

BME - GROWTH

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

Alicante, 5th May 2023

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 17th 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. announces the signing of an investment agreement with Nice & Green, S.A. for an amount of up to TWENTY MILLION EUROS (20.000.000 €). This agreement will be materialised through the issue of Convertible Bonds into shares for an amount of up to 20,000,000 euros. The investment commitment ends (24) months from the date of execution of the agreement.

The convertible bond programme has the following characteristics:

- Amount: up to TWENTY MILLION EUROS (€20,000,000), by means of eight (8) tranches of TWO MILLION FIVE HUNDRED THOUSAND EUROS (€2,500,000) each.
- Interest rate: 0%.
- Conversion price: 92% of VWAP.
- VWAP: lesser of (a) the price of the previous VWAP at the conversion date and (b) the average price of the 3 days prior to the conversion date (trading sessions held).
- Conversion period: the Notes may be converted at any time from subscription to maturity; conversion being mandatory.
- Maturity: the bonds will mature (12) months after their subscription.

Together with the signing of the agreement, Mr. Javier Mira Miró and Mr. Juan Alfonso Ortiz, members of the board, have signed the increase the loan of shares held by them by 470,002 shares, up to a total of 1,000,000 shares. In this regard, and as communicated in the HR published on 18 September 2019, the IP published on 15 December 2020 and the IRR published on 1 July 2022, Mr Javier Mira Miró, Mr Juan Alfonso Ortiz and Mr Fernando Orteso de Travesedo have lent Nice & Green a total of 209,666, 220,332 and 100,000 shares, respectively.

The funds obtained will be used to accelerate the organic growth that the Company is experiencing in geographic areas such as Latin America, EMEA and Asia, among others.

Issuance of Convertible Bonds is subject to approval by the Company's General Meeting of Shareholders, which will be convened once the relevant directors' report has been prepared and an independent expert's report on the proposed Bond issue has been obtained.

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