



authID.ai

FY 2021 Earnings Conference Call

March 21, 2022

Slides Available @ 8:30am

New York | Bogota | London | Johannesburg

NASDAQ : AUID

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AUID Announces a \$22.5 Million Fundraise

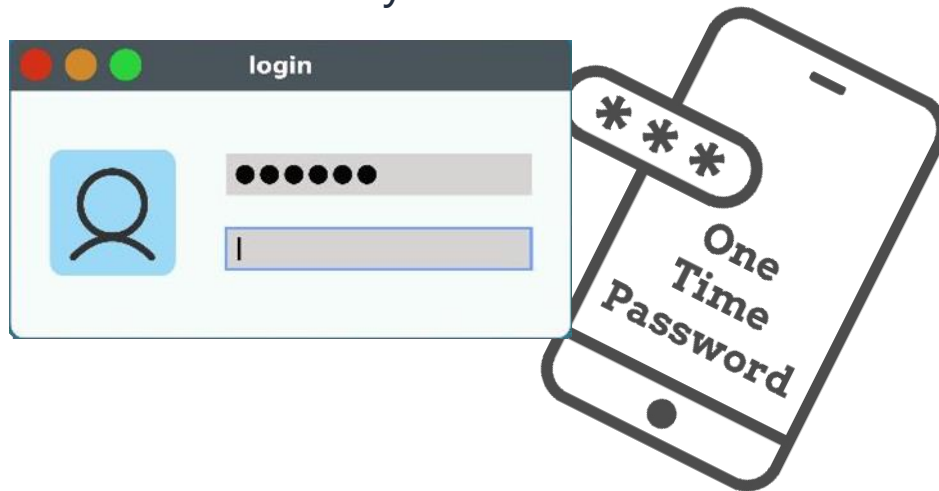
~Amount	Instrument
\$ 9.2 million	Issuance of senior secured convertible promissory notes with an interest rate of 9.75% and a conversion price of \$3.70
\$ 3.0 million	Sale of shares of common stock at a price of \$3.03 per share by a new investor
\$ 0.3 million	Sale of shares of common stock at a price of \$3.70 per share by management and Board of Directors
\$10.0 million	Unsecured standby line of credit facility with an existing major investor
\$22.5 million	Total

- Financing expected to meet all projected working capital through 2023
- Participants include existing and new investors, and a majority of the Board and Senior Management team who invested over \$1.5M

Our Vision: Authentication will be “Stepped Up”

LEGACY AUTHENTICATION

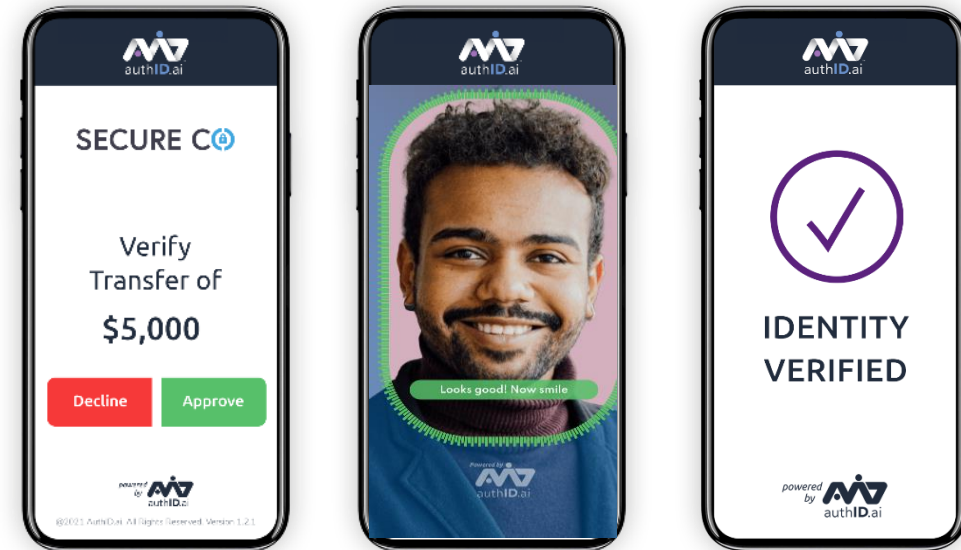
- High Friction
- Low Security



- Something you know (Password)
- Something you have (Pincode)
- *Easily phished and compromised*

