

Alicante, October 21<sup>st</sup>, 2024

**COMMUNICATION- MARKET NOTICE- FACEPHI BIOMETRIA, S.A.**

Dear Sirs,

Pursuant to the provisions of Article 17 of Regulation (EU) 596/2014 on market abuse, Article 227 of Act 6/2023 of March 17th on Securities Markets and Investment Services and related provisions and Circular 3/2020 of the BME Growth segment of BME MTF Equity, we hereby inform you of the following information relating to the trading company FACEPHI BIOMETRIA, S.A. (hereinafter “FacePhi” or “the Company” interchangeably).

**FINANCIAL INFORMATION FOR THE FIRST HALF OF 2024**

- Consolidated interim financial statements as of June 30<sup>th</sup>, 2024
- Individual financial statements as of June 30<sup>th</sup>, 2024
- Report on the outcome of the first half of the 2024

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

Sincerely,

---

Javier Mira Miró

**Chairman of the Board of Directors**

## Facephi set a new record growth figure in the first half of 2024, increasing its turnover by 20%

- ***The Company achieved a turnover of € 11.7 million and continues to reach the targets inherent in execution of its business plan and international expansion goals.***
- ***Facephi continues to make progress in its internationalisation and geographical diversification plans:***
  - *the Company signed an agreement with Hancom to expand its business in APAC and entered into a new business alliance in Pakistan;*
  - *in EMEA it penetrated the Polish and South African markets by means of its Partner strategy, one of its main growth drivers.*
- ***The management team expressed its satisfaction at having already achieved the optimum operational and technological structure, one that will enable Facephi to achieve faster growth and strengthen its cash flow as of 2025.***

**Alicante, October 21<sup>st</sup>, 2024.-** Facephi Biometría, S.A. (**BME Growth: FACE; Euronext Growth Paris: ALPHI**) Today (“Facephi” or “the Company”), the Spanish world leader in the protection and authentication of digital identity, announced its financial results for the first half of the 2024 financial year.

*The Company* achieved a turnover of € 11.7 million, a 20.0% increase in comparison with 1H23. Taken together, variable and fixed costs only rose by 13.9% while extraordinary expenses amounted to € 1.0 million. These expenses are basically related to restructuring of subsidiaries and corporate capital transactions, which means that normalised EBITDA<sup>1</sup> improved by 10.0% compared to 1H23.

With respect to overheads, Management now considers that the operating structure has reached its target dimension. As is usual in the technology sector, the cost of acquiring new markets, niches and customers occurs before the resulting growth impacts turnover which, like EBITDA, will rise significantly in 2025.

With respect to the main parameters of the Balance Sheet, Restated Net Equity<sup>2</sup> grew by 6.2% in 1H24 mainly due to contributions of € 7.4 million from Hancom and Nice & Green, currently the main shareholders. Their contributions are expected to exceed an estimated € 11.0 million by the end of the financial year. Restated Working Capital increased by a noteworthy € 0.9 million in the first six months of the year and is now approaching break-even point.

**In the words of Javier Mira, Chairman of the Board of Directors:** “We are delighted with our performance during the first half of 2024 because it represents the culmination

---

<sup>1</sup> Without taking extraordinary expenses into account.

<sup>2</sup> Book Net Equity plus the called capital contributions by Hancom and Nice & Green of €5 million and €0.6 million respectively pending formal transfer at the end of 1H24.

of years of investment to develop an exceptional corporate and technological structure and implement international expansion strategies that should enable us to achieve more profitable growth and generate consistent cash flow as of 2025.

This confidence is particularly noticeable in the strong growth in the ARR figure<sup>3</sup> that rose from € 12.7 million to € 21.8 million between the end of 2022 and the end of 2023 before surging to € 27.4 million in the first half of 2024; in other words, it has more than doubled in less than two years.

In addition to the significant advances in the operational and financial structure, we must not forget the progress we have made to strengthen the Company's value, image and relationship with the capital markets during this year. We have taken three measures on this front:

- One. - Having identified new modes of capital contribution as a driving force of growth, we decided not to issue any more convertible bonds in our relationship with *Nice & Green*, our main shareholder.
- Two. - Aitor D'Oxandabaratz – an executive with more than ten years' experience as corporate CFO in industrial companies – has joined our team with the mission of successfully and profitably leading our expansion while closely monitoring the profitability and cash-generation aspects of the business.
- Finally, we have recruited Antonio Jorge as Investor Relations Officer to send a renewed signal of our determination to strengthen communication with all our institutional and retail investors with the aim of safeguarding their interests and ensuring a fruitful and successful long-term relationship.

In short, we are entering a new phase in which we have the talent, tools and operational and financial resources we need not only to grow faster, but to do so in a more profitable and productive manner, the result of years of hard work but above all of innovation, Facephi's DNA.”

### **About Facephi**

Facephi is a technology company specialising in digital identity protection and verification and 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.

Facephi has more than a decade of experience in the development of technologies aimed at protecting the digital identity of people. With head offices in Spain and subsidiaries in APAC, EMEA and LATAM, Facephi serves the needs of more than three hundred customers across twenty-five countries worldwide, providing innovative solutions that address security challenges in a constantly-evolving digital environment.

### **Further information and contact**

Investors: Facephi – [antoniojorge@facephi.com](mailto:antoniojorge@facephi.com)

Media: Evercom – [facephi@evercom.es](mailto:facephi@evercom.es)

---

<sup>3</sup> ARR: Annual recurring revenue.



