new markets**: Nigeria, Vietnam and Chile, and has consolidated existing ones, while the application of the products has been expanded to new sectors and use cases. The first semester a contract was signed with a Latin American airline, which opens the doors to **expansion in the travel and transportation sector**.

### Entry into new sectors and use cases

In addition, after winning the Valencia CF Innovation Hub project, the technology company makes the grand entrance to **top-level sporting events**. On the other hand, **cases of use** of our technology **have continued to be expanded** in the banking, healthcare sector, etc.

### Investment in growth and technology improvement

The digital identity sector continues to grow at an unstoppable rate, which means that FacePhi must continue to bet on the **innovation of its products**. It also seeks to **improve technology** to make it more adaptable to different applications, sectors and geographic markets, in addition to increasing commercial capacity either with its own equipment or through a network of partners.

All this means that the technical departments adapt the product and the solutions to new technologies such as blockchain, SaaS, etc; with the aim of **improving its market share and competitive strengths**.

# Business evolution

## Entry into new markets



### VIETNAM



FacePhi continues from its subsidiary in South Korea, promoting its expansion throughout the Asian continent with the **entry into the new Vietnamese market** with the aid of Pinetree Securities.

[Read more](#)

### NIGERIA



The company makes the **leap to Africa** by contributing to the digitization of Nigerian public administration in collaboration with Afrilight Technologies.

[Read more](#)

### CHILE



FacePhi consolidates leadership within the Latin American market and **opens Chile** with a project of a company of the retail sector.

[Read more](#)

# Business evolution

## Entry into new sectors and use cases

Since its inception, FacePhi has specialized in the banking sector. However, its technology is **capable of adapting** to the needs of companies in different sectors.

In this sense, in 2021 the company has had the opportunity to **explore new sectors**, such as airlines and sporting events, which shows its great potential for expansion.



### AIRLINES

FacePhi arrives at Latin American airports and verifies the identity of passengers for **contactless access to the airplane**.

[Read more](#)



### SPORTS EVENTS

The company enters the sporting events sector elite thanks to its agreement with Valencia CF, guaranteeing thus the **access of their fans** to the stadium.

[Read more](#)



# Business evolution

## Entry into new sectors and use cases

### New alliances with partners

The company continues to **strengthen its network of partners**, which have extensive knowledge of technology and the local market.

In this way, the **access capacity to new sectors and regions is expanded**.

## REVELOCK

The **alliance with Revelock** means being able to offer the more than **90 million users** of both companies all the guarantees offered by the combination of biometrics and behavioural analysis.

[Read more](#)

The **global agreement with ITSS**, a company with long experience in software integration and a network of **more than 220 banks**, implies the acceleration of the digitization of the banking sector around the world.

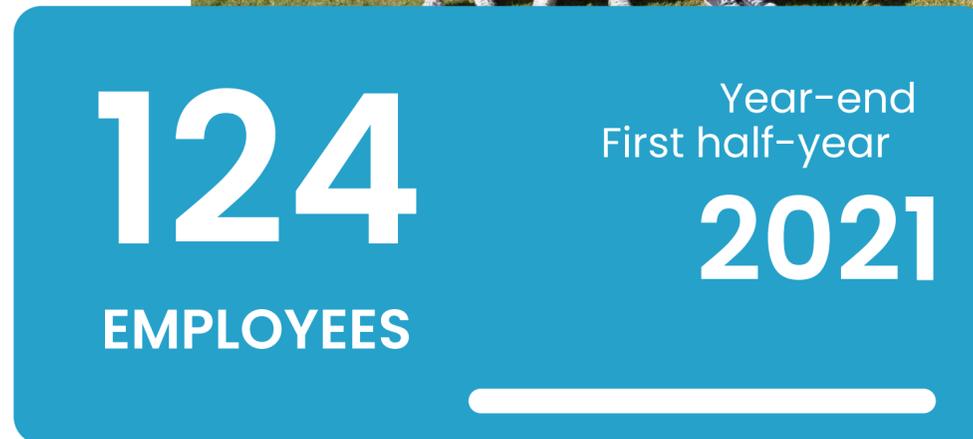
[Read more](#)

# Company evolution

## Investment in growth and technology improvement

### In the first half of 2021 FacePhi reaches 124 employees

Continuing with its commitment to investing in its growth, the company continues to strengthen and optimize its organizational structure. Thus, the first semester closes with a team of 124 professionals, which represents an increase in the workforce of 103%.



