

substrate AI

C/ María de Molina 41 – Oficina nº 506
28006 Madrid

BME - GROWTH

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

Madrid, 16 June 2022

COMMUNICATION- OTHER RELEVANT INFORMATION - SUBSTRATE ARTIFICIAL INTELIGENCE, S.A.

Dear Sir/Madam,

Pursuant to Article 17 of Regulation (EU) No 596/2014 on market abuse and Article 227 of the recast text of the Market Law on Securities, approved by Royal Legislative Decree 4/2015, of October 23, and concordant provisions, as well as in Circular 3/2020 of BME Growth of BME MTF Equity, we put in your knowledge of the following information relating to the company Substrate Artificial Inteligence, S.A. (hereinafter "Substrate AI" or "the Company" indistinctly).

OTHER RELEVANT INFORMATION

Dated June 15, 2022, SUBSTRATE AI has reached an investment agreement with Global Corporate Finance Opportunities 15 ("GCFO15") financial vehicle managed by Alpha Blue Ocean ("ABO"). This agreement will materialize through the issuance of convertible bonds for a maximum amount of TWENTY MILLION EUROS (€ 20,000,000). The investment commitment will end (36) months after the date of signature of the contract, with the option to extend it.

The convertible bond program has the following features:

- Amount: up to TWENTY MILLION EUROS (€ 20,000,000) divided into (1) first tranche of ONE MILLION EUROS (€ 1,000,000) or (2) first tranches of FIVE HUNDRED THOUSAND EUROS (€ 500,000) each depending on the fulfillment of certain preconditions, followed by (38) tranches of FIVE HUNDRED THOUSAND EUROS (€ 500,000). The company may have up to (5)

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tranches of FIVE HUNDRED THOUSAND EUROS (€ 500,000) at the same time, depending on the fulfillment of certain preconditions.

- Tranche arrangement: the first tranche will be available from the date on which the Company receives the approval of the Extraordinary General Meeting of Shareholders and meets certain other conditions previous, and the following sections will be on the first of the following dates:
 - (a) (40) trading sessions have elapsed; (b) all previously subscribed bonds have been converted.
- Interest rate: 0%
- Conversion price: 95% of the lowest weighted average price of the share in the (5) trading sessions held prior to the date of the request for conversion of the shares. bonds by GCFO15.
- Conversion period: bonuses may be converted at any time from subscription to maturity; being mandatory the same.
- Maturity: Bonds will mature within (12) months of their subscription.
- Other aspects: together with the signing of the agreement, the Company grants GCFO15 a warrant program through which GCFO15 can acquire up to a number of shares equivalent to 20% of the nominal value of each of the tranches, for a period of (3) years, and at a price equivalent to:
 - First Tranche: Lower between (i) 4.12 euros and (ii) 120% of the lowest weighted average price of the share in the (10) trading sessions held prior to the date of signature of the contract.
 - Next Tranches: 120% of the lowest weighted average price of the share in the (10) trading sessions held prior to the date of the subscription request of the rest of the tranches.

The investment agreement is conditional on obtaining within the next 90 days the authorization by BME Growth for the shares of Substrate AI to be listed continuously. If after that period the shares of Substrate AI are not listed on the continuous market, ABO has the option to terminate the agreement.

As a guarantee of the agreement reached and for the next (3) years, a shareholder has committed to lend GCFO15 1,500,000 shares of its ownership.

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With the funds obtained Substrate AI will be able to undertake its business plan to put on the market all software products such as service, SaaS by its acronym in English, which he is working on.

The issuance of the convertible bonds together with the warrants associated with them, is subject to their approval by the Extraordinary General Meeting of Shareholders of the Company, which shall be convened once, in accordance with Art. 414 et seq. of the LSC, the administrators prepare a report explaining the bases and modalities of the conversion, which must in turn be accompanied by a report of an auditor of accounts, other than the auditor of the company, appointed for this purpose by the Mercantile Registry.

In compliance with the provisions of Circular 3/2020 of the BME Growth segment of BME MTF Equity, it is expressly stated that the information communicated herein has been prepared under the sole responsibility of the Society and its administrators.

We remain at your disposal for as many clarifications as you deem appropriate.

Sincerely,

Lorenzo Serratosa Gallardo

Chairman