**FACEPHI BIOMETRÍA, S.A.**

**Interim financial statements corresponding to the six-month period ending June 30<sup>th</sup>, 2024**

**Consolidated Balance sheet**  
30th June 2024  
(In Euros)

ASSETS	NOTES TO THE FINANCIAL STATEMENTS	30/06/2024	31/12/2023
<b>A) NON-CURRENT ASSETS</b>		<b>26.986.282</b>	<b>26.605.685</b>
I. Intangible fixed asset	4	12.027.124	11.845.693
9. Other fixed intangible		12.027.124	11.845.693
II. Tangible fixed assets	5	2.497.100	2.650.151
1. Land and buildings		1.959.412	2.025.031
2. Technical installations and other tangible fixed assets		537.688	625.120
V. Non- current financial investments	7	141.518	140.916
5. Other financial investments		141.518	140.916
VI. Deferred tax assets	10.4	4.520.806	4.901.032
VII. Commercial debtors	7	7.799.734	7.067.893
<b>B) CURRENT ASSETS</b>		<b>19.063.542</b>	<b>19.105.826</b>
III. Trade and other receivables	7	17.545.591	15.435.428
1. Clients from sales and provision of services		15.693.037	13.563.397
5. Other debtors	10	3.922	(733)
6. Other receivables from Public Administrations	10	1.848.632	1.872.765
V. Current financial investments	7	187.604	169.261
5. Other financial investments		187.604	169.261
VI. Short term accruals		700.609	767.869
VII. Cash and cash equivalents	7.4	629.738	2.733.267
1. Cash and banks		629.738	2.733.267
<b>TOTAL ASSETS</b>		<b>46.049.823</b>	<b>45.711.511</b>
<b>EQUITY AND LIABILITIES</b>	<b>NOTES TO THE FINANCIAL STATEMENTS</b>	<b>30/06/2024</b>	<b>31/12/2023</b>
<b>A) EQUITY</b>		<b>16.222.725</b>	<b>20.043.048</b>
A-1) Shareholders' equity	8	15.620.752	19.590.554
I. Capital	8.1	903.574	851.585
1. Issued capital		903.574	851.585
II. Share premium		26.679.312	24.231.301
III. Reserves		(5.313.929)	(788.808)
IV. (Treasury stock and shares)		(360.306)	(393.977)
V. Result attributed to the parent company		(6.287.898)	(4.309.547)
A-2) Adjustments for changes in value	8.2	(137.693)	(177.349)
IV. Conversion difference		(137.693)	(177.349)
A-3) Grants, donations and legacies received	8.3	739.665	629.843
<b>B) NON-CURRENT LIABILITIES</b>		<b>2.244.469</b>	<b>3.268.122</b>
I. Non-current provisions		36.904	36.904
1. Non-current provisions		36.904	36.904
II. Non-current debt	9	1.961.010	3.021.270
2. Debt with financial institutions		1.924.806	2.927.486
3. Finance Lease Liabilities		36.204	93.784
5. Other financial liabilities		0	0
IV. Pasivos por impuesto diferido	10.4	246.555	209.947
<b>C) CURRENT LIABILITIES</b>		<b>27.582.630</b>	<b>22.400.340</b>
I. Current provisions	9	90.350	288.168
1 Current provisions		90.350	288.168
III. Current debt	9	15.273.785	10.164.052
2. Debts with financial institutions		9.283.264	8.603.348
3. Financial lease creditors		94.360	93.241
4. Derivatives		0	0
5. Other financial liabilities		5.896.161	1.467.282
V. Trade and other payables	9.3	11.275.503	10.809.252
1. Suppliers		3.948.232	3.775.612
4. Other payables		7.327.270	7.033.640
VI. Short term accruals	11.a	942.993	1.138.868
<b>TOTAL EQUITY AND LIABILITIES</b>		<b>46.049.823</b>	<b>45.711.511</b>

**Consolidated Profit and loss account**

30th June 2024

(In Euros)

	NOTES TO THE FINANCIAL STATEMENTS	(Debits) Credits	
		30/06/2024	30/06/2023
<b>A) CONTINUED OPERATIONS</b>			
<b>1. Net Revenue</b>	<b>11.a</b>	<b>11.694.187</b>	<b>7.859.195</b>
b) Services provided		11.694.187	7.859.195
<b>3. Work undertaken by the Company on its own assets</b>	<b>11.c</b>	<b>2.365.543</b>	<b>1.855.813</b>
<b>4. Supplies</b>	<b>11.b</b>	<b>(2.144.126)</b>	<b>(1.426.879)</b>
c) Work undertaken by third party companies		(2.144.126)	(1.426.879)
<b>5. Other operating income</b>		<b>80.877</b>	<b>92.960</b>
a) Non-Core and Other Current Operating Revenues		40.629	29.187
b) Operating subsidiaries integrated in financial year profit / loss		40.247	55.691
<b>6. Staff expenses</b>	<b>11.d</b>	<b>(8.303.435)</b>	<b>(6.607.843)</b>
a) Salaries, remunerations and similar expenses		(6.971.575)	(5.550.952)
b) Social contributions		(1.331.861)	(1.000.647)
c) Provisions		0	(56.245)
<b>7. Other operating expenses</b>	<b>11.e</b>	<b>(6.908.432)</b>	<b>(6.318.395)</b>
a) External services		(6.609.830)	(6.016.570)
b) Taxes		(912)	0
c) Loss, impairment and variation in provisions for trade operations	<b>6</b>	(297.691)	(301.826)
<b>8. Fixed assets depreciation</b>	<b>4 - 5</b>	<b>(2.669.831)</b>	<b>(1.352.150)</b>
<b>9. Allocation of grants related to non-financial fixed assets and other</b>	<b>8.3</b>	<b>124.388</b>	<b>141.124</b>
<b>13. Other profit / loss</b>		<b>(1.009)</b>	<b>20.268</b>
<b>A.1) OPERATING PROFIT/ LOSS</b>		<b>(5.760.839)</b>	<b>(4.082.209)</b>
<b>15. Financial expenses</b>		<b>270.584</b>	<b>20.694</b>
b) From trade securities and other equity instruments		270.584	20.694
<b>15. Financial expenses</b>		<b>(829.077)</b>	<b>(402.388)</b>
b) On debts to third parties		(829.077)	(338.275)
b) Other financial expenses		0	(64.113)
<b>16. Variations in the fair value of financial instruments</b>		<b>0</b>	<b>(268.802)</b>
a) Trading portfolio and other		0	(268.802)
<b>17. Adjustments for changes</b>	<b>11.f</b>	<b>241.350</b>	<b>219.682</b>
<b>A.2) FINANCIAL PROFIT/ LOSS</b>		<b>(317.142)</b>	<b>(430.815)</b>
<b>A.3) PROFIT/ LOSS BEFORE TAX</b>		<b>(6.077.981)</b>	<b>(4.513.023)</b>
<b>20. Income tax</b>	<b>10.3</b>	<b>(209.917)</b>	<b>(182.034)</b>
<b>A.4) PROFIT/LOSS FROM CONTINUED OPERATIONS</b>		<b>(6.287.898)</b>	<b>(4.695.058)</b>
<b>A.5) PROFIT/LOSS FOR FINANCIAL YEAR</b>		<b>(6.287.898)</b>	<b>(4.695.058)</b>

Individual Balance sheet 30th June 2024 (in Euros)		
ASSETS	30/06/2024	31/12/23
<b>A) NON-CURRENT ASSETS</b>	<b>30.754.467</b>	<b>30.427.857</b>
I. Intangible fixed asset	12.018.270	11.837.865
II. Tangible fixed assets	2.417.187	2.565.865
IV. Non-current investments in group and associated companies	3.925.417	3.925.417
V. Non-current financial investments	131.709	129.785
VI. Deferred tax assets	4.462.150	4.901.032
VII. Commercial debtors	7.799.734	7.067.893
<b>B) CURRENT ASSETS</b>	<b>18.807.330</b>	<b>18.085.530</b>
III. Trade and other receivables	16.605.625	14.762.253
1. Clients from sales and provision of services	14.772.681	12.973.216
3. Other debtors	3.315	433
5. Assets for current assets	0	(733)
6. Other credits with Public Administration	1.829.629	1.789.338
IV. Current investments in Group Companies	1.035.282	0
V. Current financial investments	52.940	49.414
VI. Short term accruals	638.726	675.239
VII. Cash and cash equivalents	474.757	2.598.624
<b>TOTAL ASSETS</b>	<b>49.561.798</b>	<b>48.513.387</b>
EQUITY AND LIABILITIES	30/06/2024	31/12/23
<b>A) EQUITY</b>	<b>19.868.694</b>	<b>23.199.752</b>
A-1) Shareholders' equity	19.129.028	22.569.909
I. Capital	903.574	851.585
II. Share premium	26.679.312	24.231.301
III. Reserves	(14.975)	208.198
IV. (Treasury stock and shares)	(360.306)	(393.977)
V. Gains retained	(2.327.198)	0
VI. Result attributed to the parent company	(5.751.378)	(2.327.198)
A-3) Grants, donations and legacies received	739.665	629.843
<b>B) NON-CURRENT LIABILITIES</b>	<b>2.244.469</b>	<b>3.258.245</b>
I. Non-current provisions	36.904	36.904
II. Non-current debt	1.961.010	3.011.394
2. Debt with financial institutions	1.924.806	2.927.486
3. Financial lease creditors	36.204	83.908
IV. Deferred tax liabilities	246.555	209.947
<b>C) CURRENT LIABILITIES</b>	<b>27.448.635</b>	<b>22.055.391</b>
II. Short term provisions	90.350	288.168
III. Current debt	15.274.793	10.162.350
2. Debts with financial institutions	9.283.264	8.603.348
3. Financial lease creditors	94.360	92.287
5. Other financial liabilities	5.897.168	1.466.715
IV. Current debts in Group companies	89.162	0
V. Trade and other payables	11.054.698	10.473.072
1. Suppliers	3.849.563	3.640.986
2. Suppliers, group companies and associated	237.102	175.828
3. Other creditors	6.045.292	5.478.887
4. Other payables	513.332	620.918
6. Other debts with Public Administration	409.409	556.453
VI. Short term accruals	939.632	1.131.801
<b>TOTAL EQUITY AND LIABILITIES</b>	<b>49.561.798</b>	<b>48.513.387</b>

