

BME - GROWTH

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

Madrid, 30 June 2022

**COMMUNICATION - OTHER RELEVANT INFORMATION - SUBSTRATE ARTIFICIAL INTELLIGENCE
S.A.**

Dear Sirs,

Pursuant to the provisions of Article 17 of Regulation (EU) No 596/2014 on market abuse and Article 227 of the consolidated text of the Securities Market Law, approved by Royal Legislative Decree 4/2015 of 23 October 2015 and related provisions, as well as BME MTF Equity Circular 3/2020, BME Growth Circular 3/2020, We hereby inform you of the following information relating to the company **SUBSTRATE ARTIFICIAL INTELLIGENCE S.A.** (hereinafter referred to as the "**Company**").

The Board of Directors has agreed to convene the Extraordinary General Meeting of Shareholders of the Company, to be held at the registered office, located at Calle María de Molina, 41, office 506, 28006, Madrid, on August 1, 2022, at 12:00 p.m., on first call, and, if sufficient quorum is not reached, at the same time and place, the following day, on second call

The full text of the call, published on the website www.substrate.ai

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

Mr. Lorenzo Serratosa Gallardo

Chairman

NOTICE OF THE CALL FOR THE EXTRAORDINARY GENERAL MEETING OF SHAREHOLDERS OF THE COMPANY "SUBSTRATE ARTIFICIAL INTELLIGENCE S.A."

By agreement of the Board of Directors of SUBSTRATE ARTIFICIAL INTELIGENCE, S.A. (hereinafter, the "Company"), the shareholders are summoned to the Extraordinary General Meeting of the Company to be held at the registered office, located at Calle María de Molina, 41, office 506, 28006, Madrid, on August 1, 2022, at 12:00 p.m. on first call, and, if sufficient quorum is not reached, at the same time and place, on the following day, on second call, for deliberation and, where appropriate, approval of the next

AGENDA

1. Delegation to the Board of Directors of the power to issue debentures and warrants convertible into shares of the Company, excluding the right of pre-emption, as well as to increase the share capital by the amount necessary to cover the conversion or exchange thereof.
2. Appointment of auditors for the financial years 2022, 2023 and 2024.
3. Delegation of authority
4. Requests and Questions
5. Drafting, reading and, where appropriate, approval of the Minutes of the General Meeting.

RIGHT TO INFORMATION

In accordance with the provisions of Articles 197.1 and 197.2. of the Capital Companies Act, it is stated that from the publication of this notice of call and until the seventh day prior to the day scheduled for the holding of the First Meeting, shareholders have the right to request in writing information or clarifications referring to items included in the agenda of the meeting. or to ask the questions they consider necessary. In addition, during the holding of the general meeting, shareholders may verbally request the information or clarifications they deem appropriate regarding the matters included in the agenda. If the shareholder's right cannot be satisfied at that time, the directors will be obliged to provide the requested information in writing, within seven days following the end of the meeting.

In addition, in accordance with the provisions of Articles 414 and 417, it is hereby stated that, as of the publication of this notice of call, the Company makes available to shareholders the report prepared by the Board of Directors in relation to the proposed resolution to delegate to the Board of Directors the power to issue convertible bonds excluding the pre-emptive subscription right. as well as to increase the share capital in the amount necessary to meet the conversion or exchange of the same.

RIGHT OF ASSISTANCE AND REPRESENTATION

All shareholders who appear as holders in the corresponding accounting register at least five (5) days prior to the holding of the Meeting, and are provided with the corresponding attendance card at the registered office, may attend the General Meeting called. This card may be replaced by the appropriate certificate of legitimacy issued, for this purpose, by the corresponding entity adhering to IBERCLEAR.

Any shareholder who requests it and proves its status as such may obtain the aforementioned attendance, nominative and personal card at the registered office, which will allow him to exercise all the rights that correspond to him as a shareholder of the Company. They can also obtain the attendance card by requesting it by sending an email to the following address: accionistas@substrate.ai

Any shareholder who has the right to attend the General Meeting and does not attend it may be represented at it by another person, even if he or she is not a shareholder, complying with the legally required requirements and formalities. The representation must be granted in writing or by any telematic or audiovisual means, provided that in the latter case it is recorded on a medium, film, magnetic strip or computer, accompanied by an electronic copy of the attendance and delegation card duly signed by the shareholder. If it does not appear in a public document, it must be special for each Board. The proxy shall include all the shares held by the represented shareholder. Representation is always revocable. The attendance of the represented party at the General Meeting will have the value of revocation.

For the purpose of proving the identity of the shareholders or of whoever validly represents them, at the entrance to the premises where the General Meeting is held, attendees may be requested, together with the presentation of the corresponding attendance card, to prove their identity by presenting the National Identity Document or any other official document generally accepted for this purpose. In the case of shareholders of legal entities, a copy of the document accrediting the sufficient representative powers of the signatory must be attached.

The shareholders are informed that it will not be possible to attend the Meeting remotely or telematically as the Company does not have the technical means that allow the recognition and identification of the attendees, the permanent communication between the attendees, as well as the intervention and casting of the vote in real time.

COMPLEMENT OF CALL

Pursuant to Article 172 of the Companies Act, shareholders representing at least five percent (5%) of the share capital may request that a supplement to this notice of the General Shareholders' Meeting be published, including one or more items on the agenda. The exercise of this right must be done by means of a reliable notification that must be received at the registered office within five days of the publication of the call.

DATA PROTECTIO

The personal data that shareholders send to the Company for the exercise of their rights to attend, proxy and vote at the General Meeting, or that are provided by the banks and securities companies and agencies in which said shareholders have deposited their shares, or through the entity legally authorized to keep the record of book entries, IBERCLEAR, will be processed for the purpose of managing the development, compliance and control of the existing shareholder relationship.

Shareholders are also informed that such data will be incorporated into a computer file owned by the Company, and shareholders will have the possibility of exercising their right of access, rectification, cancellation and opposition, in accordance with the provisions of Regulation 2016/679 of the European Parliament and of the Council on Data Protection and Organic Law 3/2018, of 5 December, on the Protection of Personal Data and Guarantee of Digital Rights, and by written communication addressed to the Company (Calle María de Molina, 41, oficina 506, 28006, Madrid) or to the email accionistas@substrate.ai.

Madrid, 30 June 2022.

José Ivan García Braulio
Secretary

Lorenzo Serratosa Gallardo
Chairman



**Special report on the issuance of debentures
convertible into shares with the exclusion of the
pre-emptive subscription right in the cases of
articles 414 and 417 of the Consolidated Text of
the Capital Companies Act**

**SPECIAL REPORT ON THE ISSUANCE OF DEBENTURES CONVERTIBLE INTO
SHARES WITH THE EXCLUSION OF THE PRE-EMPTIVE SUBSCRIPTION
RIGHT IN THE CASES OF ARTICLES 414 AND 417 OF THE CONSOLIDATED
TEXT OF THE CAPITAL COMPANIES ACT**

To the Shareholders of **Substrate Artificial Intelligence, S.A.**

1. Introduction

For the purposes set forth in Articles 414 and 417 of the Consolidated Text of the Capital Companies Law (hereinafter, "Capital Companies Law" or "LSC"), and in accordance with the order received from Substrate Artificial Intelligence, S.A. (hereinafter, "Substrate AI" or the "Company"), by designation of Ms. M^a Victoria Arizmendi Gutierrez, Registrar VI of Madrid, we issue this Special Report on the issuance of debentures convertible into shares of the Company (the "Convertible Debentures"), excluding the pre-emptive subscription right, accompanied by the report of the Directors of the Company formulated on June 29, 2022 (hereinafter, the "Report of the Directors") which is included as Annex I, which will be submitted for approval to the Ordinary General Meeting of Shareholders of the Company to be convened for August 1 and 2, 2022, on first and second call, respectively. It should be noted that this Directors' Report, which serves as the basis for our work as experts, describes the transaction as an issue of Convertible Debentures for a maximum amount of €20,000,000 to which, in addition, convertible warrants (hereinafter, the "Equity Warrants") will be linked, excluding the pre-emptive subscription right, being Global Corporate Finance Opportunities 15 (hereinafter, "GCFO15" or the "Investor") is the sole recipient of the issuance.

Warrants are marketable securities that give their holders, upon payment of a price (premium), the right, but not the obligation, to buy (call warrant) or sell (put warrant) an amount of underlying asset (warrant ratio), at a predetermined price (strike price), for a period or date defined in advance. Given the absence of specific corporate regulations for the issuance of Equity Warrants, taking into account that, in this case, they are intrinsically linked to the issuance of the Convertible Debentures and their own convertibility into shares, in accordance with the doctrine and usual market practice, we consider that the regulations established for the Convertible Debentures apply, by analogy. Thus, this report (hereinafter, the "Report") is issued in accordance with the provisions of articles 414 and 417 of the LSC in relation to the issuance of the bonds and linked warrants convertible into shares of the Company and excluding the pre-emptive subscription right (hereinafter, the "Issue" or the "Transaction") planned to be carried out by Substrate AI and refers to the terms and conditions of the proposed conversion. the reasonableness of the data contained in the Substrate AI Directors Report and the suitability of the conversion ratio and, where appropriate, of its adjustment formulas to compensate for any dilution of the shareholders' economic shareholding.

Annexes I and II are part of this report, which include, respectively, a copy of the Directors' Report and a copy of the certification of the company Bolsas y Mercados españoles, Sistemas de Negociación, S.A.

2. Description of the operation

Substrate AI is a Spanish Artificial Intelligence company that develops its own technology, based on reinforced knowledge agents that can be trained to perform different tasks.

Substrate AI was incorporated under the corporate name of KAU Finanzas, S.L. on December 9, 2010. Subsequently, the Universal Shareholders' Meeting of 23 March 2018 agreed to change its corporate name, becoming Zona Value, S.L. On June 30, 2021, the General Shareholders' Meeting approved the transformation of the Company into a public limited company. Finally, the Universal General Meeting of Shareholders held on 27 July 2021 approved a new change of company name, after which it has been renamed Substrate Artificial Intelligence, S.A.

