2026

Investor Positioning

facephi

Protecting Identity to build the future

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Investment highlights

Attractive and profitable growth above the industry's average[1]

+28.6%
Revenue CAGR 2014-2024

+26.4%
Revenue CAGR 2024-2026e

230%+
EBITDA CAGR 2024-2026e

39%+
FCF / Ebitda 2026e

0.3x
Net Debt / Ebitda 2026e

+50% YoY[2]
TCV[3]

Compelling stock market valuation[4]

6.4x
EV / Ebitda 2026e

1.5x
Price / Revenue 2026e

Other metrics

30+
Countries

300+
Clients

<3%
Churn Rate

10+
Sectors

Facephi demonstrates structurally superior growth compared to the industry, with a 2014–2024 CAGR of **28.6%** vs. ~12% for the sector.

The strong advance in TCV (+50%) provides visibility and reinforces the sustainability of growth **exceeding 20%** in the medium term.

For 2024–2026e, we estimate a **CAGR of +26.4%**, accompanied by solid margin expansion and consistent FCF generation starting in 2026.

1 **Source:**
Cybersecurity: market data & analysis | Statista
Biometric System Market Size, Share, Trends and Growth Analysis 2032
Identity Verification Market Size, Trends, Growth Rate & Industry Share 2030
2 **Source:** Facephi's H1 2025 Earnings Release
3 TCV: Total Contract Value as of H1 2025
4 As of Dec. 31, 2025

Why Facephi and why now

AI reorders who captures value — an extraordinary advantage for Facephi

Fraudsters use AI to manufacture false identities and coordinate attacks at industrial scale. Solutions built on fixed rules do not remain static against this: they fall behind. Facephi has spent years developing proprietary decision engines that learn from every attempt.

Accelerating fraud crisis

The global digital identity and fraud prevention market is growing at an annual rate exceeding 15%, with a 2030e value of €87 billion, driven by rising fraud, instant payments, and new regulatory pressures.

From biometric verification to a comprehensive 360° fraud protection platform

Today, we combine identity verification, fraud prevention, and regulatory compliance through biometrics, AI, ML, and other technologies. We protect the client at every stage — when they open an account, when they operate, and when they transact — from a single platform with proprietary technology, recognized certifications, and a structurally high cost of substitution that translates into a churn rate below 3%.

Leader in a high-growth strategic market

The future of business is digital, and we are at an inflection point. AI is rewriting the rules of fraud, trust, and how organizations must protect themselves.

Solid foundation, enormous space ahead

With over 300 clients and 300 million users in production across LATAM and EMEA, Facephi has real traction in markets where global competition has yet to arrive. LATAM and EMEA will account for 41% of global sector revenues by 2028[5].

5 | **Cybersecurity**: market data & analysis (*Market Insights by statista – August 2024*).

Executive vision

Javier Mira
CEO

We are at an inflection point where AI is not simply a tool for improvement: ***it is the axis around which value is being redistributed in the software sector .***

Fraudsters are already using generative AI *to scale attacks that previously required dozens of people,* ***at minimal cost****.*

Providers that have not integrated AI at the core of their system *are competing with a structural disadvantage that* ***the market will progressively penalize****.*

We are living through an inflection point in digital identity. Digital fraud continues to grow and become more sophisticated, regulation adds new obligations, and AI is changing how companies capture value.

While generic software faces margin pressure and is easily replaceable, the solutions that banks use to verify identities, detect fraud, and comply with regulators become increasingly difficult to replace: they underpin regulatory sanctions, operational losses, and reputational risk — and regulatory pressure continues to grow.

At Facephi, we are not waiting for the future to arrive; **we have been anticipating it for years**

Our platform continuously protects clients at every stage: when they open an account, when they access it, and when they transact. Our proprietary decision engines cross real-time signals from the first contact to the last operation, with the ability to automatically justify each decision to the regulator.

The combination of a solid client base, differentiated technology, and strategic alliances enables us to grow profitably in markets where we already operate, while advancing strongly in EMEA, NORAM, and APAC, where we already have an active presence. The time is now: whoever consolidates their position as the reference platform over the next two years will be very difficult to displace.