**Individual Profit and loss account 30th  
june 2024  
(in Euros)**

	(Debit) Credit	
	30/06/2024	30/06/2023
<b>A) CONTINUED OPERATIONS</b>		
<b>1. Net Revenue</b>	<b>11.074.650</b>	<b>9.544.648</b>
b) Services provided	11.074.650	9.544.648
<b>2. Work undertaken by the Company on its own assets</b>	<b>2.366.543</b>	<b>2.100.488</b>
<b>3. Supplies</b>	<b>(3.241.667)</b>	<b>(1.899.781)</b>
c) Work undertaken by third party companies	(3.241.667)	(1.899.781)
<b>4. Other operating income</b>	<b>80.877</b>	<b>84.878</b>
a) Ingresos accesorios y otros de gestión corriente	40.629	29.187
b) Operating grants deferred to the exercise	40.247	55.691
<b>5. Staff expenses</b>	<b>(6.902.181)</b>	<b>(5.565.767)</b>
a) Salaries, remunerations and similar expenses	(5.752.406)	(4.705.619)
b) Social contributions	(1.149.775)	(858.673)
c) Provisions	0	(1.475)
<b>6. Other operating expenses</b>	<b>(6.103.597)</b>	<b>(5.998.433)</b>
a) External Services	(5.805.907)	(5.081.288)
b) Other expenses	0	(615.319)
c) Loss, impairment and variation in provisions for trade operations	(297.691)	(301.826)
<b>7. Fixed assets depreciation</b>	<b>(2.652.353)</b>	<b>(1.337.593)</b>
<b>8. Allocation of grants related to non-financial fixed assets and other</b>	<b>124.388</b>	<b>141.124</b>
<b>11. Impairment losses and gains or losses on fixed assets</b>	<b>0</b>	<b>(142)</b>
<b>14. Other profit / loss</b>	<b>1.593</b>	<b>25.502</b>
<b>A.1) OPERATING PROFIT/ LOSS</b>	<b>(5.251.747)</b>	<b>(2.905.076)</b>
<b>14. Financial income</b>	<b>270.584</b>	<b>20.644</b>
<b>15. Financial expenses</b>	<b>(829.077)</b>	<b>(402.389)</b>
b) Others	(829.077)	(402.389)
<b>16. Variations in the fair value of financial instruments</b>	<b>0</b>	<b>(268.802)</b>
<b>17. Adjustments for changes</b>	<b>246.769</b>	<b>220.150</b>
<b>A.2) FINANCIAL PROFIT/ LOSS</b>	<b>(311.723)</b>	<b>(430.397)</b>
<b>A.3) PROFIT/ LOSS BEFORE TAX</b>	<b>(5.563.470)</b>	<b>(3.335.473)</b>
<b>24. Income tax</b>	<b>(187.908)</b>	<b>(182.034)</b>
<b>A.4) PROFIT/LOSS FROM CONTINUED OPERATIONS</b>	<b>(5.751.378)</b>	<b>(3.517.508)</b>
<b>A.5) PROFIT/LOSS FOR FINANCIAL YEAR</b>	<b>(5.751.378)</b>	<b>(3.517.508)</b>



# Review of the Accounts

First half  
2024



I would like to highlight everything that 2024 has shown us so far. It has been a year of consolidation, including important agreements such as the one reached with HANCOM, which marks a significant milestone in terms of our international footprint, especially in the APAC region, and new opportunities in the technology landscape.

Strategic partnerships and a new revenue recognition model are proving effective. The current €11.7 million turnover is already positive for growth.

We have strengthened leadership and management with a strategic focus by creating new positions for the CFO and Investor Relations, an Operations Directorate in LATAM, which has become a global customer support centre, and by incorporating Nice&Green into our Board of Directors.

Our adaptability is based on technological innovation with a strong focus on security, which has led us to include new functionalities such as behavioural biometrics, premium UX consultancy services and KYB Platform.

We positioned ourselves as an anti-fraud benchmark, organising proprietary events for the first time, such as the Digital Trust Meet, which took place in Spain and Mexico and included companies, institutions and leading individuals.

This year we celebrated our tenth anniversary on the BME Growth, the Spanish stock market.

I would like to thank all the Facephi team for their commitment and dedication, as well as the trust placed in us by each and every one of the entities that count on us.