As set out in the Consolidated Financial Statements of Substrate AI for the year ended December 31, 2021 (the date of the Company's last audited consolidated financial statements), the share capital of the Parent Company is €2,028,976.80 divided into 20,289,768 shares with a par value of €0.1 each, fully subscribed and disbursed. On that date, Substrate AI had losses of €607,373.81, which left the Company's Equity at a positive figure of €27,802,672.47.

The Extraordinary General Meeting of Shareholders of the Company held on March 14, 2022 approved a capital increase for a total effective amount of €7,664,250 through the issuance of 1,779,060 new shares for:

- Compensation of 2 receivables amounting to €5,000,000 through the issuance of 1,160,622 new shares with a subscription price of €4.30803483 per share (€0.10 par value and €4.20803483 share premium). The receivables had arisen from the right of collection held by Blue Dec, S.L. and Summon Press, S.L. for the sale of 10% of Assistacasa, S.L. and the Summon Press business unit, respectively.
- for a monetary contribution amounting to €2,664,250 through the issuance of 618,438 new shares with a subscription price of €4.30803483 per share (€0.10 par value and €4.20803483 share premium). This increase was subscribed by 69 shareholders.

On May 17, 2022, Substrate AI was incorporated into BME Growth, a multilateral trading facility, with a reference price of €4.1 per share. In the time it has been traded since then, the share has not exceeded the initial reference price at which it began trading of €4.1 and its minimum trading price was €1.23 per share, on June 22, 2022. The Company's market capitalisation as of the date of this Report, 30 June 2022, amounts to €34.21 million (corresponding to a price of €1.55 per share), which is why it is classified as a micro-cap (as its capitalisation is less than €150 million).

As of the date of this report, the Company's share capital is set at €2,206,882.80, divided into 22,068,828 shares with a par value of €0.10 each. All these shares are fully subscribed and paid up, numbered sequentially from number 1 to number 22,068,828, both inclusive, and with equal political and economic rights.

On June 16, 2022, the Company announced the signing of an investment agreement with GCFO15, an investment vehicle managed by Alpha Blue Ocean, which will result in the issuance of Convertible Debentures for a maximum amount of €20,000,000 (hereinafter, the "Investment Agreement") divided into a first tranche of €1,000,000 or 2 first tranches of €500,000 each depending on certain preconditions, followed by 38 tranches of €500,000. The Investment Agreement will end 36 months after the signing of the contract, with an option to extend the contract.

In addition, the Company has granted GCFO15 an Equity Warrants program through which GCFO15 can acquire up to a number of shares equivalent to 20% of the par value of each of the tranches, for a period of 3 years, and at a price equivalent to 120% of the lowest weighted average share price in the 10 trading sessions held prior to the date of the subscription request for each tranche. Therefore, when these Equity Warrants are issued, the necessary capital increase could be increased by up to 4,000,000 euros.

The Board of Directors of Substrate AI has prepared the mandatory Directors' Report describing the terms and conditions of the conversion and the proposed exclusion of the pre-emptive subscription right.

In the Directors' Report, the Board of Directors proposes to carry out an issue of Convertible Debentures into shares of Substrate AI, for a maximum conversion amount of €20,000,000, excluding the pre-emptive subscription right, with GCFO15 being the sole recipient of the issuance of the Convertible Debentures. With each issuance of Convertible Debentures, a number of Equity Warrants will be issued, which will be represented by securities and will grant their holder, throughout the life of the same, the right, but not the obligation, to acquire shares of the Company at a specified exercise price.

The Convertible Debenture program has the following characteristics:

- Objective: Substrate AI uses artificial intelligence technology, specifically Reinforced Learning, a new generation inspired by biology. This technology (BIO-INSPIRED AI), developed by its CTO Bren Worth with the support and validation of Mei Si, professor of cognitive science at Rensselaer Polytechnic Institute in New York, enables real-time decision-making, thus opening the door to developing a range of new applications of Reinforced Learning in previously forbidden fields.

While the technology developed by Substrate AI can be applied to a wide variety of fields, the Company is currently focusing its efforts primarily on the following verticals of activity: (i) fintech; (ii) energy; (iii) agritech; (iv) human resources and (v) health.

To do this, and with the aim of avoiding the problems that most start-ups fall into, Substrate AI has developed a partnership system that allows it to be clear about the problem to be solved when developing products, to have the necessary data to train AI agents and even secure the customers or the sales channel to market the solution.

This strategy, which seeks to reduce the risks of technological product development, is complemented by the acquisition of consolidated businesses that either provide the door to offer artificial intelligence services in new sectors, or complement verticals in which Substrate AI is already present, providing, in addition to generating EBITDA, teams that know their sectors perfectly. Strength and business know-how.

Therefore, the issuance is justified by the Directors on the grounds that the Transaction and, consequently, the proposed proxy resolution for the issuance of the Convertible Debentures and Equity Warrants presented to the General Shareholders' Meeting, are fully in line with the company's interest and are motivated by the convenience of providing the Company with the necessary equity to maintain the soundness of its balance sheet. meet the maturities of its debt, invest in the development of new products and processes in its different business units and increase its commercial network.

It should also be noted that the new funds would be obtained through a flexible alternative financing mechanism, which will allow the Company to have cash, up to the limit of €20,000,000, at its discretion and subject to the cash needs that it may have at any given time.

- Amount: up to €20,000,000 divided into 1 first tranche of €1,000,000 or 2 first tranches of €500,000 each depending on the fulfilment of certain preconditions, followed by 38 tranches of €500,000. The company may have up to 5 tranches of €500,000 at a time, depending on the fulfilment of certain preconditions.
- Provision of tranches: the first tranche will be available from the date on which the Company receives the approval of the Extraordinary General Meeting of Shareholders and fulfils other prerequisites, and the following tranches will be available on the first of the following dates: (a) 40 trading sessions have elapsed; (b) all previously subscribed Convertible Debentures have been converted.
- Assignment and transfer of the Convertible Debentures: The Convertible Debentures may not be assigned or transferred without the prior consent of the Company, except to subsidiaries of the investor.
- Admission to trading: they will not be admitted to trading on any financial market.
- Face value: 10,000 euros.
- Interest rate: no interest will accrue.
- Maturity: The Convertible Debentures will have a duration of 12 months from their respective date of issuance.
- Conversion Period: The Convertible Debentures may be converted at any time from issuance to maturity inclusive.
- Conversion Date: Each holder of the Convertible Debentures may convert all or any of its Convertible Debentures at any time during the Conversion Period.
- Conversion price: 95% of the lowest weighted average share price in the 5 trading sessions held prior to the date of conversion of the Convertible Debentures by GCFO15.
- Conversion Ratio: The number of new shares to be issued shall be determined by dividing the nominal amount of the Convertible Debentures by the Conversion Price in effect on the relevant conversion date. If the exchange ratio referred to above results in a fraction of a share, the fraction shall be rounded down to the nearest whole share.
- Other aspects: together with the signing of the agreement, the Company grants GCFO15 an Equity Warrants 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 and (ii) 120% of the lowest weighted average share price in the 10 trading sessions held prior to the date of signing the contract (June 15, 2022).

- Next tranches: 120% of the lowest weighted average share price in the 10 trading sessions held prior to the subscription request date for the remaining tranches.

The delegation for the issuance of the Convertible Debentures necessarily entails the delegation to increase the share capital by the amount necessary to cover the exchange of the same. In this regard, together with the proposal to exclude the pre-emptive subscription right in the issuance of the Convertible Debentures, it is proposed that the General Shareholders' Meeting delegate to the Board of Directors of the Company, by analogous application of the provisions of art 297.1.b) of the Capital Companies Act, the power to agree, on each occasion, the capital increase necessary to meet the conversion of the Convertible Debentures into shares, as well as the exchange of the Equity Warrants, through the issuance of new shares (without pre-emptive acquisition rights of the current shareholders of the Company in accordance with article 304.2 of the Capital Companies Act) and with foresight of incomplete subscription.

The effective amount (nominal plus premium) of the capital increases that may take place as a result of the issuance and subsequent conversion of the Convertible Debentures indicated in the immediately preceding paragraph may, in no case, exceed €20,000,000 and must be executed in accordance with the terms and conditions of the Convertible Debentures.

Likewise, this power will be conditional on the total of the share capital increases agreed by the Board of Directors, including both those that are agreed in the exercise of the delegated powers and those that may be in accordance with other authorizations of the Meeting, not exceeding the limit of half of the current share capital in accordance with article 297.1 b) of the Capital Companies Act. Therefore, taking into account that the share capital of the Company is, on the date of adoption of the Investment Agreement that gives rise to this Report, 2,206,882.80 euros, the maximum total nominal amount of the share capital increases agreed by the Board of Directors may not, in any case, exceed 1,103,441.40 euros.

In accordance with the provisions of its report, the Board of Directors considers that the proposed exclusion of the pre-emptive subscription right is fully in line with the Company's interest as (i) it allows a convenient transaction to be carried out from the point of view of the corporate interest; (ii) the procedure is suitable and necessary to achieve the purpose sought; and (iii) there is proportionality between the means chosen and the objective sought by the Operation. In particular, the following reasons justifying the exclusion of the pre-emptive subscription right are listed, among others:

- The issuance of Convertible Debentures entitles Substrate AI to require the Investor to contribute capital to the Company on a recurring basis, up to the amount that the Company deems appropriate at any given time (without therefore having the obligation to reach 20,000,000 euros), in a short space of time and depending on the specific financing needs; something that would not be feasible to implement through other alternatives that involve a recognition of the shareholders' pre-emptive subscription right, due to the long deadlines that this would entail.
- The Issuance of Convertible Debentures allows the Company to have the greatest possible flexibility when it comes to accessing financial resources. Through the financing agreement signed with the Investor, Substrate.

AI gains access to a flexible equity funding source, so that you can match your cash drawdowns to your financing needs, all in an accessible way, regardless of equity market conditions and other situations where raising capital through traditional means may be difficult.