Our growth underlines the success of our strategy: a revenue **CAGR of 28.6% between 2014 and 2024**, well above the industry average of ~12%, a presence in over 30 countries, and more than **300 clients** who trust our solutions globally.

We have left our start-up phase well behind and entered a phase of solid growth with consistent free cash flow generation, driven by geographic, product, and sector diversification

Our commitment is clear: execute with discipline, grow profitably, and generate value for all our stakeholders. We have the right team, strategy, and technology to capture this historic opportunity presented by digital transformation.

The future belongs to those who protect digital trust, and **Facephi is here to lead it.**

Market context

The digital identity and anti-fraud market is at a structural inflection point driven by three converging and mutually reinforcing vectors:

Driver	Impact	Opportunity for Facephi
Fraud acceleration with AI	Fraudsters use generative AI to create industrialized synthetic identities, real-time deepfakes, and algorithmically coordinated mule networks. The ECB reported €4.2bn in electronic payment fraud in 2024.	**AI-driven multilayer end-to-end defense:** session, account, and transaction. Rule-based systems cannot respond to attacks that evolve in real time.
AI as a value chain disruptor	AI reorders which software providers are relevant. Those that do not integrate it as a decision engine — not as a decorative layer — lose detection capability, precision, and competitiveness at an accelerated pace.	**Proprietary ML engines, explainable AI, onboarding agents, and behavioral biometrics** as execution advantages that competitors without an AI-native architecture cannot rapidly replicate.
Digital-first banking	End-client expectations demand onboarding in seconds. Legacy systems are competitive liabilities.	**Go-live in weeks** with no/low-code orchestration; KYC completed in <30 seconds.
Regulatory escalation	PSD3, eIDAS 2.0, DORA, AML6[6] and global equivalents require traceability, embedded evidence, and proof of technological controls.	**Compliance-by-design** as a competitive advantage; natural entry into new geographies.

At a quantitative level, market studies estimate annual compound growth rates (CAGR) ranging between **~13% and 20%** across different projection horizons and aspects of the industry.

For example: **the identity sector will have a 2025–2034e CAGR of ~19%**, reaching over US$205 billion annually, highlighting the strong demand for solutions that combine security, scalability, and a seamless user experience. In the facial recognition subsector, the 2025–2033e CAGR is 15.9%, reaching US$37.2bn annually[7].

The impact of these trends translates into pressure on legacy and fragmented software models, which struggle to provide integrated, real-time responses to threats that operate simultaneously across multiple vectors.

In contrast, modern security architectures — based on principles of zero trust, identity orchestration, and adaptive risk management — are gaining traction as necessary frameworks for balancing security, compliance, and user experience without compromising speed or efficiency.

6 | **PSD3**: New EU Payment Services Directive that strengthens consumer protection, open banking, and electronic payment security.
eIDAS 2.0: Update to the European digital identity regulation introducing the European Digital Identity Wallet (EUDI Wallet) and expanding trust services.
DORA: Digital Operational Resilience Act requiring financial entities to manage and test ICT and cybersecurity risks.
AML6: Sixth Anti-Money Laundering Directive harmonizing criminal offenses and penalties across the EU to combat money laundering and terrorist financing.

7 | **Source:** OpenRR Global Facial Recognition Market Size

Potential market

03

Market size by vertical

Our market spans five segments, each with its own regulatory and fraud pressure that creates an urgent need for integrated solutions.

Vertical	TAM 2027 (€M)	TAM 2030 (€M)	CAGR	Key Drivers
Transaction Monitoring	€24.1bn	€46.0bn	17.6%	Real-time payments, crypto-assets, AML
Identity Verification	€8.2bn	€14.3 bn	17.7%	Digital onboarding, eIDAS 2.0, synthetic fraud
Authentication & Access	€7.1bn	€1.8bn	14.2%	Passwordless adoption, continuous biometrics
Mule Account Detection	€4.4bn	€9.2bn	21.2%	Coordinated networks, regulatory pressure
Behavioral Biometrics	€1.5bn	€3.1bn	19.8%	pKYC, KYAC, passive fraud signals
TOTAL TAM *(High-Case)*	€56.3bn	€87.6bn	15.9%	Regulation + fraud acceleration