# Contents

## 01 Business development

## 02 Management report

Our Strategy  
Technology  
Business  
Structure and people

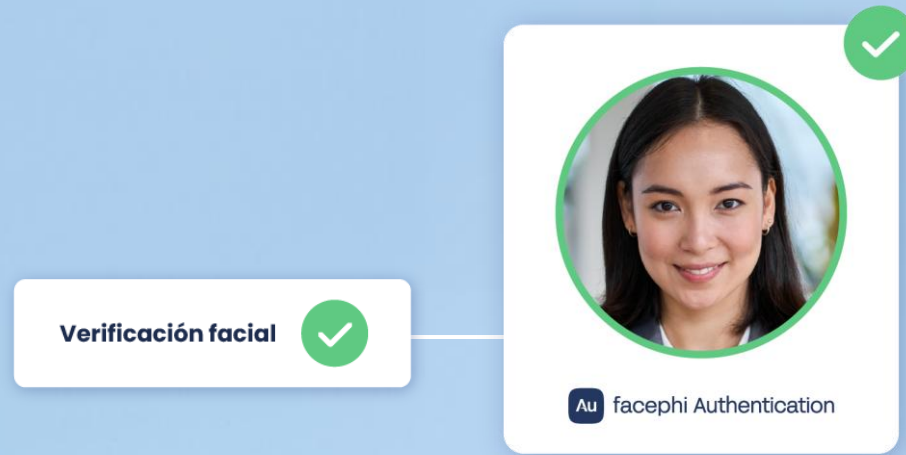
## 03 Financial report

Financial data  
Turnover and EBITDA

## 04 Insights

# Business development





# Digital identity protection and verification experts





# Moving towards **integrated digital** identity management

## **On** facephi Onboarding

**Verifies** your customer's identity **in less than 10 seconds**



Passive Liveness



Validation against exclusion lists



Government databases



Video onboarding



OCR scanning



Document validation



Onboarding video recording



NFC Verification

## **Au** facephi Authentication

**Ensures** that users are genuine, **reducing fraud and securing** user interactions



Fingerprinting



Facial



Voice

## **Ip** Identity Platform

**Improves security processes** by centralising, monitoring, and orchestrating user verification.



Transactions



Anti-fraud



Design Studio



UX | UI



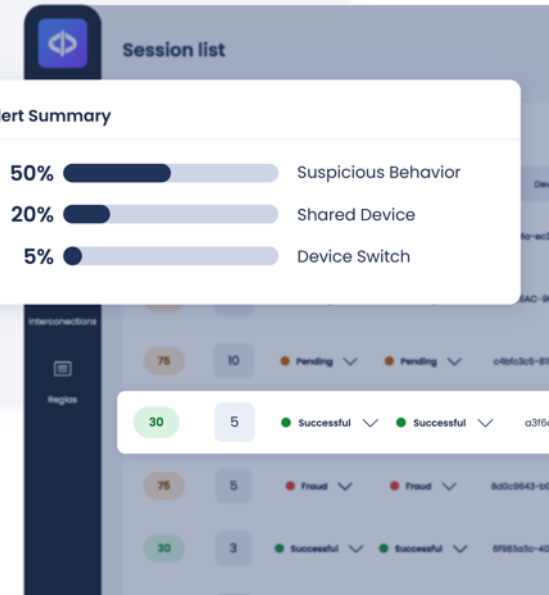
Compliance






















AI



Behaviour



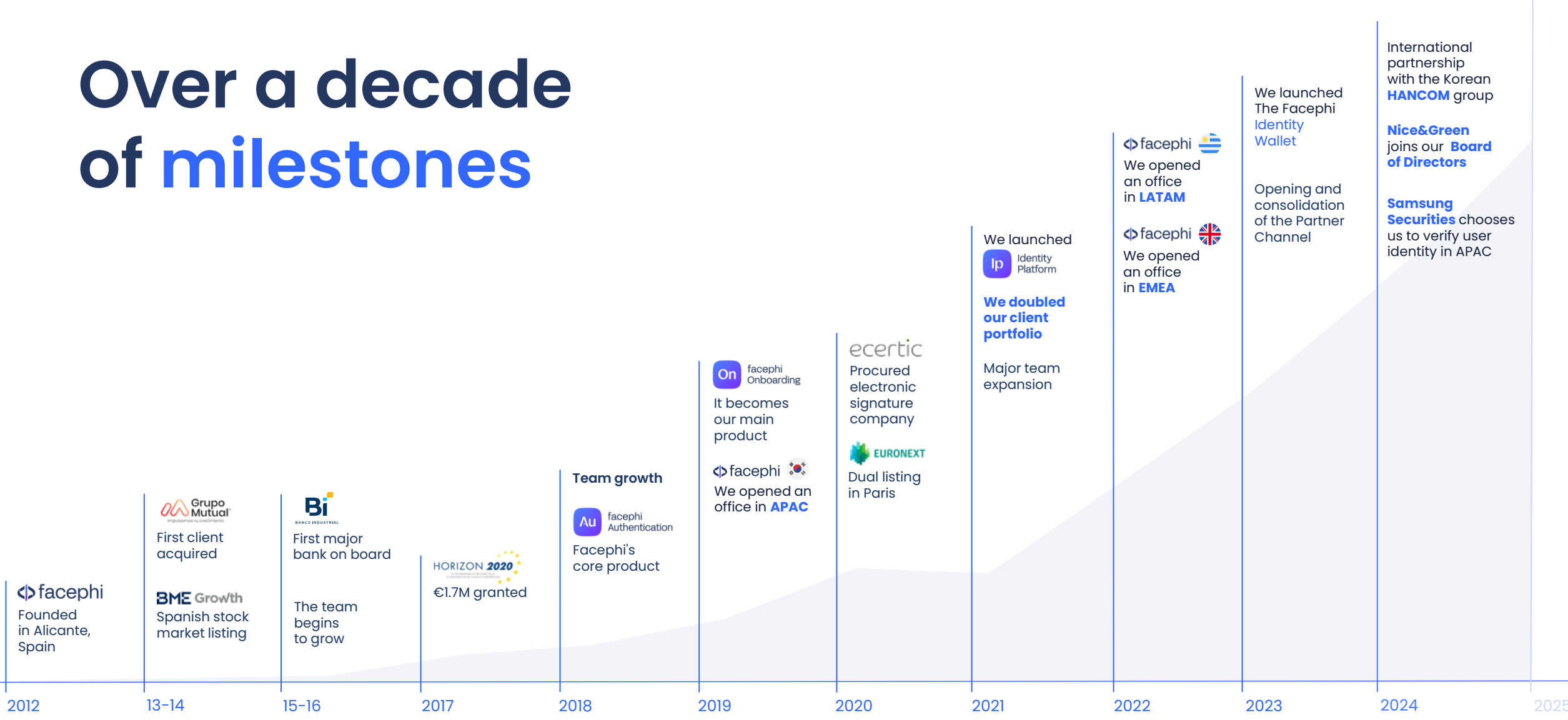


 Services Financial	 Insurance	 Healthcare	 Airlines	 Telecoms	 Travel and Transport
	 Public Administration	 Hospitality	 Fintech	 E-Commerce	 Sports Events
			 Shared Mobility	 Crypto	 Investment
	 Security	 E-Learning	 Pensions	 Legal Services	 Online Gaming

We adapt to **market needs and industries** that demand our technology.



# Over a decade of milestones



facephi  
Founded in Alicante, Spain

Grupo Mutual  
First client acquired

BME Growth  
Spanish stock market listing

Bi  
First major bank on board

The team begins to grow

HORIZON 2020  
€1.7M granted

Team growth

Au facephi Authentication  
Facephi's core product

On facephi Onboarding  
It becomes our main product

facephi We opened an office in APAC

ecertic  
Procured electronic signature company

EURONEXT  
Dual listing in Paris

We launched Identity Platform (Ip)

We doubled our client portfolio

Major team expansion

facephi We opened an office in LATAM

facephi We opened an office in EMEA

We launched The Facephi Identity Wallet

Opening and consolidation of the Partner Channel

International partnership with the Korean HANCOM group

Nice&Green joins our Board of Directors

Samsung Securities chooses us to verify user identity in APAC

2012 13-14 15-16 2017 2018 2019 2020 2021 2022 2023 2024 2025



# Digital identity, a global trend across the board

## Financial institutions

- New banking models such as Open Banking or Open Fintech hinge on generating ecosystems based on trust.
- New regulations will impact the sector and less regulated environments such as crypto.
- Fraud control and risk minimisation

## Transport and borders

- Many initiatives are underway to standardise the use of digital identities at airports, including IATA's One ID.
- Facephi is already involved in projects that improve the traveller experience in a secure way, based on identity verification technology.