- The transaction ensures the raising of equity in a short period of time, substantially reducing the time of exposure to the risks associated with the volatility of the market in general. Likewise, due to its circumstances and the terms and conditions under which the operation is structured, resources will be obtained more efficiently than by resorting to other formulas, such as a capital increase or issuance of debt or Convertible Debentures with pre-emptive subscription rights, or even an accelerated private placement among qualified investors (accelerated book-building). etc., which would foreseeably require a larger discount to the market price, a longer execution time, or greater uncertainty.
- The abolition of the pre-emptive subscription right allows for a significant reduction in the financial cost and costs associated with the transaction compared to a capital increase, or to the issuance of Convertible Debentures or Equity Warrants with pre-emptive subscription rights (especially if the fees of the financial institutions participating in this type of transaction are taken into account). and at the same time has a lesser distorting effect on the trading of the Company's shares during the issuance period.

3. Evaluation of the conversion ratio and its adjustment formulas

The Directors' Report proposes that the exercise price of the Common Stock Convertible Debentures be calculated as 95% of the lowest volume-weighted average trading price of the last five trading days (lowest daily VWAP published by Bloomberg) (hereinafter referred to as the "Exercise Price") and may not be converted to a price lower than the par value of the Company's shares, i.e. €0.10 (hereinafter referred to as the "Minimum Conversion Price").

The number of ordinary shares to be delivered to holders of the Convertible Debentures exercising their right of conversion shall be determined by dividing the nominal amount of the Convertible Debentures by the Exercise Price in effect on the relevant conversion date.

On the other hand, the conversion ratio of the Equity Warrants will be for the first tranche the lesser of €4.12 and 120% of the lowest volume-weighted average price of the last ten trading days (lowest daily VWAP published by Bloomberg) prior to the date of signing the contract and the following tranches at 120% of the lowest volume-weighted average price of the last ten trading days (lowest daily VWAP published by Bloomberg) prior to the subscription request date for the rest of the tranches.

As of the date of issuance of this Report, the lowest volume-weighted average price (lowest daily VWAP published by Bloomberg) of the Company's shares taking into account the 5-day period between June 23 and June 29, 2022, inclusive, was €1.2778 per share, according to the certification of the company Bolsas y Mercados Españoles, Sistemas de Negociación, S.A.

On the other hand, the lowest volume-weighted average price (lowest daily VWAP published by Bloomberg) of the Company's shares taking into account the 10-day period between June 16 and June 29, 2022, both inclusive, would correspond to that of June 22, 2022, which was €1.2473 per share.

We have calculated the notional value of the pre-emptive subscription rights by assimilating the conversion date and the date of fixing the terms of the Issue with the date of issue of this Report. In determining the notional value of pre-emptive subscription rights, the following formula has been used:

$$D = \frac{A - C}{R + 1}$$

Where:

D: Notional value of the subscription right per share.

A: Value against which the Theoretical Value of the pre-emptive subscription right per share is to be calculated (Share Price Value and/or Net Equity Value).

C: Value per share proposed by the Directors for the issuance of new shares (Exercise Price).

A: Ratio of old shares to new shares, i.e. number of old shares outstanding, divided by the number of new shares to be issued.

The net equity value, excluding minority interests, of the shares of Substrate AI currently outstanding, amounts to €1.40 per share as of December 31, 2021, according to the consolidated financial statements of Substrate AI for the year ended December 31, 2021 and audited by KRESTON IBERAUDIT FRP, S.L. We have not received audited financial information after December 31, 2021 that would allow us to assess the Company's financial position as of the date of issuance of this Report.

The Resolution dated June 16, 2004, establishes that in the case of listed companies, the theoretical dilution must be determined with respect to the notional-book value and with respect to the average price of the last representative contribution period prior to the date of this Report, which, unless otherwise justified, will be understood as referring to the average price of the previous quarter and with respect to the last available price prior to the date of issuance of this Report.

As this is an issue with the possibility of incomplete subscription that will take place in the future, neither the number of Convertible Debentures that will be subscribed in the Issue nor the Exercise Price is defined, therefore, in our study, and for illustrative purposes, we have estimated the number of shares that should be issued only considering the first tranche of 1,000,000 euros of the Investment Agreement as of the date of issuance of this Report. In this year, the Exercise Price of the Convertible Debentures produces a theoretical dilution effect on the share price for both the period from the first trading day (May 17, 2022) to June 29, 2022 and June 29, 2022 of 1.44% and 0.78% per share, respectively.

The dilution per share outstanding, taking into account the data at the date of issue of our report and the above assumptions, expressed in euros per share, would be as follows:

Contribution Period	Quote Price (euros/share)	Issue Price	Dilution Effect (euros/share)
June 29, 2022	1,550	1,214	0,012094
Average for the period from 17 May June 29, 2022 and June 29, 2022	2,027	1,214	0,029267
About the Theoretical Book Value (as of 31/12/2021 €1.40)		1,214	0,006657

The Directors' Report does not include a minimum conversion price for Equity Warrants, however, in accordance with Article 59 of the Capital Companies Act, shares may not be issued for a figure lower than their par value. Therefore, in the absence of a minimum conversion price for Equity Warrants, this would be assumed to be the par value of the shares.

As has been seen, the conversion ratio proposed for the Convertible Debentures at the different times of conversion is designed in an ideal way, since the mechanism proposed for setting the conversion price ensures that the issuance of shares necessary to meet the conversion of the Convertible Debentures is carried out with reference to their market value (by referring to the price of the Company's share with a 5% discount) or a higher one (if the Minimum Conversion Price applies), which means that the theoretical value of the pre-emptive subscription right derived from the Issue, in the latter case, was equal to zero.

4. Scope and procedures carried out in our work

The purpose of our work is not to certify the issue or conversion price of Convertible Debentures and Equity Warrants, but exclusively to state, by application of the procedures established in the relevant Technical Standards in relation to the preparation of this type of special reports in the case of articles 414 and 417 of the LSC, whether the Directors' Report contains the required information, compiled in the aforementioned Standard, which includes an explanation of the basis and modalities of the conversion, as well as issuing a technical judgment as independent experts, on the reasonableness of the data contained in the attached Directors' Report and on the suitability of the conversion relationship, and, where appropriate, its adjustment formulas to compensate for any dilution of the shareholders' economic shareholding.

In accordance with the objectives of our intervention and with the procedures established in the aforementioned applicable Technical Standards, we have analysed the following documents and carried out the following checks:

- a) Collection and analysis of the following information:
 - Application document for the appointment of an independent expert submitted to the Mercantile Registry VI of Madrid by Substrate AI.
 - Report made by the Board of Directors of Substrate AI in relation to the proposed resolution to delegate to the Board of Directors the power to issue the Convertible Debentures, excluding the pre-emptive subscription right, dated June 29, 2022. Attached as Annex I to this report.
 - Substrate AI's Consolidated Financial Statements for the year ended December 31, 2021, together with its corresponding audit report and management report.

- Investment agreement document signed between Substrate AI and GCFO15, dated June 15, 2022.
 - Most recent budget for the 2022 financial year.
 - The most recent business plan of the group that heads the Company.
 - Minutes of the Shareholders' Meetings and meetings of the Board of Directors of the Company from January 1, 2022 until the date of issuance of this report.
 - Certification of the company Spanish Stock Exchanges, Trading Systems, S.A. in relation to: (i) daily volume-weighted average price of the last ten trading days prior to the date of issuance of this Report, (ii) the simple arithmetic average of the daily weighted average changes for the period from May 17, 2022 (date of first listing) to June 29, 2022, both inclusive, and (iii) the closing price of the shares on the day prior to the date of issuance of this Report, a copy of which is attached to this Report as Annex II.
 - Other aspects considered of interest for the performance of our work.
- b) Review and analysis of the main aspects of the above information in relation to the issuance of the Convertible Debentures and Equity Warrants.
- c) Holding conversations with the Company's Management and legal advisors, with the purpose of obtaining clarification on the issues that have arisen during the performance of our work, as well as gathering other information useful for the same.
- d) Assessment that the Directors' Report contains the information that is considered necessary and sufficient for its interpretation and proper understanding by its recipients.
- e) Verification of the calculations and valuation methods used by the Management of Substrate AI in the determination of the basis and modalities of the conversion corresponding to the Convertible Debentures and Equity Warrants.
- f) Finding that the issue price of the Convertible Debentures is not below their own par value and that the conversion price of the Convertible Debentures is not below the par value of the shares for which they are to be converted. In the case of Equity Warrants, given that, by their nature, these securities lack par value, the provision established in Article 415 of the LSC, which seeks to maintain the integrity of the share capital enshrined in Article 59.2 of said Law, translates into the prohibition of the conversion price of the Equity Warrants from being lower than the nominal value of the Company's shares that are given in question. Consideration.
- g) Verification that the accounting information contained in the Directors' Report, if applicable, is consistent with the Company's accounting data that served as the basis for preparing Substrate AI's consolidated financial statements for the financial year 2021.
- h) Verification that the Directors' Report mentions, if applicable, significant subsequent events as of December 31, 2021 that could affect the issuance of the Convertible Debentures and Equity Warrants.

- i) Evaluation of the reasonableness of the data contained in the Directors' Report that justify the removal of the shareholders' right to preferential subscription of the Convertible Debentures and Equity Warrants.
- j) Assessment of the adequacy of the conversion ratio and, where appropriate, of its adjustment formulas to compensate for any dilution of the shareholders' economic shareholding.
- k) Study of the evolution of the quoted value of the Company's shares and determination of the average quoted value of said shares during the last representative trading period prior to the date of the Report as indicative values of the fair value of Substrate AI.
- l) Verification that the minimum conversion price proposed by the Directors is higher than the nominal value of the shares of Substrate AI.
- m) Determination of the notional value of the pre-emptive subscription rights whose exercise is proposed to be abolished, calculated with reference to the average share price of the last representative period, the last listing value of the Company prior to the date of the Report and the notional book value of the Company.
- n) Obtaining information from the Company's auditor about any subsequent events with respect to the Company's economic and financial situation that it would have become aware of after the issuance of its last audit report up to the date of this report.
- o) Obtaining a letter from the Company's lawyers confirming that they have not become aware of the existence of any contingent liability, claim, lawsuit or litigation, not initiated, in process or that has been sentenced from December 31, 2021 to the present that could affect the Company.
- p) Obtaining a letter signed by the Directors of the Company, confirming that we have been provided with all the information necessary for the preparation of our report, as well as that there have been no subsequent events from the date of the last audit report to the date of this report, which have not been brought to our attention and that could have a significant effect on the results of our work.