# Company evolution

## Investment in growth and technology improvement



- ❖ Implementation of CRM systems for sales and marketing
- ❖ Development of a partner portal



- ❖ Generation of local commercial team
- ❖ Increased team offering support
- ❖ Network expansion of partners



- ❖ Generation of a new support team
- ❖ Network expansion of partners



- ❖ Incorporation of business developers

## Business Area Milestones

# Company evolution

## Investment in growth and technology improvement



1

Improved functionality of current products



2

Creation of multidisciplinary and specialized teams for projects



3

Investigation of new biometric technologies



4

Development of new product architectures (SaaS)



5

Scalability and adaptability of applications



6

Agreements with universities for AI and Computer Vision projects

## Technical Area Milestones

# Company evolution

## Investment in growth and technology improvement

### Obtained:

Compliance plan to improve the information security management system to achieve the highest level of security in FacePhi's systems and technologies.



**ISO27001**  
Security Management System Information (obtained)



**ISO30107-3**  
Presentation Attack Detection

### Pursuing:



**ISO22301**  
Business Continuity Management



National Security Scheme

Development of testing system and applications

To stay at the forefront in the field of data protection

## Compliance and Quality Milestones

# Company evolution

## Investment in growth and technology improvement



Analysis and audit of flows for the improvement and optimization of internal and external processes



Implementation of Business Intelligence systems



Development of a Corporate Social Responsibility program

## Operations and Corporate Culture Area Milestones



The company has collaborated with ACCI (Association Against Blindness International), by donating computers and technological material to create computer rooms in one of the main hospitals in Burkina Faso.

[Read more](#)

# Company evolution

## Investment in growth and technology improvement

### Twitter investor



**Dedication of the Twitter channel for the dissemination of exclusive information for the investor**

The goal is to keep FacePhi investors informed of the latest news and continue with the commitment that the company has to transmit direct, transparent and clear information.

### Events



**Increase in the number of events in which FacePhi is present in order to gain visibility and obtain financing**

- ❖ Frankfurt Midcap Event 2021
- ❖ Forum Capital PYMES
- ❖ Webinar with Javier Mira
- ❖ MEDCAP 2021 Conference
- ❖ Spring European Midcap Event

### Newsletter



**Opening of a new and direct communication channel for the investor**

The investor may share their contact information to receive directly and immediately all official and relevant communications published by the company.

## Investor Relations Area Milestones

# Company evolution

## Awards and honours

### National SME of the Year Award 2020

Last February, FacePhi was awarded the **2020 National SME of the Year Award**, one of the most prestigious at the business level. An award granted by **Banco Santander and the Chamber of Commerce of Spain** and where it was selected from among more than 1,600 Spanish companies.

[See video](#)