## Public Institutions

- ID Wallet in EU expected to be available by 2030
- UN and World Bank promoting Digital identity with ID4D project
- NIST promotes Digital ID standardisation project

## e-services

- Digital first customers operating exclusively online need secure environments, subject to regulatory frameworks such as GDPR.
- KYC and the construction of qualified identities will become the cornerstone of the entire ecosystem on which CX is built.

Our technology



Dual-listing

**BME Growth**



# We celebrated our **tenth** **anniversary at** **BME Growth**

Since we joined, we have undergone significant growth and evolution, establishing ourselves as a global benchmark in digital identity.



*"We have access to financing tools that have helped us go from being a Start Up to a Scale Up"*

*Javier Mira, Facephi CEO*

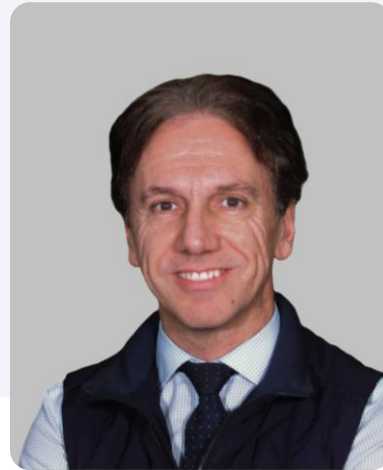
# Organisational changes



**Carlos Oderiz** appointed as **Strategy Director**



**Carlos Falero** appointed as **Chief Operating Officer of Facephi LATAM** and General Manager LATAM.



**Aitor D'Oxandabaratz** joins our Board of Directors as **CFO** (Chief Financial Officer)



**Nice&Green** joins our **Board of Directors** represented by Manuel Lanfossi.



**Antonio Jorge Gonzalez** joins as **Investor Relations Director**



## Organisational changes

Our steady growth and portfolio expansion, together with a customer centric strategy, has led us to focus on continuously improving our customer support.

This involves applying strategic measures that benefit our internal processes to improve operability and customer satisfaction for those who rely on our solutions.

Since 2022, Uruguay is Facephi's subsidiary in LATAM, offering a support service to all Latin America. Its development also makes it the new customer support headquarters for all regions.

**Uruguayan** subsidiary,  
new **global customer**  
**support** structure



+25

Countries

300M

Transactions

We are **trusted by leading banks and companies worldwide.**



Actinver



NaranjaX



Banco Promerica



Scotiabank



Claro



# Maximum **security** and maximum **recognition**

## Certificates



\*Starts after Anexo FII presentation. 12k + 6m

## S1 2024 Milestone

## ENS High Category Achievement



## Associations



## Awards



## Gartner

Facephi named Sample Vendor in [Gartner's 2024 Hype Cycle for Financial Crime](#)



Our technology is regularly evaluated by NIST.



Member of IATA's Data & Technology Strategic Partnerships Program.

# Management Report







## Consolidation in LATAM and expansion in APAC

Facephi has pursued a firm strategy **focused on innovation and consolidation in international markets** so far in 2024.

The expansion in the APAC region is noteworthy thanks to the investment agreement with HANCOM, who becomes the exclusive distributor of our products in the region.

We have increased our positioning as a trust provider through the verification of digital identity, following the Digital Trust Meet events, of our own creation, in Madrid and Mexico City.

Structure and people

# Our Strategy

Technology

Business

 facephi

# Our strategy

Various measures have been implemented to reach our objectives, such as:



## Community Partners

It will drive our business model's scalability by increasing our presence in more countries and productive sectors.

## Strengthening our commercial network

We hired new team members to reinforce the commercial structure and boost our expansion in LATAM and EMEA.

## International certifications

By obtaining international certifications, we can tap into new scenarios where we can apply our technology and comply with the highest quality standards.

## Investment agreement with HANCOM

We signed a €5 million investment agreement with HANCOM, which consolidates the distribution of our solutions in Asia-Pacific.

## Nice & Green financing agreement and joining the Board of Directors

The necessary resources were obtained to boost the planned expansion and to meet our objectives successfully. We finalised the convertible bond issue backed by Nice & Green, which became a member of our Board of Directors.

## Investment in R&D

Increasing our investment in R&D is essential to continue developing innovative processes focused on customising our solutions to meet new industry needs and use cases.



## We signed a **€5 million investment** agreement with **HANCOM**.

Following the investment agreement, HANCOM has become the company's second largest shareholder and exclusive distributor of Facephi products in the Asia-Pacific (APAC) region. This move marks a significant milestone in our international growth, being a direct route to expand our verification services in the region and strengthening HANCOM's product portfolio.



Strategic objective

Hosting **proprietary Digital Trust Meet** events, with editions in Spain and Mexico.



The Facephi Digital Trust Meet events held in 2024 for the first time, provide a meeting point to discuss the challenges of verified digital identity in the fight against fraud and the impact of generative artificial intelligence.

With one edition in Madrid and another in Mexico City, almost 300 people in total were able to share knowledge, demystify concepts and outline a joint future that ensures a trustworthy environment for companies and users.

Representatives from companies such as KPMG, Eviden, and institutions such as CNBV, PRODECON, etc. participated in the event.



## Innovating into the future

Throughout 2024, **we have expanded our technology portfolio** with significant advances, establishing our position in digital identity authentication and verification.

We included new features such as behavioural biometrics, premium UX consulting service Facephi Integra and KYB Platform, focused on business.

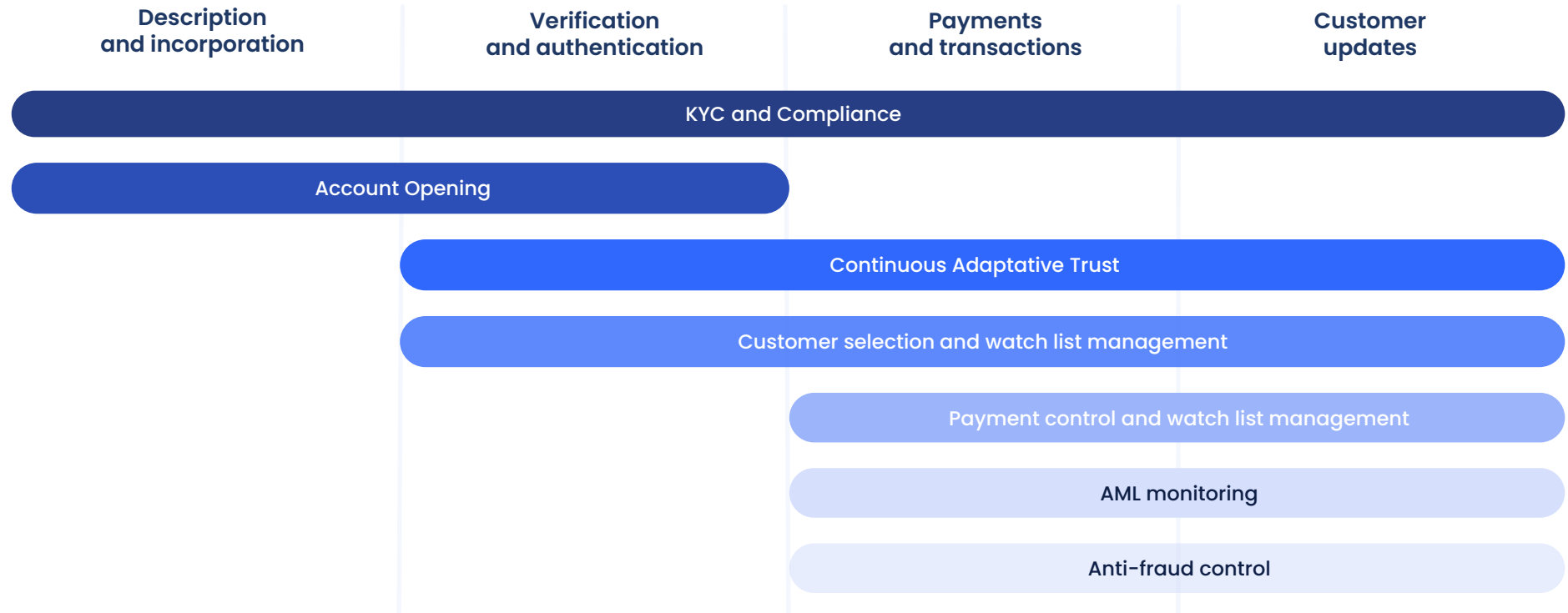
These achievements rank us as pioneers in digital, communications and financial crime security, and have been recognised by relevant international organisations, including **NIST**.