5. Considerations and relevant aspects in the interpretation of the results of our work

We should mention that certain aspects of our work, such as the interpretation of articles 414 and 417 of the LSC or the opinions expressed in this Special Report, implicitly involve, in addition to objective factors, other factors that imply judgment and the establishment of working hypotheses, the fulfillment of which depends, to a large extent, on future events for which it is not currently possible to know their final outcome and, Therefore, it is not possible to ensure that third parties will necessarily agree with the interpretation and judgments expressed in this report.

The information necessary for the performance of our work has been provided to us by the Company's Management or has been obtained from public sources. In the performance of our work, we have assumed that such information is complete, complete, accurate and accurate (hereinafter referred to as "Accurate"). In this sense, our work has not consisted of verifying the veracity of such information, which does not constitute an audit or review of it and, therefore, we do not issue an opinion on such information.

If we had conducted an audit of the financial statements in accordance with generally accepted professional standards or had we conducted additional procedures or with a different scope, other aspects of interest that we would have reported on might have been revealed. On the other hand, it should be considered that the scope of our work has not included a review and evaluation of the fiscal, environmental, legal, regulatory or labor situation of the Company or of the Operation. Therefore, if there are risks arising from such situations, they have not been considered in this Report.

The analyses and checks carried out have not been aimed at verifying compliance with any legal or formal obligation and have been carried out on the information provided by the Company, so we do not assume any responsibility for the veracity of the data used in the Directors' Report other than those included in the subject matter of this Report.

Our work is of an independent nature and, therefore, does not imply any recommendation to the Management, its shareholders, the Investor or third parties, in relation to the position they should take in relation to the analyzed transaction of issuance of the Convertible Debentures and Equity Warrants excluding the pre-emptive subscription right. Our work is not intended to analyze the appropriateness of the Company's current or past business strategies or the reasons for the Transaction in relation to other business strategies or transactions on which it may have chosen.

We have assumed that the Directors' Report reflects the best efforts to meet its objective and that the information contained therein is truthful and accurate.

On the other hand, it should be taken into account that the maximum amount of the Issuance, as set out in the Investment Agreement reached with GCFO15, exceeds the limits of the delegation requested, so the execution of the Transaction is subject to other acts and agreements that have not been completed as of the date of issuance of this Report.

Thus, the Company must, where appropriate, propose issues or obtain other additional financing that would allow it to overcome this circumstance. Should any of these issues also lead to questions as to whether the Company might not respond to the terms of the Investment Agreement as negotiated with GCFO15, the potential solution could have an impact the effect of which cannot be assessed at this time.

Although the listing price is considered the best reference to the fair value of a listed company's shares, in stock markets that are shallow in terms of trading volume, such as the BME Growth on which the Company is listed, as well as in situations of high general or specific stock market instability, there could be a high level of volatility in the listing prices of the Company's shares. that could affect the Operation.

In this regard, we would also like to point out that, in the event that part of the Transaction is executed up to the maximum amount of share capital allowed, GCFO15's participation at that time could be controlled. In any event, the execution of the Transaction would entail the circulation of a substantial number of shares of the Company on the market. This issue is particularly relevant as the Company has a trading history of less than three months and its volatility has been 109% annualized in the last month. Therefore, after each tranche of Convertible Debentures that is issued, there may be an impact on market perception that could significantly affect the share price and this in turn could condition the Company's ability to raise additional funds.

We are under no obligation to update our report due to events that may occur after the date of issuance of the report. The content of this Report is to be understood as referring to all the information received on events that occurred prior to the date of its issuance.

6. Conclusion

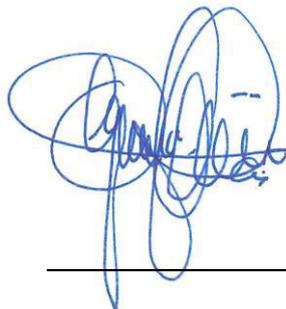
In accordance with the work carried out, with the scope described in the previous paragraphs, and taking into consideration the relevant aspects to be considered in the interpretation of the results of our work, all with the exclusive purpose of complying with the requirements established in articles 414 and 417 of the LSC, in our professional judgment that:

- The attached Report of the Directors of the Company, on the agreement to issue Convertible Debentures and Equity Warrants in shares excluding the shareholders' pre-emptive subscription right, contains the information required by Articles 414 and 417 of the Consolidated Text of the Capital Companies Law and as applicable by the Technical Standard for the Preparation of Special Reports on the issuance of convertible securities.
- The data contained in the Report of the Directors of the Company to justify the exclusion of the pre-emptive subscription right are reasonable because they are adequately documented and exposed.
- The conversion ratio of the Convertible Debentures and Equity Warrants and, where appropriate, their adjustment formulas to compensate for any dilution of the shareholders' economic participation are appropriate, taking into account the characteristics and context of the proposed issuance transaction.

This Special Report has been prepared only for the purposes set forth in Articles 414 and 417 of the Consolidated Text of the Capital Companies Act, and should not be used for any other purpose.

Madrid, 30 June 2022

PKF ATTEST



Alfredo Ciriaco



Asier Barañano

ANNEX I

Report of the Board of Directors of Substrate Artificial Inteligente, S.A. in relation to the proposed resolution to delegate to the Board of Directors of the Board of Directors the power to issue convertible bonds, for a maximum amount of 20,000,000 euros, and convertible warrants into shares of the company, excluding the pre-emptive subscription right.

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REPORT OF THE BOARD OF DIRECTORS IN RELATION TO THE PROPOSED RESOLUTION TO DELEGATE TO THE BOARD OF DIRECTORS THE POWER TO ISSUE CONVERTIBLE DEBENTURES, FOR A MAXIMUM AMOUNT OF €20,000,000, AND WARRANTS CONVERTIBLE INTO SHARES OF THE COMPANY, EXCLUDING THE PRE-EMPTIVE SUBSCRIPTION RIGHT.

1. Purpose of the report

This report is prepared by the Board of Directors of SUBSTRATE ARTIFICIAL INTELLIGENCE, S.A. ("SUBSTRATE" or the "Company", and together with its subsidiaries, the "SUBSTRATE Group") in relation to the proposed resolution of delegation to the Board of Directors of the power to issue transactions into shares of the Company for a maximum nominal amount of €20,000,000 (the "Convertible Debentures"), to which convertible warrants (the "Equity Warrants"), all excluding the right of pre-emption and under the terms and conditions detailed in this report.

In this regard, in accordance with the provisions of Articles 286 and 297.1.b), 414.2, 417 and 510 of the consolidated text of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of 2 July (the "Capital Companies Act") and concordant with the Regulations of the Commercial Registry, approved by Royal Decree 1784/1996, of July 19, the aforementioned proposal for an agreement to the General Assembly requires the formulation by the Board of Directors of this justifying report.

Finally, in relation to the Equity Warrants, given the absence of a specific corporate regulation, taking into account the convertibility of the same; In accordance with the doctrine and customary market practice, the regulations established for convertible debentures, regulated in the Capital Companies Act, apply mutatis mutandis by analogy.

2. Context, description and justification of the proposal

The proposed issuance of the Convertible Debentures and Equity Warrants or the General Meeting of shareholders of the Company is part of the financing agreement reached between the Company and Global Corporate Finance Opportunities 15 (the "Investor"), a financial vehicle managed by Alpha Blue Ocean, for which the Investor has committed or invested, on a regular basis in the Company, for a period of 3 years and or SUBSTRATE application, up to a maximum amount of €20,000,000 through the disbursement and subscription of the Convertible Debentures that are the subject of this report (the "Transaction").

Such investment control is subject to the usual terms and conditions in this type of operation, as well as to termination clauses of the contract in cases, among others, that involve the exclusion of the Company's shares from BME Growth or their suspension from trading for more than ten (10) calendar days.

The funds received within the framework of the Operation will allow SUBSTRATE to raise resources in order to, in the current context of uncertainty caused by the adverse effects derived from the COVID-19 health crisis, the current geopolitical situation caused by the war in Ukraine and the rise in commodity prices, strengthen its balance sheet, Attend to your debt repayment schedules . Improve your

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own resources structure and with it. Fadhlar the development of your business and your business growth plan.

In this sense. SUBSTRATE is a Spanish artificial intelligence company that develops its own technology, based on reinforced knowledge agents that can be trained to perform different bullfights.

SUBSTRATE uses the technological use of artificial intelligence, specifically Reinforced Learning, a new generation inspired by biology. This technology (810-INSPIRED AI), developed by its CTO Bren Worth with the support and validation of Mei Si., professor of cognitive science at Rensselaer Polytechnic Institute in New York, provides real-time decision-making, thus opening the door to developing a range of new applications of Reinforced Learning in previously forbidden fields.

While the technology developed by SUBSTRATE AI can be applied to a wide variety of fields, the Company is currently focusing its efforts primarily on the following areas of industry: (i) fintech; (ii) energy; (iii) agritech; (iv) human resources and (v) health.

To this end, and with the aim of avoiding the problems that most start-ups fall into, SUBSTRATE has developed a partnership system that allows it to develop products. Be clear about the problem to be solved. have the necessary data to train AI agents and ensure even the customers or the sales channel to market the solution.



This strategy, which seeks to reduce the risks of technological product development, is complemented by the acquisition of consolidated businesses that either provide the door to offer artificial intelligence services in new sectors, or complement the value of what SUBSTRATE is already present, providing in addition to generating EBITDA. equ-who know their sector, its strength and commercial know-how



Therefore. SUBSTRATE. understands that the Operation and, consequently. the proposed proxy resolution for the issuance of the Convertible Debentures and the Equity Warrants that is presented or the General Shareholders' Meeting. are fully in line with the company's interest and are motivated by the desirability of providing the Company with the necessary equity to maintain the soundness of its balance sheet. meet the maturities of your debt. Invest in the development of new products and processes in its different business units and increase its commercial network.

