



authID INC. Announces Pricing of Approximately \$7.1 Million Registered Direct Offering and Concurrent Private Placement and Approximately \$7.1 Million Notes Exchange

May 23, 2023

DENVER, May 23, 2023 (GLOBE NEWSWIRE) -- authID Inc. (NASDAQ: AUID) (“authID” or the “Company”), a leading provider of secure identity authentication solutions, today announced it has entered into a definitive agreement with accredited investors to sell approximately 15.5 million shares of its common stock (the “Shares”), pursuant to a registered direct offering (the “Registered Direct Offering”), and a concurrent private placement (the “Private Placement”). The purchase price for one Share in the Registered Direct Offering and the concurrent Private Placement will be \$0.458 (or \$0.50 if the purchaser is a director of the Company). The aggregate gross proceeds from the Registered Direct Offering and the concurrent Private Placement are expected to be approximately \$7.1 million before deducting placement agent fees and other estimated offering expenses.

Simultaneously with the Registered Direct Offering and the concurrent Private Placement, the Company entered into a definitive agreement with holders (“Holders”) of its March 2022 Senior Secured Convertible Notes (the “Convertible Notes”) to exchange approximately \$7.1 million of outstanding principal amount of the Convertible Notes, and accrued but unpaid interest thereon, for Shares (the “Notes Exchange”). The exchange price for one Share in the Notes Exchange will be \$0.472 (or \$0.515 if the Holder is a director of the Company). The Company will not receive any cash proceeds from the Notes Exchange. The Company also obtained consents from Holders representing more than the 66.67% of the outstanding principal amount of the Convertible Notes required to make amendments that will eliminate substantially all the restrictive covenants, and a related event of default, from the Convertible Notes.

The closing of the Registered Direct Offering and the concurrent Private Placement is expected to occur on or about May 25, 2023, and closing of the Notes Exchange is expected to begin on May 25, 2023, subject to the satisfaction of customary closing conditions.

Madison Global Partners, LLC, acted as sole placement agent for the Registered Direct Offering and the concurrent Private Placement.

authID intends to use the net proceeds of the Registered Direct Offering and the concurrent Private Placement for working capital and general corporate purposes.

The Shares offered in the Registered Direct Offering (but not the Shares issued in the concurrent Private Placement or the Notes Exchange) are being offered by the Company pursuant to a shelf registration statement (Registration No. 333-260641) filed with the Securities and Exchange Commission (the “SEC”) and declared effective by the SEC on November 10, 2021. The Registered Direct Offering is being made only by means of a prospectus supplement and accompanying prospectus. A prospectus supplement and accompanying prospectus relating to the Registered Direct Offering will be filed with the SEC and, when available, may be obtained for free on the SEC’s website located at <http://www.sec.gov>. Electronic copies of the final prospectus supplement and accompanying prospectus relating to the Registered Direct offering may be obtained by contacting Madison Global Partners, LLC, Attention: David S. Kaplan, 350 Motor Parkway, Suite 205, Hauppauge, NY 11788, by email at info@madisonglobalpartners.com, or by telephone at (646) 690-0330.

The Shares sold in the concurrent Private Placement and the Notes Exchange are being issued in a private placement under Section 4(a)(2) of the Securities Act of 1933, as amended (the “Act”), and/or Rule 506(b) of Regulation D promulgated thereunder and have not been registered under the Act, or applicable state securities laws. Accordingly, the Shares issued in the Private Placement and the Notes Exchange may not be offered or sold in the United States except pursuant to an effective registration statement or an applicable exemption from the registration requirements of the Act and such applicable state securities laws.

This press release shall not constitute an offer to sell or the solicitation of an offer to buy, nor shall there be any sale of these securities in any state or jurisdiction in which such offer, solicitation, or sale would be unlawful prior to registration or qualification under the securities laws of any such state or jurisdiction.

About authID Inc.

At authID (Nasdaq: AUID), We Are Digital Identity®. authID provides secure identity verification and authentication through Verified™, an easy-to-integrate strong authentication platform. Verified combines document-based identity verification with strong FIDO2 passwordless device authentication and cloud biometrics to deliver identity-first cybersecurity for both workforce and consumer applications. Powered by sophisticated biometric and artificial intelligence technologies, authID establishes trusted digital identities, binds an identity to provisioned devices, and eliminates the risks of passwords to deliver the faster, frictionless, and accurate user identity solutions demanded by today’s digital ecosystem.

For more information, please visit [www. https://authid.ai/](https://authid.ai/).

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Cautionary Statement Regarding Forward-Looking Statements:

This Press Release includes “forward-looking statements.” All statements other than statements of historical facts included herein are forward-looking

statements. Actual results may vary materially from the results anticipated by these forward-looking statements as a result of a variety of risk factors. See the Company's Annual Report on Form 10-K for the Fiscal Year ended December 31, 2022, filed at www.sec.gov and other documents filed with the SEC for risk factors which investors should consider. These forward-looking statements speak only as to the date of this release and cannot be relied upon as a guide to future performance. authID expressly disclaims any obligation or undertaking to disseminate any updates or revisions to any forward-looking statements contained in this release to reflect any changes in its expectations with regard thereto or any change in events, conditions, or circumstances on which any statement is based.