### Forinvest 2021 Award

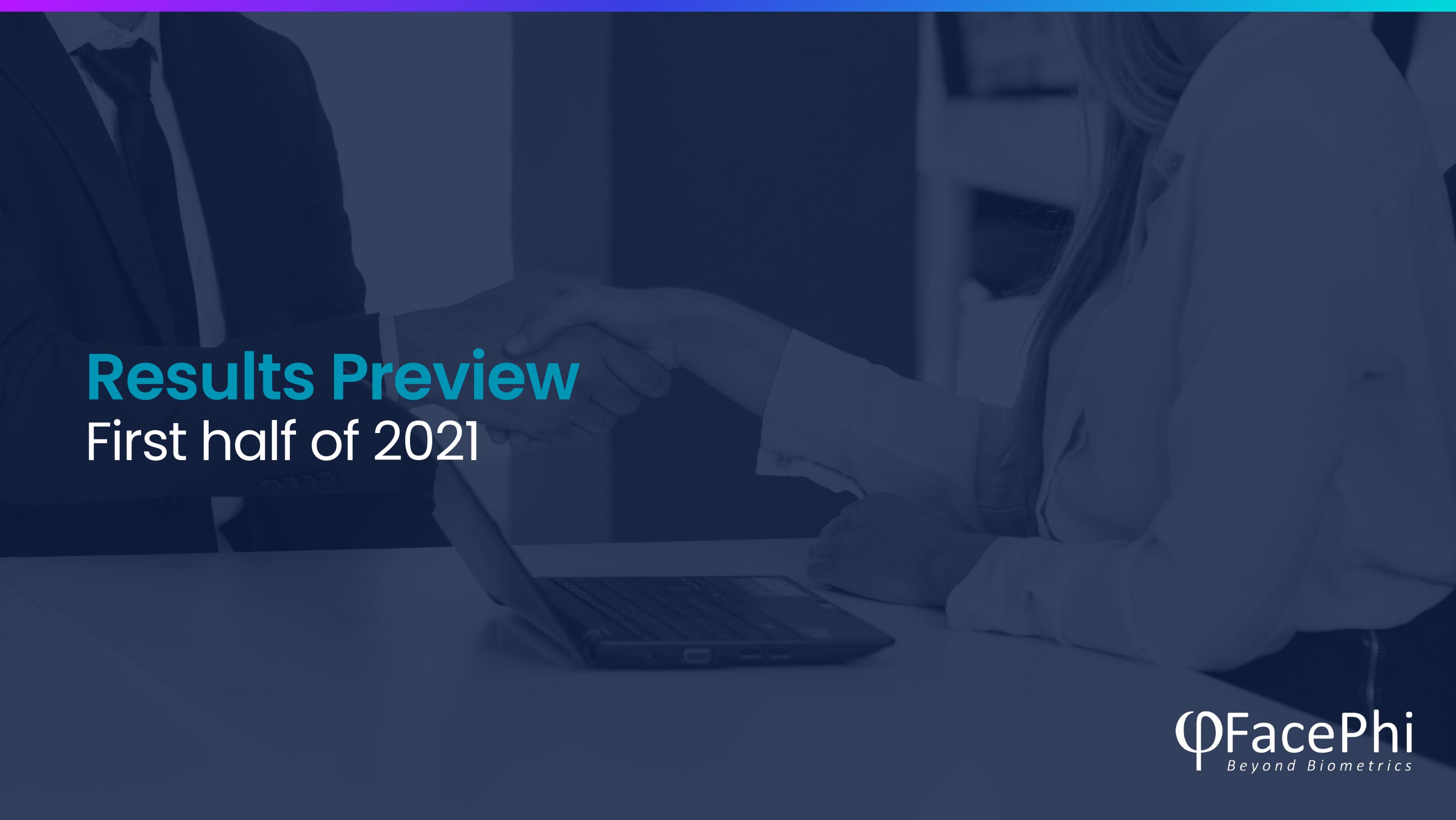
Javier Mira, CEO of FacePhi was awarded the **Forinvest 2021 Award for professional career in the business sector**, a recognition granted by Forinvest, the largest financial-business networking forum in Spain.

[See video](#)



[Read more](#)

Javier Mira, CEO of FacePhi, receiving the 2020 National SME of the Year award from H.M. the King of Spain, D. Felipe VI.

A dark blue-tinted background image showing a group of business professionals in a meeting. In the foreground, a person's hand is pointing at a laptop screen. Other people are visible in the background, some looking at the screen. The overall scene is professional and collaborative.

# Results Preview

## First half of 2021