## Our Strategy

# Technology

## Business

## Structure and people



Protecting every step  
of the **customer journey**



The image displays the KYB Platform interface. The main dashboard shows a case titled "Accounts opening" with a status of "Open". The process is divided into three stages: 1. Documentation, 2. Identity Verification, and 3. End. Under the Documentation stage, there are three items: "Certificate of Registration" (Need review), "Certificate of Registration" (Need review), and "Company Change of Name" (Rejected). There is also an "Extended Company Profile" (Successful). The Identity Verification stage shows 1 Successful, 1 Rejected, and 1 Pending. A detailed view of the "Authentication" step is shown on the right, indicating a "Rejected" status. The authentication results are: "Authentication: NEGATIVE" (Rejected) and "Facial Liveness: LIVE" (Successful). The flow starts with "Start" (Successful), goes through "Onboarding" (Successful), then "Authentication" (Rejected), and finally "End".

# Facephi KYB Platform

The **end-to-end verification**  
platform for business



# Facephi Integra

## Premium consulting and support

Facephi Integra is a premium boutique consultancy and end-to-end support service.

**Complete UX analytic**

Device	90%	<div style="width: 90%;"></div>
Timing	5%	<div style="width: 5%;"></div>
Difficulty	40%	<div style="width: 40%;"></div>





**We secure** the entire customer journey using **behavioural biometrics**



## Consolidation and transparency

We brought turnover to **€11.7 million**.

The figures continue to reflect financial strength while maintaining the current strategic direction with a clear focus on market leadership.

We have established new strategic alliances and expanded our client base with the addition of major accounts in all regions.

Technology

**Business**

Structure and people

Our Strategy

### Información financiera Pérdidas y Ganancias (000)

En 2023, Traspas ha logrado un año histórico al alcanzar una cifra de negocio récord de **35,28 millones de euros**, reflejando una sostenida y constante evolución en los últimos años. Este logro se debe a nuestra sólida capacidad de gestión comercial y a la consolidación de los mercados existentes.

Durante este período, hemos seguido fortaleciendo nuestra presencia global, con especial énfasis en el crecimiento de algunas de

	2023 (datos consolidados)	2022 (datos consolidados)	Var. %
<b>Ventas</b>	<b>35.28</b>	<b>30.00</b>	<b>17,6%</b>
Impuesto sobre el valor de los negocios	1.000	1.000	100%
Resultados financieros de las operaciones de inversión	1.000	1.000	100%
<b>Utilidad Operativa</b>	<b>35.28</b>	<b>30.00</b>	<b>17,6%</b>
Amortizaciones	1.000	1.000	100%
Costos de personal	1.000	1.000	100%
Impuestos de sociedades	1.000	1.000	100%
Intereses	1.000	1.000	100%
<b>EBITDA</b>	<b>35.28</b>	<b>30.00</b>	<b>17,6%</b>
Impuestos de sociedades	1.000	1.000	100%
Resultados financieros de las operaciones	1.000	1.000	100%
<b>EBE</b>	<b>35.28</b>	<b>30.00</b>	<b>17,6%</b>

Informe de Resultados 2023



# Customers

Some relevant customers during the period:

## Samsung Securities

South Korea

Samsung Securities chooses our technology to verify the identity of its users. We became part of Samsung Securities' financial platform, a financial services subsidiary of the Samsung Group, further consolidating our position in the Asia Pacific market.



Guatemala

We joined MovilMax Guatemala to improve authentication in advanced electronic signature processes. This integration will include video authentication and electronic signature, which will streamline the identification of users through their biometric data and identity documents, ensuring a faster and more efficient process.



LATAM

They choose our Onboarding in APP BHD for new clients, including OCR, capture, facial and liveness.



LATAM

Biometrics and document reading service with OCR for SME Mobile Credit (SME Digital Onboarding) and other processes in the segment. Solution to register customers using OCR technology, as well as to visualise all transactions carried out in real time.



EMEA

We initiated a proof of concept (POC) with Aafaq to improve onboarding of customers using a UAE ID card, optimising identity verification against government databases.

# Events

Our presence at the world's most important events encourages us to continue to explore opportunities in different sectors.



**MONEY 20/20**  
| USA | Europe | APAC

Money20/20 is the largest and most influential global financial ecosystem gathering, including banks, technology, financial services and more.

We attended the event in the US, Thailand and Europe where our team took advantage of the space to make connections with potential customers and present our solutions.

**Identity Week | Amsterdam**



**Innovation Day IATA**



**Febraban | Sao Paulo**



**Seamless Middle East | Dubai**



**Revolution Banking | Madrid**



**América Digital | Mexico City**



**Digital Finance Africa  
Johannesburg**





## Corporate culture

We continued to invest in the professional development and growth of our team, attracting diverse and highly skilled talent to drive our business vision and strategy.

**The workforce increased by 4.5% to 233 employees** at year-end.

Growth was particularly notable in our **technical team, which makes up almost 70%** of our workforce and is at the core of our company.

We are strongly committed to young talent, as the rate of incorporation into the workforce of students who carry out their internships at Facephi is 80%.

