

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, 27 December 2023

COMMUNICATION - INSIDER INFORMATION - SUBSTRATE ARTIFICIAL INTELLIGENCE, S.A.

Pursuant to the provisions of Article 17 of Regulation (EU) No 596/2014 on market abuse and Article 228 of Law 6/2023 of 17 March 2023 on Securities Markets and Investment Services, and related provisions, as well as BME Growth Circular 3/2020 of BME MTF Equity, We hereby inform you of the following information relating to **SUBSTRATE ARTIFICIAL INTELLIGENCE, S.A. (hereinafter (hereinafter ("Substrate AI" or "the Company" indistinctly).**

INSIDER INFORMATION – FORECAST UPDATE

Due to the new acquisitions made by the Company during the last half of 2023, the Board of Directors, at its meeting held on December 22, 2023, approved new projections for 2023 based on its organic growth as a result of the development of its current businesses and inorganic growth with the incorporation of the new acquisitions into the Group.

In this regard, the projections approved for the 2023 financial year are as follows:

	Euros	
	2023 old	2023 new
Revenues	5.937.770	6.500.000
Other revenues	2.250.000	4.000.000
Total revenues	8.187.770	10.500.000
Staff costs	(4.800.348)	(3.366.942)
OPEX	(3.993.975)	(10.160.369)
Other results	-	-
EBITDA	(606.554)	(3.027.311)
Amortization	(3.330.547)	(2.269.074)
Financial result	(63.371)	(1.012.006)
EBT	(4.000.472)	(6.308.391)

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Revenue

Consolidated turnover is projected to increase due to the integration of new businesses acquired during the current year, in addition to the organic growth projected for 2023.

Total revenues are also growing due to the increase in work on the development of new solutions and products in the field of R+D.

Expense

Personnel expenditure is significantly reduced compared to previous forecasts due to the company's ability to generate more revenue with lower expense.

On the other hand, the rest of the operating expenses exceed those previously published in these forecasts, taking into account, above all, the cost of acquisitions of new businesses and the sharp increase in the development of AI products and solutions.

EBITDA

In terms of EBITDA, despite the increase in revenues and the reduction in personnel expenses, it is projected to worsen compared to previous projections due to the increase in other operating expenses derived from new acquisitions.

Amortizations

Finally, it should be noted that the new projections include a lower amortization due to the impairment of goodwill recorded in 2022, which will allow the Group to obtain a positive result earlier than expected.

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 directors.

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

Kind regards

Lorenzo Serratosa Gallardo

Chairman