

**BME - GROWTH**

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

Alicante, 25th of March 2024

**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 Law 6/2023 17<sup>th</sup> March, Spanish Securities Market and Investment Services, 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).

FACEPHI BIOMETRÍA, S.A. informs that last 21<sup>st</sup> of March a binding MOA (Memorandum of Agreement) has been signed with Hancom Inc (hereinafter "HANCOM"). This MOA provides the signing, within a period of 90 days, of a definitive investment and collaboration agreement, which will include the following milestones:

- Investment by HANCOM of an amount of FIVE MILLION EUROS (5,000,000 €) through a capitalizable loan. That loan will bear an interest rate of between 0 and 1%, to be determined by the parties, and will be capitalised through a capital increase by offsetting credits, having agreed a conversion price per share of 2.95 euros. The capital increase by set-off is subject to the approval by the Company's General Meeting of Shareholders, which will be convened once the loan to be capitalised has matured, the Directors have prepared the corresponding report and the Company's auditor's certification has been obtained for the purpose of the capitalisation of the loan.
- Exclusive Distribution Agreement: HANCOM will act as exclusive distributor in APAC (Asia-Pacific) territory of Facephi's products, solutions and technology. The licensing model will be based on a revenue share system. The agreement will have a duration of three years, renewable by both parties.

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.

A Press Release is attached.

Sincerely,

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Javier Mira Miró

**Chairman of the Board of Directors**

## **The Korean group HANCOM invests € 5M in the Spanish technology firm FACEPHI to become the Company's second most important shareholder**

- *HANCOM will be the exclusive distributor of FACEPHI products in Asia.*
- *This Investment and Collaboration Agreement will boost both enterprises' international growth potential.*

[Alicante, 25/03/24] – In a significant step towards future growth and international expansion, Spanish tech company Facephi – a specialist in digital identity verification – and the Korean conglomerate Hancom Group have announced plans to enter into an agreement encompassing, on one hand, an investment of five million euros in the Alicante-based listed company and, on the other, an exclusive distribution agreement for Facephi's products in the APAC (Asia-Pacific) region.

The binding Memorandum of Agreement (MOA), understood as a first step towards a final agreement, was signed in Barcelona on 21 March and stipulates a number of key milestones that demonstrate the two companies' mutual commitment to growth and collaboration.

The core of the future agreement is embodied in the strategic investment by the Korean group through a five-million-euro capital increase at a price of 2.95 euros per share.

The Exclusive Collaboration Agreement – under which Facephi will grant Hancom the exclusive right and license to use the former's technology in the prosperous APAC countries, thus consolidating its presence in the region – is another of the many synergies deriving from the MOA. Hancom will also obtain the exclusive right to sell and distribute, in the same region, all products developed by Facephi.

Furthermore, the Agreement includes a royalty arrangement under which Hancom will pay Facephi licensing fees pegged to the operating profit from said sale and distribution.

This agreement represents an exciting step forward for both companies, strengthening their position in the competitive global technology market and opening new growth opportunities. The final agreement is expected to be closed in the coming months subject to regulatory approvals and negotiation of the usual closing conditions.

**About the Hancom Group:**

The Hancom Group is one of Korea's leading software conglomerates and is known for its broad scope and leadership in various hi-tech sectors such as AI, SaaS, electronic documents, aerospace, healthcare, education, and leisure amongst which 3 companies are listed in Korea Exchange Market. Hancom Group is now constantly expanding its presence globally and vertically through strategic investments and mergers & acquisitions, and partnerships with international enterprises to strengthen its global technological competitiveness.

**About Facephi:**

Facephi is a technology company specialising in digital identity protection and verification noted for its focus on data security and integrity. Its products are designed to create safer, more accessible fraud-proof processes to prevent identity theft and ensure ethical processing of data of a personal nature. With head office in Spain and subsidiaries in APAC, EMEA and LATAM, Facephi has more than a decade of experience in the field of digital identity technology. It serves the needs of more than three hundred customers in over twenty-five countries worldwide, providing innovative solutions that address security challenges in a constantly-evolving digital environment.

For further information please contact:

Prensa

Email: [prensa@facephi.com](mailto:prensa@facephi.com)