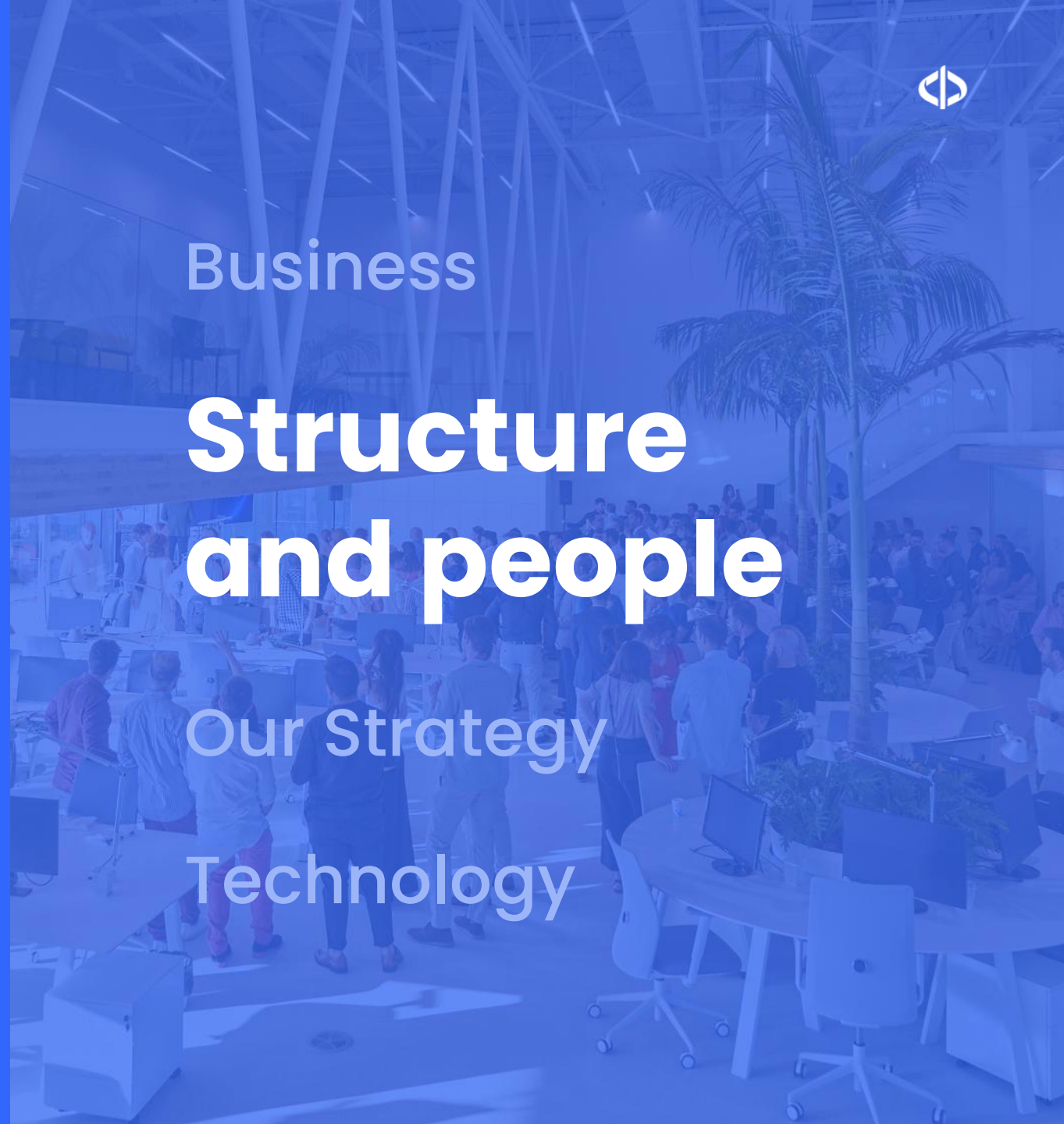
We have been awarded the **Impulso 2024 Awards**, which recognise the best innovative business initiatives of the university community.

Business

# Structure and people

Our Strategy

Technology





In 2024, we have strengthened our commitment to corporate social responsibility (CSR), including close collaborations with associations such as the **Eurofirms Foundation**, **ASPANION** and the **Alicante Science Park**.

Our focus on tangible actions, aligned with the UN Sustainable Development Goals, has been evident in our activities.

With a view to creating a positive impact on our society, we celebrate the Sporphi Paddle Day by playing our team with professionals from the Spanish Federation of Sports for People with Physical Disabilities or our collaboration with training entities.



# Financial Report



## Turnover – ARR – CAPEX

### Turnover


**€11.7M** 2024  
€9.7M 2023

**20%** 

### ARR

(Annual Recurring  
Revenue)


**€27.4M** 2024  
€21.8M 2023

**26%** 

### CAPEX

(Capital investments)  
(I+D+i)

**€2.4M** 2024  
€2.1M 2023

**13%** 



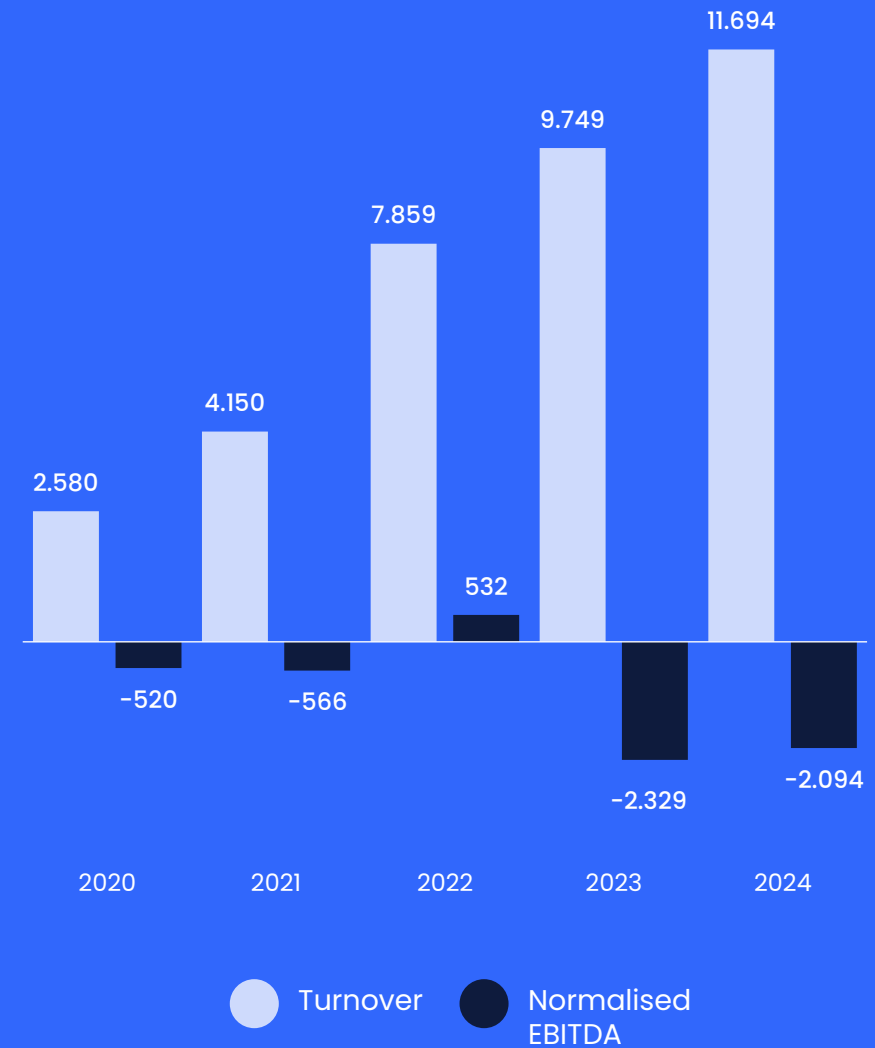


# Turnover and Ebitda

Turnover grew again in the first half by 20% Year over Year, at €11.7m.

Normalized Ebitda (which excludes extraordinary expenses) improved by 10% to €2.1m compared to €2.3m in 2023, negative amounts due to the usual seasonality of revenues, with most of them falling in the second half of the year.

As usual in technology companies, growth and the acquisition of new markets, niches and customers, involves a J-effect with a previous period of huge investment and spending, where the Revenue comes later in time.