It should also be noted that the new funds would be obtained through a flexible alternative financing mechanism, which will allow the Company to have cash available, up to a limit of €20,000,000. at its discretion and subject to the cash requirements that it may have at any given time.

3. Justification for the exclusion of the pre-emptive right in the issuance of the Convertible Debentures and of the Equity Warrants.

Pursuant to the provisions of Article 417 of the Companies Act, it is required. or the effects of excluding the pre-emptive subscription right in the issuance of the Convertible Debentures and Equity Warrants, that the directors' report justifies the proposal in detail.

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The exclusion of the pre-emptive subscription right in the issuance of both the Convertible Debentures and the Equity Transactions requires that the interest of the Company so requires (art. 417. I LSC). In this sense, the Board of Directors of the Company considered that the proposed exclusion of the right of pre-emption is fully in the interest of the Company since it allows a convenient operation to be carried out from the point of view of the social interest [given the reasons already indicated in the operative paragraph]; (iii) there is proportionality between the and the intended objective of the Operation.

To this end, within the framework of the Operation, SUBSTRATE shall have the power to issue Convertible Debentures, to require the Investor to contribute capital to the Company on a recurring basis, up to the amount that the Company deems appropriate at any given time (without therefore having the obligation to reach 20,000,000 euros), in a short space of time and depending on the specific financing needs; something that would not be feasible to implement through other alternatives that imply a recognition of the shareholders' pre-emptive subscription right, because of the long lead times that this would entail. Notwithstanding the foregoing, the Investor may require SUBSTRATE to issue up to six tranches of Convertible Debentures, for a maximum joint total amount of 3.000.000 euros.

In this sense, given the current market circumstances, especially in the current context generated by the COVID-19 pandemic (the effects of which are still noticeable), the geopolitical crisis caused by the war in Ukraine and the increase in the prices of raw materials, among others, the Board of Directors considers it of great interest for the Company to have the greatest possible flexibility when it comes to nr.r.ecier n financial resources. Like this, the benefits that such an operation offers or what Socledod offers are easily understandable. Through the financing agreement signed with the Investor, SUBSTRATE gains access to a flexible source of own resources funding, so you can match your cash drawdowns to your financing needs. And all in an accessible way, regardless of the situation in the equity markets and other situations in which the acquisition of capital by traditional means may be difficult.



Thus, the operation ensures the raising of equity in a short period of time, substantially reducing the exposure time or the risks associated with the volatility of the market in general. Likewise, due to its circumstances and the terms and conditions under which the operation is structured, resources will be obtained more efficiently than by resorting to other formulas, such as a capital increase or issuance of debt or convertible debentures with pre-emptive subscription rights, or even an accelerated private placement among qualified investors [ACCE/erated *book-building*], etc., which would foreseeably require a higher discount



on the market price, longer execution time, or increased uncertainty.

On the other hand, the Board of Directors considers that the abolition of the pre-emptive subscription right makes it possible to significantly reduce the financial cost and the costs associated with the transaction as compared with a capital increase, or with the issuance of bonds or of assets with a pre-emptive subscription right

{especially if the fees of the financial institutions participating in this type of operations are taken into account), and at the same time has a lesser distorting effect on the trading of the Company's shares during the issuance period.

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Definitely. the Operation described in the previous contribution. The Company obtains the agreement that the subscription of the Convertible Debentures and the proposed investment will be carried out, as is necessarily required, in order to ensure the protection of the Company's interest. the exclusion of the pre-emptive subscription right in the issuance of both the Convertible Debentures and the Equity Transactions linked to the same, this being a necessary requirement { and convenient from an economic and operational point of view) in order to achieve the objectives pursued. Likewise. The proposed measure was proportional to the purpose pursued. insofar as it is amply compensated and justified by the benefit that the Company represents for the Company and for the shareholders themselves the possibility of carrying out an operation that is beneficial for SUBSTRATE.

In view of the foregoing, the Board of Directors of the Company considers that the exclusion of the pre-emptive subscription right in the issuance of both the Convertible Debentures and the Equity Warrants linked thereto. The scope of this report is justified in the context of the financing described in the third paragraph.

The Capital Companies Act requires, or s. for the exclusion of the right of pre-emption, that an expert other than the auditor of the Company's accounts, appointed for the purposes of issuance by the Commercial Registry, draw up a report containing a technical judgment on the reasonableness of the damages contained in the directors' report and on the nature of the conversion relationship. and, where appropriate, their adjustment formulas. to compensate for any dilution of the shareholders' economic shareholding. In this sense. the Commercial Registry has designated PKF ATTEST BUSINESS SERVICES. S.L. as an independent expert for the preparation of the aforementioned report.

To this end, it was noted that. pursuant to Article 510 of the Capital Companies Act, which is applicable to companies with admitted shares or trading in Multilateral Trading Facilities, in accordance with the provisions of the Thirteenth Additional Provision of the same law). The independent expert 's report provided for in Articles 414(2) and 417(2)(b) of the said rule is necessary because or because, as specified below. The maximum amount of the capital increases or carried out in execution of the Convertible Debentures and the Equity Warrants could exceed 20% of the share capital.

This report of the Board of Directors and the corresponding report of the independent expert shall be made available to the shareholders of the Company at the time of the convening of the General Shareholders' Meeting.

4. Features of the Obligaciones Convertibles. Basis and modalities of conversion.

The Convertible Debentures will be represented by nominative securities of 10,000 euros each in nominal value. They will be issued in tranches divided into a first tranche of €1,000,000 or into 2 first tranches of €500,000 each, subject to certain preconditions. 500,000 euros, will not accrue any type of interest and will be obligatorily convertible into the corresponding number of new shares, in accordance with its terms and conditions.

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In this sense, the main terms and conditions of the Convertible Obligations, including the bases and modalities for their conversion.

Assignment and transfer of Convertible Objects:

The Convertible Debentures may not be assigned or transferred without the prior consent of SUBSTRATE, except for the Investor's final costs. In order to be effective, any transfer of the Convertible Debentures must be recorded in the registry book, for these purposes, will be carried out by the Society.

Admission or Negotiation:

Convertible Debentures will not be admitted or listed on any financial market.

Face value:

Each Convertible Debenture will have a nominal value of ten thousand euros (10,000 euros)

Interests:

Dischargeable Obligations shall not accrue interest.

expiration:

The Convertible Bonds shall have a duration of twelve (12) months from their respective date of issuance (the "**Maturity Date**"). If the Convertible Debentures have not been converted by the holder thereof prior to their Maturity Date; In the event of the Convertible Debentures, the holder thereof shall need to convert all outstanding Convertible Debentures at the Maturity Date.

Conversion of SUBSTRATE Actions:

Each holder of the Convertible Debentures shall be entitled, at any time from the date of issuance of the Convertible Debentures *up to and including the Maturity Date* (the "Conversion Period"), **to convert all or part of the Convertible Debentures held by him into ordinary shares of SUBSTRATE** of 10 euros in nominal value each.

The conversion of the Convertible Debentures will take as the effective date on which the corresponding conversion notice is received by SUBSTRATE (the "**Conversion Date**").

The number of new shares to be issued by SUBSTRATE in favour of the holder of the Convertible Debentures shall be calculated by dividing the nominal amount of the Convertible Debentures subject to conversion by the Conversion Price (as defined below).

If the above exchange equation results in a fraction of an action, SUBSTRATE will round that fraction to the bottom to the nearest integer action.



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Conversion Price :

The conversion price of the Candeable Debentures will be equal to 95% of the weighted average closing price of the shares of SUBSTRATE, as published in Bloomberg, plus the five trading days immediately preceding the Conversion Date (the "Conversion Price").

The Conversion Price will be determined by rounding down to the nearest hundredth.

However, in the event that the Conversion Price is below the nominal value of the Company's shares, the Investor shall have the right to request the conversion of the Convertible Obligations and SUBSTRATE shall pay a commission of one of the following terms, from which the Company shall choose at its input discretion: (i) in cash within five business days after the Conversion Date; (ii) by deducting the amount from the subscription price of the Convertible Debentures to be paid by the Investor to the Issuer at the time of the disposition of any tranche, provided that such disposition is made within the following five (5) days or the Date of Conversion; (iii) through the issuance of new shares and their placement or disposition to the Investor within five business days following the Conversion Date.

In accordance with the provisions of article 407 of the Capital Companies Act, the corresponding issues of Convertible Debentures shall be recorded in a public deed.

This report of the Board of Directors and the corresponding report of the independent expert for the purposes of article 414.2 of the Capital Companies Act shall be made available to the shareholders of the Company on the occasion of the convening of the General Shareholders' Meeting.

5. Characteristics of Equity Warrants. Bases and Modalities of Conversion

With each issue of Convertible Debentures, a number of Equity Holders will be issued, which will be represented by half of the securities and will be held by them throughout the life of the bonds, that is, for a period of 3 years. the right. but not obligation. to acquire shares of SUBSTRATE or a specified strike or strike price.

In the tranches of Convertible Debentures, a number of Equity Warrants equal to 20% of the principal amount of each tranche (i.e. €100,000), divided by the Exercise Price of the Warrants, will be issued with each of them.

The main terms and conditions of the Equity Warrants, including the point guards and Modalities for its conversion will be as follows:

Assignment and / or transmission of the Equity Warrants:

Equity Warrants may not be assigned or transferred without the prior consent of SUBSTRATE, except to subsidiaries of the Investor. To be effective, any transfer of the Equity Warrants must be recorded in the registry book. for these purposes the Company will carry out.

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Admission or Negotiation:

Equity Warrants will not be admitted to trading on any financial market.

Value oominot:

By its very nature. Equity Warrants have no face value.

Interests:

Equity Warrants will not accrue interest.

Oversight:

Equity Warrants will be automatically voided thirty-six (36) months after their date of issuance.

Exercise of the Equity warrants

Each holder of Equity Warrants shall have the right of his/her choice. at any time from the date of issuance until maturity (the "**Warrant Exercise Period**"). to exercise all or part of the Equity Warrants and to acquire newly issued ordinary shares of SUBSTRATE, each with a nominal value of €0.10. by payment of the Exercise Price of the Warrants (and as this term is defined below).