BIOMETRIC AUTHENTICATION

- Low Friction
- High Security



- Something you have (Device)
- Something you are (Biometric)
- *Indisputable Audit Trail*

Our Mission

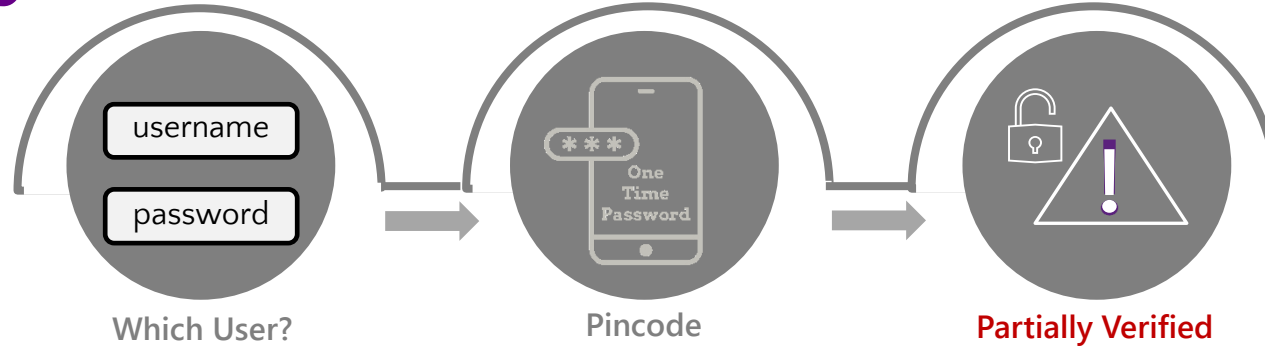
Step up from pincodes & passwords. Know who's behind the device.

Recognise Your Customer™ without friction, whenever and wherever they transact.



