

Alicante, 1st of September 2020

PRESS RELEASE - 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 6/2018 of Mercado Alternativo Bursátil (MAB), we inform you about the yearly financial report for 2019 related to the company FACEPHI BIOMETRIA, S.A. (hereinafter "FacePhi" or "the Company", interchangeably).

OTHER RELEVANT INFORMATION

FacePhi signs the first agreement in Asia within the financial sector with KB Securities, a subsidiary of KB Financial Group, one of the largest financial services conglomerates in Korea and now the first financial group in the country to offer its clients the 100% digital onboarding system of the Spanish technology company.

The Company has developed a facial recognition and optical character reading system for KB Securities, which allows the opening of a bank account with only a user's selfie and an ID photo. The implementation of this service is a milestone for the banking sector in Korea since, until now, the remote opening of an account in the country required the verification of the customer through a video conference with the financial institution.

For FacePhi, offering SelphID in a country as technologically advanced as Korea is a big success considering the high regulatory barriers in these types of transactions and the backing of the regulators themselves who have given the go-ahead for this access system with facial recognition thanks to the high security and total compatibility with data privacy.

We remain at your disposal for any clarification you may require.

Sincerely

Salvador Martí Varó

Chairman of the Board of Directors

Spanish company FacePhi has developed a facial recognition and optical character reading system for KB Securities, part of KB Financial Group, which allows opening a bank account with no more than a client's selfie and a photo of his/her identity document.

FacePhi expands in Asia by introducing the first 100% digital onboarding system for a Korean bank

- **The implementation of this service represents a milestone for the banking sector in Korea. Up to now, the remote opening of an account in Korea required a videoconference between the client and the financial institution.**
- **Korean legislation, one of the world's most advanced and demanding in terms of technological regulation, has approved this onboarding system with facial recognition for its high security and compatibility with data privacy.**

The Spanish technology company, [FacePhi](#), has reached a new milestone in Asia for its identity verification systems by means of facial recognition. The firm, a global benchmark in biometric solutions for large companies, has developed the first 100% digital onboarding program for **KB Securities**. **KB Securities is a subsidiary of [KB Financial Group](#)**, one of the largest Korean financial services conglomerates and now the first financial group in Korea to embrace this technology.

The company integrates its facial recognition system and optical character reading in the mobile application (*M-able*) of the Korean entity, making it possible to open a bank account with no more than a client's selfie and a photo of his/her identity document. The SelphID technology will be in charge of comparing the images and authenticating the new client, allowing them to contract banking products remotely and with all guarantees of security and privacy.

The adoption of this onboarding procedure represents an unprecedented step forward for Korean banking, which so far required the opening of new accounts to be done in person or by videoconference at pre-established customer service hours. The alliance between KB Financial Group and FacePhi represents a major development for the country's financial sector. This is endorsed by the regulators themselves, who have approved this access system with facial recognition for its high security and full compatibility with data privacy.

"Korea is the most advanced country in the world in the development and use of technologies such as blockchain, machine learning or identity verification through biometrics. If we add to this that its legislation is very demanding in terms of regulating technological aspects in the banking sector, we find that the introduction of our digital onboarding system has constituted a turning point", explains Javier Mira, CEO of FacePhi. "We are very satisfied with this new project, both because it boosts our expansion in Asia and because it demonstrates that a Spanish company is selected in a country where some of the most powerful technology firms in the world are located", highlights the CEO.

KB Securities, with a turnover of \$7.5 billion and with nearly 2,800 employees, provides digital banking services to hundreds of thousands of clients through the *M-able* application. According to data provided by the company, this financial services app was used last April by more than 520,000 users, who since the end of August, have also used the SelphID biometric security system, developed by FacePhi, to open and access their bank account.

"Using facial recognition to open a new bank account is very useful in a society like Korea, where most customers only use digital banking services. In addition, facilitating this operation at any time of the day is the most practical option for people who travel constantly, for managers who have very little time and for the elderly as it provides user-friendliness with all the security guarantees", concludes the CEO of FacePhi.

About FacePhi

FacePhi is the leading Spanish company in biometric solutions for identity verification, specialized in facial recognition systems, digital onboarding and safe work environments. Based in Alicante and worldwide visibility, the company has a presence in more than 25 countries, has performed more than one trillion authentications, 21 million access programs and has a strong presence in the banking sector. The drive of biometrics to improve customer experience and protect data from citizens and entities is the hallmark of the firm.