

substrate**AI**

C/ Maria de Molina, 41 – Oficina nº 506
28006 Madrid

BME - GROWTH

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

Madrid, 18 July 2022

COMMUNICATION- PRIVILEGED INFORMATION - SUBSTRATE ARTIFICIAL INTELLIGENCE, 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 Intelligence, S.A. (hereinafter ("Substrate AI" or "the Company" indistinctly).

INSIDER INFORMATION – FORECAST UPDATE

As we pointed out in the "Insider Information" published on June 17, 2022, as a result of the macroeconomic risks derived from the war in Ukraine, the escalation of prices at Globally and the rate hike initiated by central banks, the Board of Directors of Substrate AI decided to delay any new acquisition and postpone the inorganic growth until the situation normalizes, the consequences of entering into one and another new acquisition can be measured and the uncertainties about the future.

For this reason, the Board of Directors, at the meeting held on July 18, 2022, approved new projections for the years 2022 and 2023 based solely on the organic growth as a result of the development of current businesses and the placing on the market of new SAAS AI services in which the company, such and such and such as planned, it is working.

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In this sense , the projections approved for the years 2022 and 2023 are the following:

	Euros	
	2022	2023
Net amount of turnover	3.150.340	5.937.770
Other income	750.000	2.250.000
Total income	3.900.340	8.187.770
Personnel expenses	(3.213.950)	(4.800.348)
Other operating expenses	(2.769.911)	(3.993.975)
Other results	-	-
EBITDA	(2.083.521)	(606.554)
Amortization	(3.371.714)	(3.330.547)
Financial result	(27.435)	(63.371)
Result before tax	(5.482.670)	(4.000.472)

The reduction in turnover, personnel expenditure and other operating expenses compared to the previous projections is a consequence of the absence of inorganic growth (acquisition of new companies).

In terms of EBITDA, this Business Plan improves on previous projections in both 2022 and 2023.

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Finally, note that the projections include a high amortization expense derived from the amortization of goodwill associated with the acquisitions of companies undertaken in 2021 and 2022 that, obviously, have no impact on the cash and that will generate a tax credit that Substrate AI will be able to use in the future.

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 Company. and its administrators.

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

Sincerely,

Lorenzo Serratosa Gallardo
Chairman