Legacy & Device Authentication Is Not Enough

Passwords & OTP
easily compromised

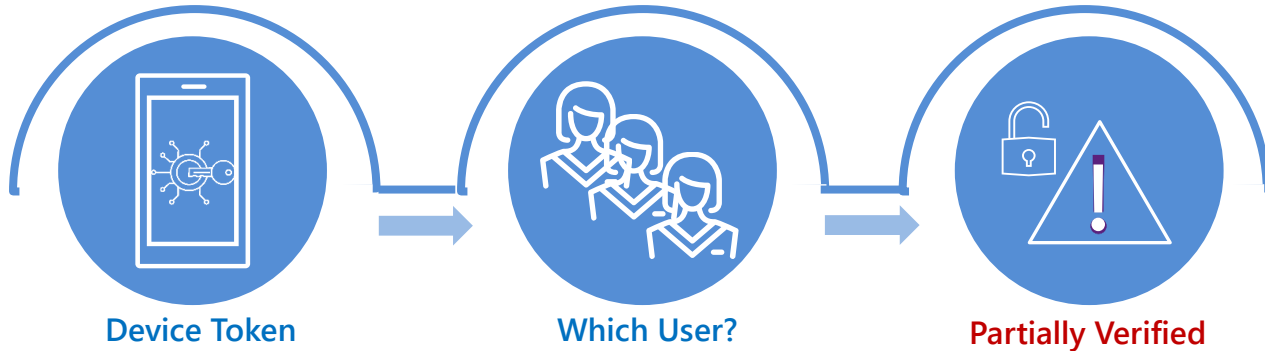


Fraud-prone

Knowledge based

No Identity/User Assurance

Device Only
fails to identify user

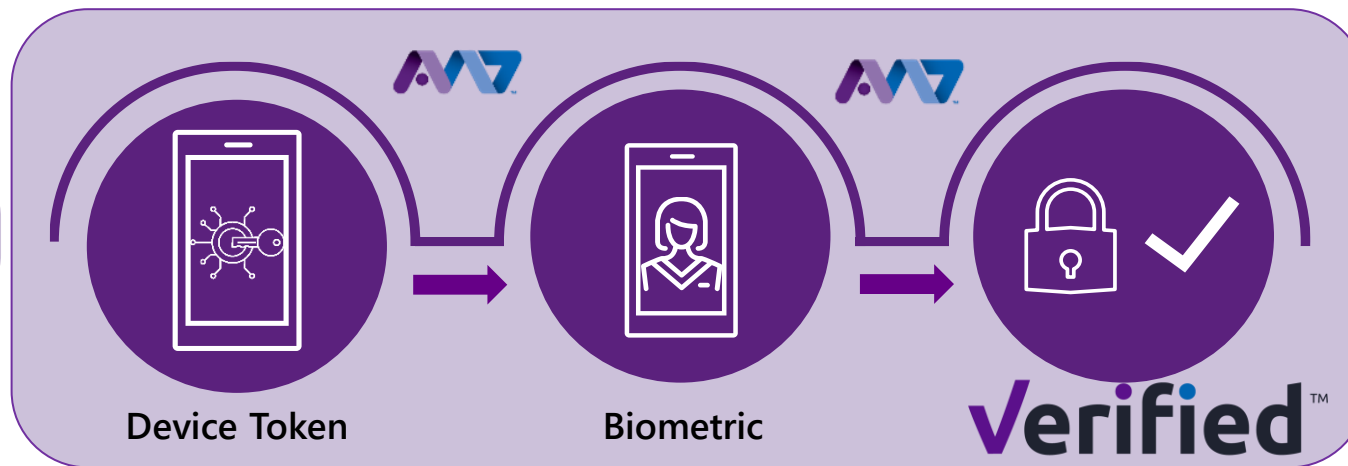


FIDO2 Cryptographic Token

Device Users Not Known

No Identity/User Assurance

authID transforms
identity assurance



Fraud-Proof

FIDO2 Cryptographic Token

Selfie Ties Identity to Device

Step-Up Provides
Indisputable Audit Trail

authID Defends Against All 3 Fraud Problems

Third Party Fraud



Individual's identity is stolen & used to gain credit or products

- Account Takeover
- Compromised Password & PIN
- Widely recognized problem
- \$56 Billion in USA¹

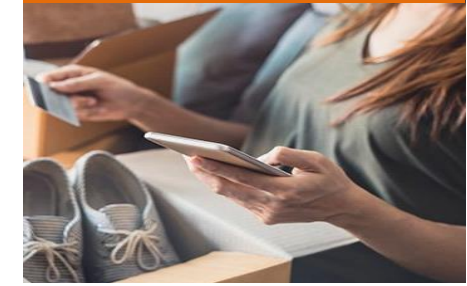
Second Party Fraud



Individual gives their identity to another person who commits fraud

- Age verification for alcohol, gambling, cannabis
- Medical Treatment & Deceased identity theft
- \$50 Billion in USA²