Each Equity Holder shall entitle or acquire one (1) ordinary share of SUBSTRATE. Don't obsolete. This exchange ratio may be adjusted in certain circumstances. as specified in the following part of this report.

Pre-Exercise of the warrants-

The price per new share of SUBSTRATE to be paid by holders of the Equity Warrants shall be equal to 120% of the weighted average closing price of the shares of SUBSTRATE. as published in Bloomberg. more than ten trading days immediately preceding the date on which the holder sends a notification to the Investor requesting the subscription of a new Convertible Debenture (the "Exercise Price of the **Warrants**", except for the first term, in respect of which the Exercise Price of the Warrants shall be equal to the lower of the following:

- (i) 4.12 Euros or:
- (ii) or 120% of the weighted average closing price of SUBSTRATE shares. as published in Bloomberg, lower than the ten trading days immediately preceding June 15, 2022 (i.e. the issue date of the contract with ET Invest).

In accordance with the provisions of article 407 of the **Capital Companies Act**, the corresponding issues of Equity Warrants shall be recorded in a public deed.

6. Adjustment formulas.

To the extent that the exercise price of the Convertible Debentures, i.e. or conversion ratio, refers to the trading price of the SUBSTRATE shares on a date close to the issuance of the new shares (see previous section). it is not necessary to include anti-dilution adjustment formulas in the conversion ratio in the event of changes in the Company's capital. This is so insofar as the quoted price of the SUBSTRATE share, on the basis of which the conversion price was determined, will already reflect that price.

However, in relation to the Equity Warrants, the Exercise Price of the Warrants being fixed prior to their issuance, and being a maximum exercise period of 3 years. A series of adjustment clauses have been established, which are common in this type of operation, which are set out in Annex I of the proposed agreement included in section IO of this report.

7. Reasonableness of the financial conditions of the issue and The Suitability of the Conversion Ratio √ Its adjustment formulas are intended to avoid the dilution of the economic participation of shareholders.

In accordance with Article 510 of the Capital Companies Act, it was applicable to companies with shares admitted to trading on Multilateral Trading Facilities. in accordance with the provisions of the Thirteenth Additional Provision of the same law). The directors' report must justify the reasonableness of the financial conditions of the issue and the adequacy of the relation. and its adjustment formulas to avoid dilution of shareholders' economic shareholding.

 **En e te** ;; This is the first time that we have been able to the Board of Directors considers that the Convertible Debentures and Equity Warrants are issued on very favourable terms. s· is compared with market standards in the issuance of convertible debts.

On the one hand, as indicated above. the Convertible Debentures will not accrue any interest. so it is rolled from an instrument that will be converted. for a period of 12 months, for its nominal amount. without accruing or capitalizing during the life of the Convertible Debentures.

 On the other hand, the Board of Directors considers that the Conversion Price of the Convertib Debentures and of the Equity Warrants is reasonable and is within the range of values applied by other companies in similar operations carried out in both the national and international markets.

In this regard, according to public information, some of the discount percentages [on the trading price at the close of the day prior to the adoption of the resolution or on some other share price] used to determine the minimum issuance rate provided for in capital raising operations carried out by companies listed on the Continuous Market in Spain have been as follows: 13.8% in the placement of Solaria (July 2018); 10.3% in Iberdrola (June 2009); 10% in the accelerated placements of Hispania (April 2015) and Banco Santander jenero 2015); 9.5% in Banco Sabadell (January 2011); 8.5% in Gamesa Technological Corporation (September 2014); 5.8% in Amadeus (April 2020); 5% in Colonial [April 2017], Euskoltel (November 2015) and CIE Automotive June 2014: or 4.08%

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in Axiare [March 2017]; in all these areas, in environments of lower market volatility than in the current one and in operations carried out by companies much larger than SUBSTRATE.

As indicated above, to the extent that the exercise price of the Convertible Debentures is a reference to the trading price of the SUBSTRATE share at a date close to the date of the issuance of the new shares. It is not necessary to include formulas for the adjustment of anti-dilution in this conversion ratio.

Finally, in relation to Equity Warrants. Since the Exercise Price of the Warrants is fixed prior to its issuance, and its exercise period is 3 years, a series of adjustment clauses have been established, which are included in this type of operation, which are included in Annex I of the proposed agreement included in section 10 of this report.

8. Maximum number of Convertible Warrants and Convertible Warrants to be issued and minimum conversion price.

In accordance with Article 415 of the Capital Companies Act, Convertible Debentures may not be issued for a fee >at their nominal value. In this sense, Convertible Bonds have an individual nominal value of €10,000 euros, as detailed in Contribution 4 above of this report, the maximum number of Convertible Debentures that may be issued. There will be 2,000

Likewise, in accordance with the aforementioned section 415 of the Capital Companies Act, Convertible Debentures may not be converted into shares when the nominal value of the shares is less than the nominal amount of the shares delivered in the conversion. In the event that the Conversion Price is less than the nominal value of the shares, SUBSTRATE shall pay a commission in one of the following ways from which the Company shall choose or at its discretion: (i) in cash during the following five business days after the Conversion Date; (ii) by deducting the amount of the subscription price of the Convertible Notes to be paid by the Investor to the Issuer at the time of the disposition of any tranche, in the event that such disposition is made within five (5) days of the Conversion Date; (iii) through the issuance of new shares and their placement or disposition to the Investor, within five business days following the Conversion Date.

In the case of Equity Warrants, given that, by their nature, these securities do not have a nominal value, the aforementioned provision established in article 415 of the Capital Companies Act, that I seek to maintain the integrity of the share capital enshrined in art. 59.2 of said law, translates into the prohibition of the conversion price of the Equity Warrants being lower than the nominal value of the actions that take place in contraprestación. For these purposes, both the maximum number of Equity Warrants or issue, and the maximum number of shares to be delivered in the event of conversion of the same, will be determined, with reference to the issuance of the Equity Warrants, based on the Exercise Price of the Warrants (as defined in Contribution 5 above of this report).

In any case, as specified in the following section, the maximum joint nominal amount of the increases in the share capital agreed by the Board of Directors, counting those agreed upon by the conversion of the Convertible Debentures and the exchange of the Equity Warrants, such as those that may be

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in accordance with other authorizations of the Junta. they won't be able to. in any arena. be superior or 1.103.441.40 euros.

9. Capital increase in the amount necessary to cover the issuance of the Convertible Debentures and Equity Warrants.

The delegation for the issuance of the Convertible Debentures and the Equity Transactions necessarily entailed the delegation in order to increase the corporate capital by the amount necessary to cover the conversion or exchange of the same. In this sense, together with or the proposed exclusion from the subscription right in the issuance of the Convertible Debentures and the Equity Warrants, it is proposed to the General Meeting of shareholders to delegate to the Board of Directors of the Company, by analogous application of the provisions of Article 297.1.b) of the Capital Companies Act, the power to agree, on each occasion, the capital increase necessary to meet the conversion of the Convertible Debentures into shares as well as the exchange of the Equity Covenants, through the issuance of new shares (without the right of pre-emption of the current shares of the Company in accordance with Article 304.2 of the Capital Companies Act) and with incomplete subscription provision.

This power will be conditional on the total of the increases in share capital agreed by the Board of Directors, counting both those that are agreed in the exercise of the delegated powers and those that may be in accordance with other authorizations of the Board, do not exceed the limit of half of the current share capital in accordance with Article 297.1.b) of the Capital Companies Act. Therefore, taking into account that, the capital increase approved by the Extraordinary Universal General Meeting of Shareholders of the Company held on March 14, 2022 for a total effective amount of 7,661,250 euros through the issuance of 1,779,060 new shares for:



Compensation of 2 credits amounting to €5,000,000 through the issuance of 1.160,622 new shares with a subscription price of €4.30803483 per share (€0.10 par value and €4.20803483 share premium). The claims had arisen from the right of collection held by Blue Dec. S.L. and Summon Press. S.L. for the sale of 10% of Assistacasa, S.L. and the Summon Press business unit, respectively.

by monetary contribution amounting to 2,664,250 euros through the issuance of 618,438 new shares with a subscription price of €4,30803483 per share (OR, €10 par value and €4.20803483 share premium). This increase was subscribed by 69 shareholders,



the share capital of the Company is, the adoption of the agreement that gives rise to this report, of €2,206,882.80, the maximum total nominal amount of the share capital increases agreed by the Board of Directors may not, in no case must they exceed 1,103,441.40 euros.

10. Proposed agreement

Included below is the proposed resolution to delegate to the Board of Directors of the Company the power to issue bonds and *bonds* convertible into shares of the Company (Convertible Debentures and Equity Warrants). Excluding the pre-emptive subscription right:

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"Delegation to the Board of Directors of the power to issue obligations \vee warrants convertible into shares of the Company, excluding the pre-emptive subscription right, as well as to increase the share capital by the amount necessary to cover the conversion or exchange thereof.

It is agreed to delegate to the Board of Directors of SUBSTRATE SOLUTIONS, S.A. ("SUBSTRATE" or the "Company"), with express powers of substitution, under the provisions of Articles 197.1.b), 401 et seq. and 417 of the Capital Companies Act, approved by Royal Legislative Decree 1/2010, of July 2, 2010 (the "Capital Companies Law") and 319 of the Regulations of the Commercial Registry, approved by Royal Decree 1784/1996, of July 19, 1996, the power to issue debentures convertible into shares of the Company itself for a maximum nominal amount of 20,000,000 euros (the "Convertible Debentures"), or those which will be linked to convertible warrants (the "Equity Warrants"), all excluding the right of pre-emption and in accordance with the conditions specified or below.

To. Characteristics of /os Obligations Convertible

The Board of Directors is delegated the power to issue Convertible Debentures up to a maximum nominal amount of €20,000,000.

The Convertible Debentures will be issued at par. They will be represented by registered securities of 10,000 euros in nominal value each. They will be issued in tranches of 500,000 euros. They will not accrue any type of interest and will be compulsorily convertible into the corresponding number of new shares, in accordance with its terms and conditions.