Serviceable Available Market (SAM) by geography - 2030

NORTH AMERICA

3.4

SAM 2030
(€bn)

Large market but highly competitive; selective entry

Facephi Priority
Tier-3

EU / UK

8.4

SAM 2030
(€bn)

eIDAS 2.0 as catalyst; Eastnets alliance strengthens market entry

Facephi Priority
Tier-2

APAC

1.1

SAM 2030
(€bn)

Selective opportunities with local partners

Facephi Priority
Tier-3

MEA

11.9

SAM 2030
(€bn)

High regulatory demand, low competitor penetration

Facephi Priority
Tier-1
(active expansion)

LATAM

36.7

SAM 2031
(€bn)

94% of current revenues.

Facephi Priority
Tier-1
(consolidated base)

€61.5bn
Total SAM

Facephi's solution

04

Value proposition

Facephi's value proposition in the face of this paradigm shift is a new standard that prioritizes delivering digital trust and security at every step, providing end-to-end protection based on three levels of action:

- **identity impersonation prevention**
- **Unauthorized fraud detection through Account Takeover (ATO) and the prevention of authorized fraud such as mule accounts**
- **Regulatory compliance (KYC, KYT, AML, etc.)**

With an Identity First Security approach, Facephi places digital identity at the center of operations and security strategies, protecting the entire identity lifecycle. This approach ensures that digital verification is the first asset defending identity, while promoting that every interaction is authenticated in real time without disrupting the user experience — creating a unique "digital DNA".

All of this is delivered through a comprehensive end-to-end platform for regulated industries, reducing fraud such as AML and friction, with go-live in weeks and compliance by design from day one.

We are well-positioned to capture these opportunities, as evidenced by our double-digit growth projections (e.g., CAGR 2024–2026e: +26.4%), well above the industry average, **with an increasing focus on efficiencies, profitability, and consistent cash flow generation.**

+26.4%
TACC 2024-2026e

The Competitive Advantage of AI-Native Identity Platforms

The sector is in the midst of a transition from rule-based systems to platforms that learn and adapt. That transition does not benefit everyone equally: those who built on artificial intelligence from the outset have an advantage that grows over time.

Dimension	Provider with **Native AI** (Facephi)	Provider with Bolted-On | **Legacy AI**
Fraud Detection	Proprietary ML models trained on correlated end-to-end signals; automatically adapt to new attack patterns.	Manual rules or non-integrated external ML modules; require manual updates with delays relative to threats.
Deepfakes & Synthetics	Passive liveness with proprietary computer vision models, evaluated by NIST; continuous update against new attack techniques.	Dependency on third-party liveness providers; less control over the update cycle.
False Positives	Behavioral biometrics + context + correlated document data reduce false positives without sacrificing approval rates.	Higher false positive rates when operating with isolated signals; high operational cost of manual review.
Regulatory Traceability	Integrated explainable AI: every decision has an auditable justification ready for the regulator at one click.	Black-box models or no traceability layer; non-compliance risk with DORA and AI regulations.
Adaptation Costs	Modular architecture updatable without lengthy IT projects; no/low-code orchestration.	Costly integration cycles to incorporate new AI capabilities; growing technical debt.
Competitive Advantage Over Time	Expands: more proprietary data → better models → better detection → more clients → more data	Shrinks: the gap relative to AI-native players widens with every innovation cycle.

AI is not a feature to be added

It is an architecture built over years. Providers that have not traveled this path face technical debt that the market will begin to penalize at an accelerating pace from 2026 onwards.