First Party Fraud



Individual gives false information for financial or material gain

- Largest source of fraud
- 80% of all chargebacks
- \$117 Billion by 2023³

¹CNBC
²Mercator Advisory
³Chargebacks911

FinServ

\$56B
Annual Fraud⁴

Crypto

\$14B
Annual Fraud⁵

Healthcare

\$41B
Annual Fraud⁶

Ecommerce

\$20B
Annual Fraud⁷

iGaming

122%
Fraud Increase
Since 2019⁸

⁴ Javelin Research

⁵ CNBC

⁶ IBM Security/Medical Identity Fraud Alliance

⁷ PaymentsDive.com

⁸ Gamblingnews.com

Experienced & Diverse Team



Tom Thimot
CEO & Director



Tripp Smith
President & CTO



Peter Curtis
CMO



Grace de Fries
SVP MarCom & IR



Jeremiah Mason
SVP Product



Steve Fazio
SVP Sales



Christabel Bugla
Customer Success



Brittney Liburd
Product Marketing



Joe Schwartz
Sales



Christine Prendamano
Sales



Donny Deaile
Sales



**Inside Sales
Team**

Elevating Our Brand & Thought Leadership

Positioning as the leading offering in identity authentication

Digital Demand Awareness

Oct '21 – Feb '22



10,768,438
Impressions



14,726
Clicks

53
Contact Form Submissions

PR/Media Content 20+ in '22



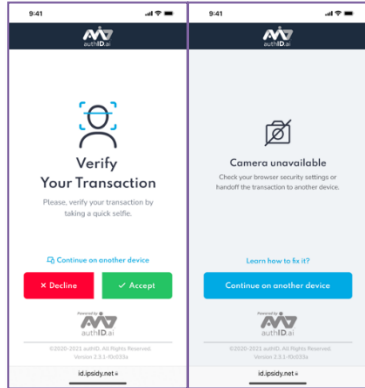
Market Presence




116%
Increase in
Website Visits
Q1 '22 (vs. Q1 '21)

Best-in-Class, Privacy-First Technology

Enhanced UI/UX, Workflow, & Speed



- Modern UI/UX - easier to onboard and authenticate users
- Enhanced guidance & tutorials ease user adoption
- Improved speed and ease of selfie capture
- Streamlined workflow for device transition

Expanded Low-Code Integration Partners.



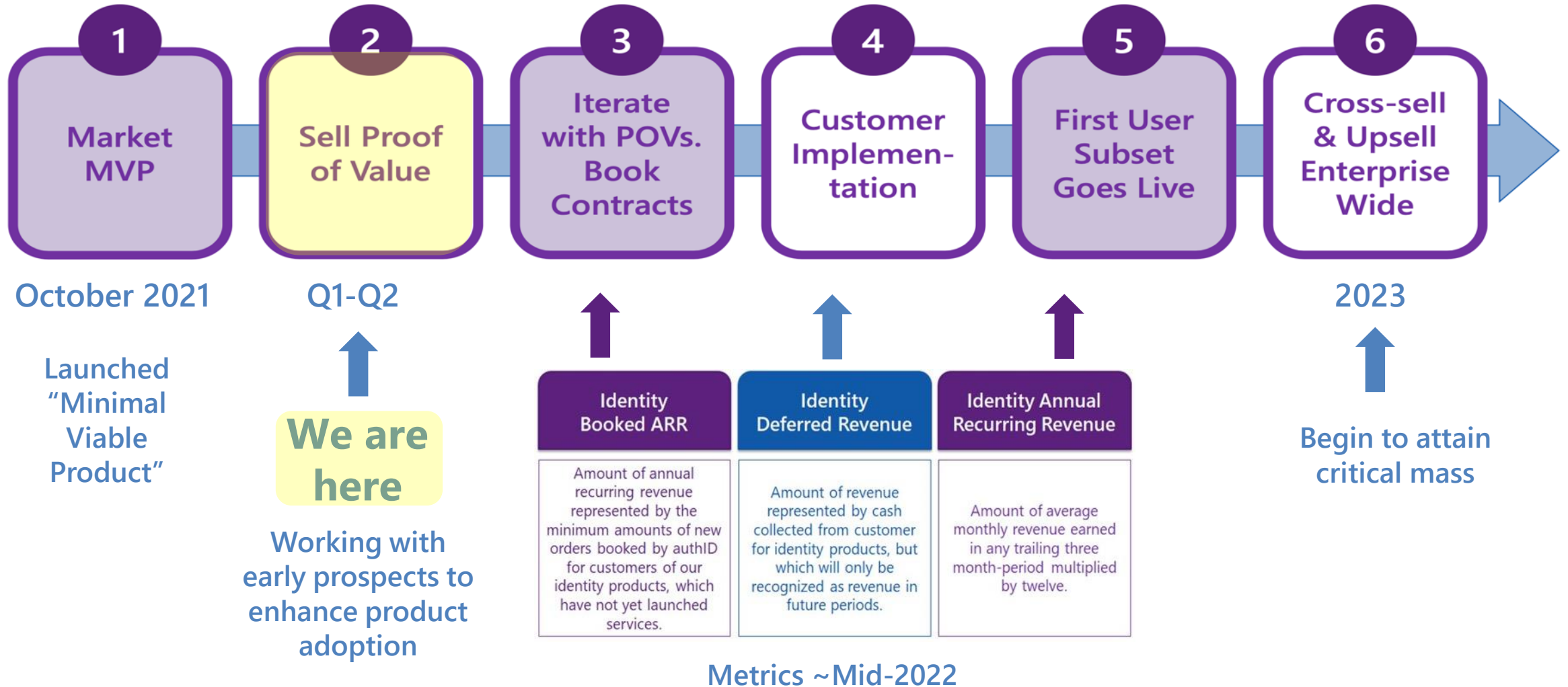
- No-code integration for Auth0 simplifies customer startup
- Microsoft Active Directory integration activates new workforce use cases
- Simple, API-first integration and customization into any platform
- Focused integrations for industry platforms address compliance requirements

Patented. Award Winning.