In this regard, the main terms and conditions of the Convertible Debentures, including the bases and modalities for their conversion, they will be as follows:

Assignment and transfer of the Convertible debentures:

The Convertible Debentures may not be assigned or transferred without the prior consent of SUBSTRATE, except to subsidiaries of the Investor. I want it to be effective, any transfer of the Convertible Debentures must be recorded in the record book kept by the Company.

Admission or Negotiation:

The Convertible debenture will not be admitted or listed on any financial market.

Nominal Value

Each Convertible Debenture will have a nominal value of ten thousand euros (10,000 euros).

Interests:

Convertible debenture shall not bear interest.

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expiration:

The Convertibles Notes shall have a duration of twelve (12) months from their respective date of issuance (the "**Maturity Date**"). **If the Convertible Debentures have not been converted by the holder thereof before their Maturity Date, the holder thereof must necessarily convert all of the outstanding Convertible Debentures by the Maturity Date.**

Convertible Shares of SUBSTRATE Shares:

Each holder of the Convertible Debentures shall be entitled, at any time, from the issuance of the 1st Convertible Debentures up to and including the Maturity Date (the "Conversion Period"), to convert all or possession of the Convertible Obligations of which it is the holder into ordinary shares of SUBSTRATE, of 0.10 euros nominal value each.

The conversion of the Convertible Debentures will take as the effective date on which the corresponding conversion notice is received by SUBSTRATE (the "**Conversion Date**").

The number of new shares to be issued by SUBSTRATE in favour of the holder of the Convertible Debentures shall be calculated by dividing the nominal amount of the Convertible Debentures subject to conversion at the Conversion Price (as defined below).

If the exchange equation referred to above would result in a fraction of a share, SUBSTRATE will round this fraction to the nearest whole action.

Conversion

The conversion price of the Convertible Debentures will be equal to 95% of the weighted average closing price of the shares of SUBSTRATE, as published in Bloomberg, lower than the five trading days immediately preceding the Conversion Date (the "Conversion Price").

The Conversion Price will be determined by rounding down to the nearest hundredth.

However, in the event that the Conversion Price is below the par value of the Company's shares, the Investor shall have the right to request the conversion of the Convertible Debentures and SUBSTRATE shall pay a fee in one of the following ways from which the Company shall choose or in its sole discretion: (i) in cash within five business days following the Conversion Date; (ii) by deducting the amount of the subscription price of the Convertibles Notes that the Investor shall pay to the Issuer at the time of the disposition of any tranche, provided that such disposition is made within five (5) days following the Conversion Date; (iii) through the issuance of new shares and their availability to the Investor, within five business days following the Conversion Date.

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In accordance with the provisions of article 407 of the Law on Capital Companies, the corresponding issuances of Convertible Debentures shall be recorded in a public deed.

8. Features of your Equity Warrants

The Board of Directors is delegated the power to issue, together with each tranche of Convertible Debentures, a certain number of Equity Warrants.

In the tranches of Convertible Bonds, a number of Equity Warrants equal to 20% of the principal amount of each tranche (i.e. €100,000) will be issued with each of them, divided by the Warrant Exercise Price.

The Equity Warrant shall be represented by securities and shall grant the right to their holder or throughout the life of the bonds, i.e. for a period of 3 years, but not the obligation to acquire shares of SUBSTRATE at a specified exercise price or strike, in accordance with the following terms and conditions:

Assignment and Transfer of the Equity Warrants.

Equity Warrants may not be assigned or transferred, without the prior consent of SUBSTRATE, except to subsidiaries of the Investor. In order to be effective, all transfers of the Equity Warrants must be recorded in the record book, for these purposes the Company will carry out.

Admission or Negotiation:

Equity Warrants will not be admitted to trading on any financial market.

Nominate Value:

By its very nature, Equity Warrants will have no face value.

Interests:

Equity Warrants will not accrue interest.

Expiration:

Equity Warrants will be automatically voided thirty-six (36) months after their date of issuance.

Exercise of the Equity Warrants

Each holder of Equity Warrants will have the right, at your choice, in any From the date of issuance until maturity (the "**Warrant Exercise Period**"), to exercise all or part of the Warrants and to acquire newly issued ordinary shares of SUBSTRATE of €0.10 nominal value each of them, upon payment of the Exercise Price of the Warrants (as defined below).

Each Equity Warrant shall entitle you to purchase one (1) ordinary share of SUBSTRATE. Nevertheless, this exchange ratio may be adjusted in certain circumstances as described in **Annex I** to this Agreement.

Warrants Exercise Price:

The price for each new share of SUBSTRATE to be paid by holders of the Equity Warrants will be equal to 120% of the weighted average closing price of the shares of SUBSTRATE, as published in Bloomberg, the lowest of the ten trading days immediately preceding the date on which it is remitted by SUBSTRATE one notice to the Investor requesting the subscription of a new Convertible Debenture Bond (the "**Exercise Price of the Warrants**"). except for the first section, in respect of which the Exercise Price of the Warrants shall be equal to the lower of the following:

- (i) €4.12 or;
- (ii) at 120% of the weighted average closing price of SUBSTRATE shares, as published in Bloomberg, lowest of the ten trading days immediately preceding June 15, 2022 (Le. The contract with the Investor is signed).

C. Term of the delegation

Convertible Debentures and Equity Warrants may be issued in one or more times, at any time, within a maximum period of three years from the date of adoption of this Agreement.

Or. Recipient of the issue

The issuances of Convertible Debentures and Equity Warrants made under this delegation are intended to be subscribed solely by Global Corporate Finance Opportunities 15 (the "Investor"), incorporated under the laws of the Cayman Islands, with registered office at PO Box 2775 Artemis House, 67 Fort Street, Grand Cayman, KY 1-1111, Cayman Islands and with registration number CR-390548 and Spanish fiscal identification number (NIF) N0245679F.

However, in accordance with the terms and conditions of the financing agreement entered into between the Company and the Investor, it is expressly agreed that the Convertible Debentures and Equity Warrants may be issued in favor of any of the Investor's subsidiaries.

E. Exclusion of the pre-emptive subscription right

In accordance with Article 417 of the Capital Companies Act, the General Meeting of Shareholders hereby resolves to exclude the pre-emptive subscription right in the issuance of both the Convertible Debentures and the Equity Warrants.

F. Capital increase

The Board of Directors is delegated the power to increase the capital through the issuance of new ordinary shares in the amount necessary to meet the requests for conversion of the Convertible Debentures and Equity Warrants issued under this resolution.

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Such power shall be conditional on the total of the increases in the share capital agreed by the Board of Directors, including both those that are agreed in the exercise of the powers now delegated and those that may be delegated in accordance with other authorizations of the Shareholders' Meeting, does not exceed the limit of half of the current corporate capital in accordance with article '297.1 b) of the Capital Companies Act. Therefore, bearing in mind that the share capital of the Company is, at the date of adoption of this resolution, 2,206.882.80 euros, the maximum total nominal amount of the share capital increases agreed by the Board of Directors may not, in any case, exceed or 1,103,441.40 euros.

It is expressly agreed that the Board of Directors may combine in the same capital increase the execution of different requests for the conversion of Convertible Debentures or, as a matter of course, of Equity Warrants, all within the term and in accordance with the terms of the same.

This authorization to increase the capital includes the issuance and circulation of the capital. In one or more times, the shares representing the same that are necessary to carry out or effect the conversion and/or exchange of the Convertible Debentures and the Equity Warrants, as well as to redraft the article of the Articles of Association relating to the capital and to carry out the All the transactions are necessary for the new shares subject to the increase in copila1 to be incorporated into trading in the BME Growth segment of BME MTF Equity ("**BME Growth**") and, in its case, in any other regulated markets or multilateral trading facilities, national or ex-Ironjeros, in which the Company's shares are traded.

In accordance with the provisions of article 304.2 of the Capital Companies Act, there shall be no right of pre-emption in the capital increases carried out to meet the conversion requests of the Convertible Debentures and the Equity Warrants issued under this agreement.



G. **Rights of New Shares**

New shares issued as a result of the conversion or exchange of the Convertible Debentures or Equity Transactions shall confer on their holders the same political and economic rights as the ordinary shares of the Company currently outstanding.

H. **Delegation of authority**



Without prejudice to the delegations of specific powers contained in the preceding paragraphs (which must be understood to have been granted with express powers of substitution in the bodies and persons detailed herein), the Board of Directors is hereby granted the power to do so, to the extent required by law and with express powers of substitution in the members of the Board that it deems appropriate, including the Secretary, for any of them, indistinctly and with his signature only. I may take all actions necessary or convenient for the successful completion of this Agreement and, in particular, By way of example and not limitation, to:

Adopt as many agreements as may be necessary or convenient in order to comply with current legal regulations, execution *and* good completion of this agreement, including the performance of any formalities, the signing of any public or private documents, agency contracts,

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insurance, calculation and other necessary for the issuance of the Convertible Securities and/or Equity warrants, as well as the subscription of the prospectuses that may be necessary in use of the delegation of this agreement:

complete, develop, clarify or modify the terms and conditions of both the Convertible Debentures and the Equity Warrants included in this agreement (including their adjustment formulas) and, once issued, amend, when it deems appropriate; and subject, if applicable, to obtaining the appropriate authorizations from the holders of the Convertible Bonds or Equity Warrants and, where appropriate, to the conformity of the agreements of the corresponding syndicates or representative bodies, the conditions of exercise of the same and their respective term and other terms and conditions thereof;

determine, based on, and follow the terms and conditions of the Convertible Bonds and/or the Equity Warrants, the time of their conversion or exercise, which may be limited or a period fixed in advance, ownership of the right of conversion, which may correspond either to the Company itself or to the securities and, in general, any elements or conditions that may be necessary or convenient, always within the terms and conditions established by the General Meeting:

establish the date at which the different increases in the cap; The company is required to meet the costs of conversion or exchange of the Convertible Debentures and/or the Equity Bonds, fixing the issue premium of the new shares and, therefore, the type of issue of the new shares; establish, providing for the possibility of incomplete subscription, the number of shares to be issued and the nominal amount of each cap according to the issue price, the term, form and procedure of subscription and disbursement;

Write s0scribi-ry presen ar, if applicable, before the governing body of BME Growth (or before any governing body of those markets, national or foreign, (whether official or not, in which the Company's shares may be admitted to trading) or any other supervisory authorities that were appropriate, in relation to the issues and additions or trading of the new shares that are issued under this agreement, the information leaflet, the full extension document or reduced extension document and any supplements or the same that may be necessary or desirable, assuming responsibility for them, as well as any other documents and information that may be required in compliance with the provisions of the applicable regulations; and

to execute on behalf of the Company as many public or private documents as may be necessary or convenient for the good conduct of this agreement and, in general, to carry out all necessary formalities, as well as to correct, clarify, interpret, clarify or supplement this resolution adopted by the General Shareholders' Meeting and, in particular, so many defects, omissions or errors, of substance or form, resulting from the verbal or written classification, prevented access to the Mercantile Registry of the agreements and their consequences, or any other."

