authID Continues Growth Momentum with Strong Q4 Sales

January 04, 2024

DENVER, Jan. 04, 2024 (GLOBE NEWSWIRE) -- authID® [Nasdaq: AUID], a leading provider of innovative biometric identity verification and authentication solutions, today announced that it signed new customer contracts with gross Booked Annual Recurring Revenue or bARR (as defined below) preliminarily valued at $1.7 million during the fourth quarter of 2023. This achievement continues the momentum seen throughout the entirety of 2023, with Q4 bookings representing a 64% increase over the Company's third quarter.

Friction-filled one-time passwords and antiquated processes that blindly assume credentials are being submitted by the rightful owner are frequent conduits for data breaches, phishing schemes, and account takeovers. Recognizing a failing security strategy, cyber-savvy organizations are turning to authID's biometric lifecycle identity platform to ensure they 'know who's behind the device' ™ for a range of use cases including digital onboarding, authorizing online financial transactions, and securing workforce passwordless logins on shared corporate devices.

To that end, the authID sales team secured various customers in Q4, including an international digital wallet provider leveraging authID to deliver frictionless biometric identity assurance for their network of banks, merchants and customers while securing international payments; and a leading entertainment business software provider partnering with authID to stop fraud and eliminate account takeover with strong identity assurance for transferring money in the entertainment industry. The Company also signed contracts with a mobile application provider committed to advancing responsible firearm instruction, training, and ownership; and with a service provider of verified identities to ensure safe online interactions and prevent fake profiles, catfishing, and potential cyber-predator risks.

"I am extremely pleased to continue our strong sales momentum through the fourth quarter," said Rhon Daguro, CEO of authID. "It's not enough to have powerful products – you must also be able to convey value to customers. authID is fortunate to have great people developing our technology, and equally great people selling it. Together, we provide best-in-class solutions and cutting-edge thought leadership to the market."

authID's identity life-cycle platform pioneered the delivery of world-class cloud biometrics with precision, speed, and accuracy. In 700ms or less, authID delivers the fastest, most frictionless identity authentication user experience in any browser, without the need for expensive, specialized hardware. authID's document-based identity verification streamlines digital onboarding and eliminates identity fraud with PAD Level 2 liveness confirmation, ID anti-spoofing checks, and facial biometric matching of a selfie to the credential photo. authID extends the value of the onboarded biometric root of trust with FIDO2 passwordless login and a quick biometric selfie, to deliver a user identity that is fast, accurate, and friendly, while eliminating account takeover and protecting consumer and workforce account login, account resets, and transaction and payments authentication.

Stated Daguro, "By adding the industry's deepest domain expertise in identity, we built a best of breed team for sales and execution who continually set and surpass high sales goals. Our go-to-market efforts are resonating with our target verticals who are looking for fast, convenient, and highly accurate identity solutions to stop fraud and account takeover by identifying the person behind the device every time. I am confident that authID is well positioned to continue our strong momentum from the fourth quarter and achieve our targets for 2024."

authID's patented identity authentication platform helps clients secure a range of workforce and consumer use-cases For further information about how authID can help your organization secure your workforce or consumer applications against identity fraud, cyberattacks, and account takeover, contact us.

Non-GAAP Financial Information

The Company provides certain non-GAAP financial measures in this statement. These non-GAAP key business indicators, which include bARR and ARR, should not be considered replacements for and should be read in conjunction with the GAAP financial measures for the period, which will be published in due course with our Annual Report on Form 10-K for the period ended December 31, 2023. Please note that the definitions of these non-GAAP financial measures have changed as compared to the non-GAAP financial measures reported in previous periods. Management believes that bARR , when viewed with our results under GAAP, provides useful information about our period-over-period activities. bARR is presented because management believes it provides additional information with respect to the trends in the performance of our fundamental business activities. We also rely on bARR as one of a number of primary measures to review and assess the sales performance of our Company and our management team in connection with our executive compensation. In particular bARR is a forward-looking measure and does not give any indication of the likely results of operations of the Company for the period just ended, nor of the GAAP financial measures which will be reported in Form 10-K for the quarter and year just ended.

The Company defines Booked Annual Recurring Revenue or bARR , as the amount of annual recurring revenue represented by the estimated amounts of annual recurring revenue we believe will be earned under such contracted orders, looking out eighteen months from the date of signing of each customer contract. The net amount of bARR reflects the deduction of the bARR of contracts previously included in reported bARR , which were subject to attrition during the quarter. The gross and net amount of bARR signed in the fourth quarter of 2023 was $1.7 million, compared to $0.03 million of bARR signed in the fourth quarter of 2022.

The company defines Annual Recurring Revenue or ARR, as the amount of recurring revenue derived from sales of our Verified products during the last three months of the relevant period as determined in accordance with GAAP, multiplied by four.

bARR may be distinguished from ARR, as bARR does not take specifically into account the time to implement any contract for our SaaS services, nor for any ramp in adoption, or seasonality of usage of the authID products, but is based on the assumption that 18 months after signing these matters will have been generally resolved. bARR and ARR have limitations as analytical tools, and you should not consider them in isolation from, or as a substitute for, analysis of our results as reported under GAAP. Some of these limitations are:

- bARR & ARR should not be considered as predictors of future revenues but only as indicators of the direction in which revenues may be trending. Actual revenue results in the future as determined in accordance with GAAP may be significantly different to the amounts indicated as bARR or ARR at any time.
- bARR and ARR are to be considered “forward looking statements” and subject to the same risks, as other such statements (see note on “Forward Looking Statements” below).
- bARR & ARR only include revenues from sale of our Verified products and not other revenues.
- bARR & ARR do not include amounts we consider as non-recurring revenues (for example one-off implementation fees).

Forward-Looking Statements

This Press Release includes “forward-looking statements.” All statements other than statements of historical facts included herein, including, without limitation, those regarding the future results of operations, booked Annual Recurring Revenue (bARR), Annual Recurring Revenue (ARR), the plans and objectives of management for future operations of both authID Inc. and its customers or business partners, are forward-looking statements. Such forward-looking statements are based on a number of assumptions regarding the successful implementation of the services which are the subject of the referenced agreements, authID’s present and future business strategies, and the environment in which authID expects to operate in the future, which assumptions may or may not be fulfilled in practice. Actual results may vary materially from the results anticipated by these forward-looking statements as a result of a variety of risk factors, including the Company’s ability to attract and retain customers; changes in laws, regulations and practices; changes in domestic and international economic and political conditions, the as yet uncertain impact of the war in Ukraine, inflationary pressures, increases in interest rates, and others. 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 other 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.

About authID Inc.

authID (Nasdaq: AUID) ensures cyber-savvy enterprises “Know Who’s Behind the Device” ™ for every customer or employee login and transaction. Through its easy-to-integrate, patented, biometric identity platform, authID quickly and accurately verifies a user’s identity, eliminating any assumption of ‘who’ is behind a device and preventing cybercriminals from taking over accounts. authID combines digital onboarding, FIDO2 login, and biometric authentication and account recovery, with a fast, accurate, user-friendly experience – delivering identity verification in 700ms. Establishing a biometric root of trust for each user that is bound to their accounts and provisioned devices, authID stops fraud at onboarding, eliminates password risks and costs, and provides the faster, frictionless, and more accurate user identity experience demanded by operators of today’s digital ecosystems. For more information, go to www.authID.ai.

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