# Profit and loss (thousand)

Profit and Loss Account (thousand €)	January – June		Best / Worst (-)
	2023	2024	
<b>Income</b>	<b>11,850 €</b>	<b>14,061 €</b>	<b>19%</b>
Net turnover	9,749 €	11,694 €	20.00%
Activation of Expenditure	2,100 €	2,367 €	
<b>Variable Costs</b>	<b>-4,759 €</b>	<b>-4,972 €</b>	<b>-4%</b>
Procurements	-1,900 €	-2,145 €	
Other operating expenses	-2,860 €	-2,827 €	
<b>Gross Margin (excluding Activations)</b>	<b>4,990 €</b>	<b>6,722 €</b>	<b>35%</b>
% of turnover	51 %	57%	
<b>Fixed Costs</b>	<b>-9,419 €</b>	<b>-11,183 €</b>	<b>-18.70%</b>
Staff costs	-6,592 €	-7,854 €	
Other operating expenses	-2,828 €	-3,329 €	
<b>Extraordinary Expenses</b>	<b>-401 €</b>	<b>-997 €</b>	<b>-148%</b>
Staff costs	-16 €	-449 €	
Other operating expenses	-385 €	-548 €	
<b>Accounting EBITDA</b>	<b>-2,730 €</b>	<b>-3,092 €</b>	<b>-13%</b>
<b>Normalised EBITDA</b>	<b>-2,329 €</b>	<b>-2,095 €</b>	<b>10%</b>

The significant growth in turnover by 20% underlines the scalability and good performance of the business in a constantly evolving environment. This represents a new record turnover for the first half of the year and underlines the fruits of the strong investment made to take new projects and markets.

Investment in R&D grew by 13%, maintaining the trend of investing in internal production capacity and improving product quality, in order to enter new markets and achieve customer satisfaction and loyalty.

Variable costs show the direct costs related to sales, such as commissions and direct commercial structure, as well as the supply of biometric products incorporated in our technology. As a result of their moderate evolution, the Gross Margin increased from 51% to 57%.

Fixed costs grew by 18.7%, slightly below the growth in revenues, and is mainly due to new hiring Staff during 2023, allowing to consolidate the optimal structure.

# Balance Sheet

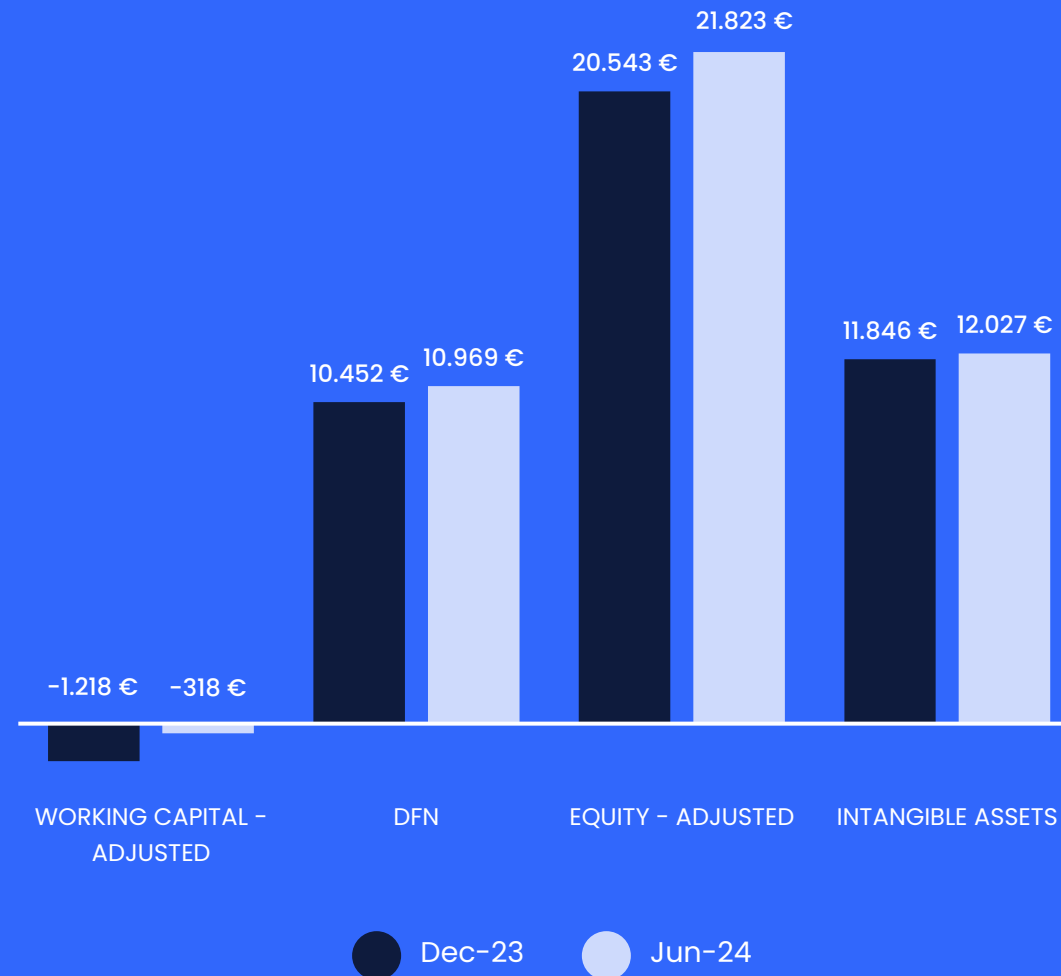
The main balance sheet indicators have improved in the first six months of 2024 in both absolute and relative terms:

**1. Equity-adjusted:** including Capital paid but pending to be formalized, has grown by €1.3 million. Capital contributions in the first half of 2024 reached €7.4 million.

**2. Working Capital-adjusted:** excluding the Capital paid but pending to be formalized and the Revenue to be allocated in the following period, and including those Deferred Tax Asset whose monetization the company expects to happen in the short term. It has improved in the first half of the year by almost €1 million and is close to breakeven.

**3. Intangible Assets:** indicator of the strong investments made over the last years, now shows a flat evolution and represents around 45% of the annual Revenue with a trend to keep going down its relative weight.

**4. Net Financial Debt:** excluding the Capital paid but pending to be formalized, it has hardly changed despite the strong growth of the business, and represents around 40% of the annual Turnover.



**Insights**





Turnover increased in the first half of 2024, 20% more than in the same period of the previous year, continuing the sustained growth.

R&D investment was the main driver, increasing by 13% to €2.4 million, with the result in new developments.

In addition to this, there is a strong investment that reinforces the international structure of the company and the great commitment to leadership with a human team that reaches 233 employees, 70% of the workforce being technical staff.

Our new capitalisation strategy will ensure our financial stability. HANCOM's €5 million investment agreement is a key part of our expansion strategy in emerging markets such as Asia-Pacific.

We secured a more transparent capital structure that protects shareholder engagement by no longer issuing convertible bonds, backed by Nice&Green, while maintaining our financial strength and strategic direction.

The continued growth is a further sign of our strength as a company, capable of achieving new milestones in the different markets, with a solid financial base supported by the different synergies with other entities and with the capacity to end 2024 in a positive way.



 facephi