Three-Layer defense architecture

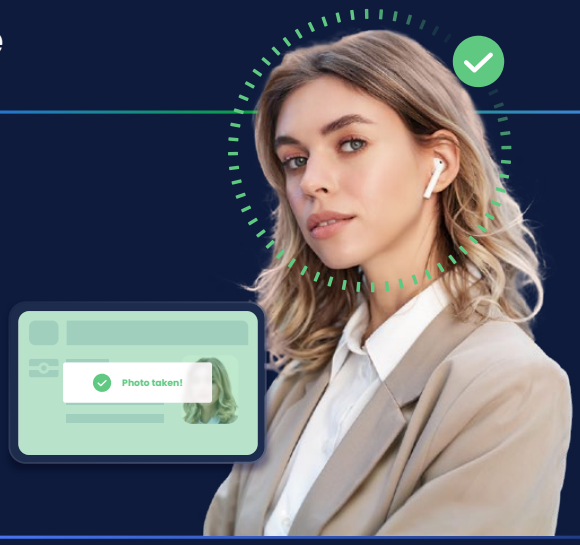
01 Client onboarding

What It Protects

Verifies that whoever opens an account is who they claim to be, in less than 30 seconds, with detection of false documents and simulated faces.

Against What

False identities, deepfakes, onboarding fraud



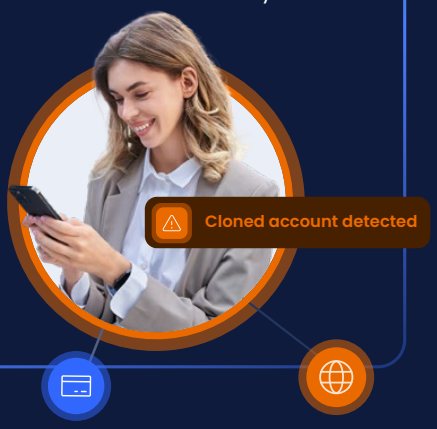
02 Account activity

What It Protects

Monitors how each account operates after onboarding: usage patterns, devices, transaction velocity. Detects accounts used to move illicit funds before they do so.

Against What

Fraudulent account networks, anomalous behavior changes



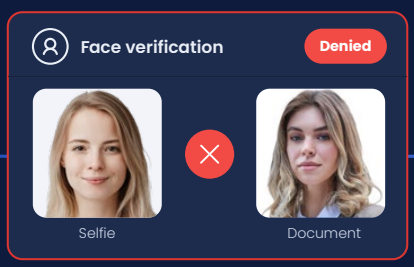
03 Transactions

What It Protects

Analyzes each transaction against compliance rules and sanctions lists. Automatically generates the reports regulators require. KYT capability in alliance with Eastnets where applicable.

Against What

Money laundering, illicit financing, regulatory non-compliance



Key differentiators

Three levels of defense

KYC/pKYC (session), KYAC (account), and KYT/AML (transaction) with end-to-end

01

Fraud intelligence

Signal correlation from onboarding → login → post-login with early detection of mules, ATO, and scams.

02

03

No/Low-Code orchestration
Flow design by country/segment without heavy deployments; go-live in weeks with auditable evidence.

04

Frictionless multi-biometrics
Facial/voice/fingerprint + passive liveness: KYC <10s and auth <0.5s with defense against attacks.

Explainable and governed AI
Hybrid engines with full traceability of each decision and an agent that guides capture and suggests next-best-action. This turns AI disruption into competitive advantage (traceable decisions and continuous improvement), while approaches that do not evolve with AI tend to lose efficacy against increasingly automated fraud.

05

Compliance-by-Design
Integrated compliance, privacy by design, flexible data residency, and co-sell with strategic partners.

06

Facephi's evolution

05

Strategic objectives

Our focus for the coming years is structured around these key pillars:

01

Continuous technological differentiation
End-to-end Identity & Anti-Fraud Suite.

02

Scaling with focus and prioritization in key markets: MEA (UAE, Saudi Arabia, South Africa, MENA) and LATAM (Mexico, Brazil, Colombia), NORAM and APAC as priority markets.

03

Internal operational excellence:
Aligned sales and marketing processes, real-time conversion metrics, and regional teams with their own playbooks.