- Named Best ID Management Platform in 2022 FinTech Breakthrough Awards
- USPTO Notice of Allowance for the Verified platform and multi-party, multi-factor authentication to prevent consent spoofing
- Patent granted for biometric authentication of privacy preserving identity transactions for payment transactions

Where Are We On Our Journey?



New Customer & Proof of Value (POV) Examples

Ecommerce Platform Merchants & Consumers



- Platform has costly, complex identity verification processes of new merchants & risky consumer transactions.
- POV for merchant identity verification and authentication of selective, fraud-flagged transactions
- Potential value derived:
 - Eliminate fraudulent merchants
 - Reduce third party fraud
 - Combat friendly fraud

Medical Certification



- POV with medical certifying board with ~30K active physicians
- POV automates identity authentication for certification exams & records access
- Potential value derived:
 - Reduce cost. Maintain integrity of remote exams
 - Protect personal data. Eliminate impersonation at exams
- Future Opportunity: US Board-certified physicians

FinServ Technology Provider



- Agreement with technology provider providing comprehensive tax information to over 50 lenders
- Automate identity verification at enrollment and for records access
- Potential value derived:
 - Regulatory compliance for verified identity
 - Eliminate fraud in lending
 - Secure customer data with biometric assurance

Cryptocurrency Trading Platform



- Has cumbersome KYC process with document proofing at enrollment, but no authentication at trading execution
- POV addresses trading transaction authentication
- Potential value derived:
 - Reducing fraud
 - Enhancing credibility with regulators to reduce the criminal use of cryptocurrency

Customer Pipeline Examples

Financial
Lending



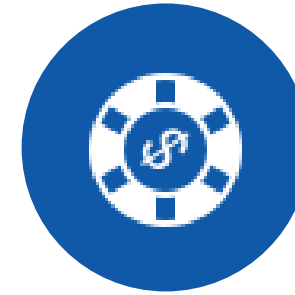
Fintech Notary
Platform



SaaS Provider to
Accounting Firms



iGaming
Platform



Ecommerce
Health



Potential
Value

Reduced Credential Phishing Risk & Account Takeover
Enhanced Identity Assurance @ Remote Onboarding
Biometric Transaction Audit Trail

Financial Highlights -Year Ended December 31, 2021

- Total revenue was \$2.3 million, compared with \$2.1 million for 2020
- Net loss was \$17.7 million, compared with a net loss of \$11.3 million for 2020
- Basic and fully diluted net loss per share was \$0.83 compared with \$0.63 for 2020
- Adjusted EBITDA loss was \$8.96 million, compared with \$5.18 million for 2020, (reflects increased investment in product management, sales, marketing, and technology during the period)
- Cash and cash equivalents as of December 2021 was \$6.0 million.
- Subsequent to year-end, the Company secured additional working capital resources in excess of \$22 million by a convertible debt offering, common stock sale and a standby credit facility
- These resources when combined with cash on hand are estimated to provide sufficient cash for budgeted operations through 2023



Q&A

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Biometric authentication is driving the new way

92%

Of retail banks are increasing budget for digital transformation

Roland Berger.¹

80%

Of businesses now have a customer recognition strategy in place (+26% compared to pre-COVID)

Experian²

22.7%

Projected CAGR for the Biometrics as a Service market between 2021 and 2026.

Mordor Intelligence³

Sources:

1. Roland Berger, 2021 research cited by [consultancy.eu](https://www.consultancy.eu/);
2. [Experian](https://www.experian.com/), *Global Identity Fraud Report*, 2021.
3. [Mordor Intelligence](https://www.mordorintelligence.com/) 2021 Report