This report has been prepared and approved by the Board of Directors of the Company, in Madrid, at its meeting held on June 29, 2022.



Lorenzo Serrotosa

Chairman



José Ivan García

Secretary

ANNEX 1: EQUITY WARRANT ADJUSTMENT FORMULAS

Each Equity Warrant shall entitle you to acquire one common share of SUBSTRATE [the 'Exchange Ratio']). all in accordance with the terms and conditions thereof.

However, the Company's performance of any of the following transactions listed below will entail the need to protect the rights of the holders of the Equity Holders by adjusting the Exchange Ratio or the Exercise Price of the Warrants in accordance with the following conditions: Positions:

In the case of an adjustment made in accordance with the following contributions, the new Exchange Ratio will be determined to one decimal place and rounded to the nearest tenth (0.15 rounded to the top tenth). Nevertheless, Warrants can only result in the delivery of a whole number of Shares.

1. Transactions with pre-emptive subscription rights:

In the case of a financial transaction that confers a pre-emptive subscription right to the current shareholders, the new Exchange Ratio of the Equity Shareholders will be determined by multiplying the Exchange Ratio in force before the corresponding transaction by the following formula:

$$\frac{\text{Value of the share without the right of subscription} + \text{value of the right of subscription}}{\text{Value of Action Ex right Description}}$$



For the purposes of calculating this formula. The values of the subscription right of the shares and the subscription right will be determined on the basis of the subscription fee by means of the closing prices of the shares on the BME Growth website corresponding to the subscription period during which the shares and the subscription rights are quoted simultaneously.

2. Capital increase with charge to reserves



In order to increase the share capital by capitalization of reserves. Issuance benefits or premiums and distribution of free shares. or in the event of split. The new Exchange Ratio of the Equity Warrants will be determined by multiplying the Exchange Ratio in effect prior to the corresponding transaction by the following formula:

$$\frac{\text{Number of shares after the operation}}{\text{Number of shares existing before the operation}}$$

3. Increase in the nominal value of shares charged to the reserve

In the event that an increase in the share capital is possible without shares being issued by means of a reserve capitalization. By increasing the par value of the shares, the par value of the shares that may be delivered to the holders of Equity Warrants upon the exercise thereof shall be increased accordingly.

4. Distribution of reserves

In the context of the distribution of reserves in cash or in kind or an issue premium, the new Exchange Ratio of the Equity Shareholders was determined multiplied by the Exchange Ratio in effect prior to the transaction shall be determined by the following formula:

$$\frac{1}{1 + \frac{\text{Imported distribution per action}}{\text{Value of the Share Before Distribution}}}$$

For the purposes of calculating this formula, the value of the shares before distribution will be determined on the basis of the weighted average of the prices on BME Growth during the last three (3) trading days prior to the distribution.

5. Allocation of other Financial Instruments

In the event of the award of subsidised financial instruments other than shares, the new Equity Warrants Exchange Ratio will be determined as follows:

If the right or receivable financial instruments is listed on BME Growth, the new Exchange Ratio will be determined by multiplying the Exchange Ratio in force before the corresponding transaction by the following formula:

$$\frac{\text{Price of the right or receivable financial instrument}}{1 + \text{Value of Action Ex Duty}}$$

For the purposes of calculating this formula, the prices of the ex-entitlement shares and the rights to receive financial instruments will be determined on the basis of the weighted average of the prices on BME Growth during the first three (3) trading days or from the decoupling of the financial instruments.

If the right to receive financial instruments is not listed on BME Growth, the new Exchange Ratio will be determined by multiplying the Exchange Ratio in force before the corresponding transaction by the following formula:

$$\frac{1}{1 + \frac{\text{Value of the right to the financial instrument}}{\text{Value of Action Ex Duty}}}$$

For the purposes of calculating this formula, the price of the ex-right shares will be determined on the basis of the weighted average of the prices on BME Growth during the first three (3) trading days following the decoupling of the financial instruments and the value of the right will be assessed by a reputable independent expert designated by the Society, whose decision shall be final.

6. Structural modifications

In the event of any of the structural modifications set out in Law 3/2009, of 3 April on structural amendments, the Equity Warrants may be exercised in shares of the acquiring company or of the new company or of the companies resulting from any spin-off or spin-off.



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The new Exchange Ratio of Exchange of the Equity Warrants shall be determined by adjusting the Exchange Ratio in force at the time of such event by the exchange rate fixed in such transaction for the shares of the Company.

7. Share Buyback Offer

In the event that the Company makes an offer to the shareholders to buy back its own shares at a price higher than the share price, the new Exchange Ratio of the Equity Warrants shall be determined by multiplying the Exchange Ratio in effect by the following calculated formula or one-hundredth of a Share-

$$\frac{\text{Share Value} + \text{PE}\% \times (\text{Buyback Price} - \text{Share Value})}{\text{Share Value}}$$

For the purposes of calculating this formula:

"Share Value" (i) means the average of at least ten (10) consecutive closing prices of the Shares in BME Growth chosen from the twenty (20) consecutive closing prices of the Shares in BME Growth prior to the repurchase or repurchase offer.

"PE%" means the percentage of the share capital of the Entrepreneur that has been repurchased.

'Buyback price' means the effective price of the repurchased shares [which by definition is higher than the value of the share).

8. Amortization of share capital



In the event of repayment of the share capital, the new Exchange Ratio and Equity Warrants will be completed by multiplying the Ratio-Redemption in effect prior to the corresponding transaction by the following formula:

$$\frac{1}{\frac{\text{How much is it amortized}}{\text{Value of the action before the dampening}}}$$

For the purposes of calculating this formula, the value of the share before redemption will be determined on the basis of the weighted average of the share prices on BME Growth during the last three (3) trading days immediately preceding the redemption date.

9. Issuance of preferred shares



In the event of modification by the Issuer of all its profits as a result of the issuance of preferred shares, the new Exchange Ratio of the Equity Shares shall be determined by multiplying the Exchange Ratio in effect prior to the date of issuance of the preferred shares by the following formula:

$$\frac{1}{\frac{\text{reduction of the right to benefit by action,}}{\text{Value of the action before the modification}}}$$

For the purposes of calculating this formula, The share price before the change in earnings allocation will be determined on the basis of the weighted average

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of the share prices on BME Growth during the last three (31 trading days immediately preceding the date of the change.

10. Issuance of new shares

In the event that the Company deposits shares (other than shares issued as a result of the exercise of the Convertible Debentures or Equity Warrants) at an issue price per share that is lower than the Exercise Price of the Warrants, the new applicable Warrant Exercise Price will be automatically adjusted to be equal to the issue price of such E Share Share Exercise Price; The Warrant will become effective on the date of issue of such shares.

11. Warrant Registration

In the event that the Company issues Exercise Warrants and the Exercise Price of the Warrants is lower than the Exercise Price of the Warrants, the Exercise Price of the Warrants will be automatically adjusted to be equal to that exercise price. Such adjustment of the Warrants' Exercise Price shall be effective on the date of issuance of the share subscription warrants.



ANNEX II

Certificate of Spanish Stock Exchanges, Trading Systems, S.A.

BOLSAS y MERCADOS ESPAÑOLES,
SISTEMAS DE NEGOCIACIÓN, S.A.

**MR. ALEJANDRO DÍEZ HERRERO, SECRETARY OF THE BOARD OF DIRECTORS OF
BOLSAS Y MERCADOS ESPAÑOLES, SISTEMAS DE NEGOCIACIÓN, S.A.**

CERTIFIES:

That, according to the data provided by the Market Supervision Department obtained from the SIS (Integrated Supervision System), it appears that during the period between 17/05/2022 and 29/06/2022, both inclusive, the simple average change in the daily weighted average changes in the trading in BME Growth of the shares of **SUBSTRATE ARTIFICIAL INTELLIGENCE, S.A.**, ISIN code ES0105650008, was 2.0272 euros.

Likewise, in the period between 16/06/2022 and 29/06/2022, both inclusive, the daily weighted average changes in the trading on BME Growth of the aforementioned shares were:

DATE	ISIN	DAILY WEIGHTED AVERAGE PRICE
16/06/2022	ES0105650008	1,7500
17/06/2022	ES0105650008	1,6629
20/06/2022	ES0105650008	1,5227
21/06/2022	ES0105650008	1,3798
22/06/2022	ES0105650008	1,2473
23/06/2022	ES0105650008	1,2778
24/06/2022	ES0105650008	1,3797
27/06/2022	ES0105650008	1,4700
28/06/2022	ES0105650008	1,5304
29/06/2022	ES0105650008	1,5738

Additionally, these shares registered a closing change of 1.5500 euros on 29/06/2021.

And, for the record and for the appropriate purposes, this certification is issued, with the approval of the Chairman of the Board of Directors of Bolsas y Mercados Españoles, Sistemas De Negociación, S.A., in Madrid, on June 29, 2022.

Vº. Bº.

THE PRESIDENT

Signed by ***3801** MANUEL ARDANZA
(R: ****3624*) on 29/06/2022 with a
certificate issued by AC Representation

Palacio de la Bolsa
Plaza de la Lealtad, 1
28014 Madrid
Tel: +34 91 589 21 02 / 11 75

THE SECRETARY

Signed by ***4820** ALEJANDRO
DÍEZ (R: ****3624*) on
29/06/2022 with a certificate
issued by AC Representation