What Facephi **IS NOT**

- A biometrics-only company
- A solution focused solely on onboarding
- A point technology that is easily replaceable
- A generalist IT services provider
- A product adapted reactively to regulation

What Facephi **IS**

- End-to-end identity + anti-fraud platform
- Continuous management of the client lifecycle
- Modular and scalable digital identity infrastructure
- Strategic business advantage for the client
- Compliance-by-design integrated into every decision
- Undisputed leader in digital security for the banking sector

Facephi as an investment

06

The investment thesis in four points

Facephi is an end-to-end identity and anti-fraud platform for regulated industries, exposed to structural long-term trends: growing fraud, real-time payments, tightening regulation, and the adoption of AI and orchestration-based risk architectures.

Market

The total addressable market reaches

€87.6bn in 2030
(CAGR 15.9%)

The transaction monitoring segment alone exceeds €46bn. 99% of the market remains to be captured even under Facephi's conservative growth assumptions.

Platform

Moving from point-in-time verification to continuous risk management expands the monetization space per client from a single event to a critical infrastructure subscription. The three-layer architecture creates genuine, not merely commercial, switching barriers.

Traction

Revenue CAGR 2014–2024: +28.6%, more than double the industry average[8].

Revenue CAGR 2024-2026e	Industry Average 2025e y 2026e
26%+	**+13-14%**[9]

"Rule of 40" 2026e **40%+**

ARR Growth 2024 **28%+**

TCV **€65M**[10]
YoY **+50%**

Churn Rate **<3%**

Margin expansion:
Gross margin 2026e **85%+**[11]
Ebitda 2026e **~26%**

Cash Flow 2026e **positive**

Geographic expansion from LATAM to **APAC & EMEA**

These KPIs position Facephi among the highest-quality SaaS companies in the comparable-size European market, and as one of the most attractively valued public companies in the sector (EV/F12M Sales 2026e: ~1.6x).

Moment

The confluence of PSD3/eIDAS 2.0/DORA, the rise of AI-driven fraud, and the expansion of real-time payments creates a structural window of opportunity. But there is an additional factor: the AI cycle is redistributing market share within the sector. Providers without an AI-native architecture will lose contracts they will not be able to recover. Facephi is on the right side of that reordering.

8 | **Cybersecurity**: market data & analysis (Market Insights by statista – August 2024).
9 | **Piper Sandler**: September 2025
10 | As of June 2025.
11 | Consensus analyst estimates as of February 2026.

Ecosystem and institutional validation

Certifications and institutional recognitions are not merely marketing credentials. For a regulated banking buyer, they are purchase prerequisites. For an investor, they are indicators of moat. Facephi has accumulated:

Security Certifications

IISO 27001, ENS (Spanish National Security Framework), NIST evaluations

Analyst Recognition

Gartner Hype Cycle for Digital Identity 2025; Gartner Innovation Insight for Biometric Authentication; Market Guide for User Authentication

Gartner

The Prims Project: Facephi Ranks No. 1 in Biometric & Document Authentication Capabilities in the Identity Platform Category[12]

International Bodies

IATA (aviation and passenger onboarding), DIACC (Digital Identity & Authentication Council of Canada), STA (Secure Technology Alliance, USA)

Strategic Alliances

eastnets

(co-sell/resell AML and transaction monitoring in MEA and EMEA)

HANCOM

(Korea and Japan)

Partner strategy enabling entry into 10+ countries

Cloud Ecosystem

Available on AWS Marketplace; deployable in SaaS, private cloud, and on-premise

aws Qualified Software

Facephi enters 2026 in a new phase: evolving from "biometric verification" to a comprehensive 360° anti-fraud solution for regulated industries

extending its value proposition across the entire client lifecycle (onboarding, account, and transaction) and reinforcing its differentiation in a market driven by AI and regulation.

This repositioning is underpinned by proven traction and scale (€28.9M in 2024 revenues, +28.6% CAGR 2014–2024; 300+ clients in 30+ countries) and strong commercial visibility (TCV €65.0M as of June 2025). With an estimated 2024–2026e growth of 26.4% and margin expansion (gross margin 2026e: 80% and EBITDA 2026e: 26%), Facephi consolidates a high-quality profile and an attractive investment potential in a sector with a TAM 2030e of ~€87.6bn and structural tailwinds.

12 | **Source:** 2025 Flagship Report | Prism Project

facephi

To more information, visit
www.facephi.com

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