



Q2 2023 Results Conference Call

August 10, 2023
5:30pm



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Q2 2023 Financial Results

- Total Revenue was \$0.04M for Q2 23, compared with \$0.07M a year ago. For the 6-month period ended June 30, 2023, Total Revenue was \$0.07M, compared with \$0.2M a year ago.
- Operating Expenses declined to \$2.8M for Q2 23, compared with \$6M a year ago. For the 6-month period in 2023, Operating Expenses declined to \$7.2M, compared with \$11.2M for the same period last year primarily due to cost savings from the Q1 23 restructuring plan.
- Loss of \$10.9M for Q2 23, with non-cash charges of \$9.2M, compared with a Loss a year ago of \$6.4M, with non-cash charges of \$3.3M. Loss for the 6-month period in 2023 \$16.1M, with non-cash & one-time severance charges of \$12.2M, compared with a Loss for the same period last year of \$11.5M, with non-cash and one-time severance charges of \$5.6M.
- Net Loss Per Share was \$2.15 for Q2 23, compared with \$2.06 a year ago. For the six-month period in 2023, Net Loss Per Share was \$3.91, compared with \$3.80, for the same period last year.

Q2 2023 Financial Results – Non-GAAP Measures

- Adjusted EBITDA loss improved to \$1.7M for Q2 23, compared with \$3.0M a year ago.
- For the six months period in 2023, Adjusted EBITDA loss improved to \$3.9M, compared with \$5.9M, for the same period last year, primarily due to cost savings from the Q1 23 restructuring plan.
- Gross amount of BARR (Booked Annual Recurring Revenue) from contracts signed in Q2 23 was \$239,000.
- Net amount of BARR from contracts signed in Q2 23 was \$221,000 (after attrition), compared to \$32,000 signed in the Q2 22.
- Amount of ARR as of June 30, 2023 was ~\$144,000, compared to \$118,000 as of June 30, 2022.

Q2 Results - Corporate Finance



- Secured financing of up to \$8.2M (before expenses)
- Capitalized convertible debt of ~\$8.9M in exchange for shares of common stock
- Completed 1-For-8 reverse stock split



CEO Remarks



Q2 Highlights – Adding To a High Performance Team



Ed Sellitto
Chief Financial Officer

- 15 years of Financial Mgmt. & Revenue Operations experience
- Previous roles: VP Rev Ops at Zero Hash, Dir. Financial Planning & Analysis at Sprinklr (NYSE:CXM), VP of Revenue Operations at Socure, Dir at SmartSource Rentals and Dir at Newsela.
- Early career Revenue Operations roles at Amex and News Corp/Dow Jones
- MBA Finance, Stern NYU School of Business



Greg Manship
VP Sales

- 15 years of Identity & Security Technology Sales Leadership, scaling high-impact revenue growth
- Previous roles: VP of Sales at Socure, VP and Dir of Sales at Secure Auth, SAM at HyTrust and Dir of Sales at Vordel, an Axway Company.
- Early career business development and technology roles at IBM and Microsoft



Dale Daguro
VP Sales

- 15 years of Identity & Technology Solutions sales experience
- Previous roles: Dir of Solutions Consulting at Socure, Senior Solutions Architect (tech pre-sales) at Persistent Systems and Oracle
- Early career solutions architect roles at MCS Ecommerce and database analyst roles at Experian and Aon/Hewitt Assoc



Jeff Scheidel
VP Sales

- 25 years of Identity, customer success, engineering, product marketing, & sales experience
- Previous roles: Sr Dir of Customer Success at Socure, Dir Security Practice at Persistent Systems, Master Principal Security Architect at Oracle
- Early career sales, product management & engineering roles at Viziant, Kavado and Netegrity and others

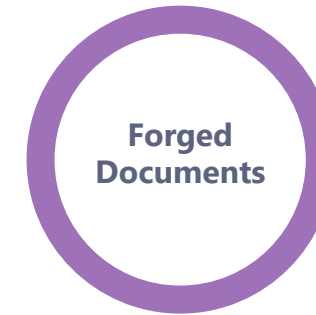
Q2 Highlights – Technology Enhancements To Meet Pipeline

Verified™

V 3.1 to 3.6 New Features

- Fortified Identity Verification. 700 millisecond platform processing time. Unmatched in the market
- Document Liveness & Attack Detection
- Facial Biometric Enhancements
 - <2 Sec. Facial Capture time
 - >99.999% Facial Match Accuracy
- Self-Service Workforce Onboarding with IDV
- Enhanced Identity Portal

Document Liveness & Attack Defense



authID Key Differentiators

- Speed
- Accuracy
- User Experience



Q2 Highlights – New Customers Signed

FinServ



Workforce
Tech Platform



Facilities Mgmt.
Workforce



**BARR of
New Contracts
\$239,000**

Sales Win ABM Industries

ABM

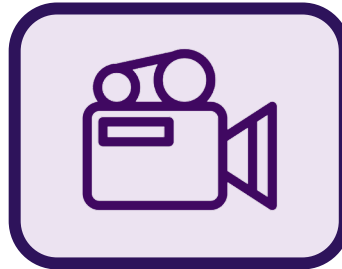
- Fortune 500, NYSE: ABM
- Established: 1909
- 2022 Annual Revenue: \$7.8Bn
- Total Employees: 127,000
- 300+ Offices

verifiedTM
WORKFORCE

Authenticate Multiple Users On Shared Devices

- ✓ Seamless enrollment & authentication.
- ✓ Cloud biometrics - In-browser on any shared corporate device: mobile, laptop, workstation, POS....
- ✓ Reduced operational complexities. No physical authentication tokens or personal mobile device use.
- ✓ Fortified enterprise security.
- ✓ Applicable use-case: Healthcare, Retail, Hospitality & Entertainment

Expanding Product Market Fit



Target Verticals

Digital Onboarding

- Stop identity fraud
- Automate & speed up good customer conversion

Shared Device Workforce

- Secure authentication
- Seamless UX
- Reduce costs – Hardware token alternative

Money Transfer Authentication

- Stop account takeover
- Secure customer consent
- Biometric audit trail

Gig-Economy Worker Verification

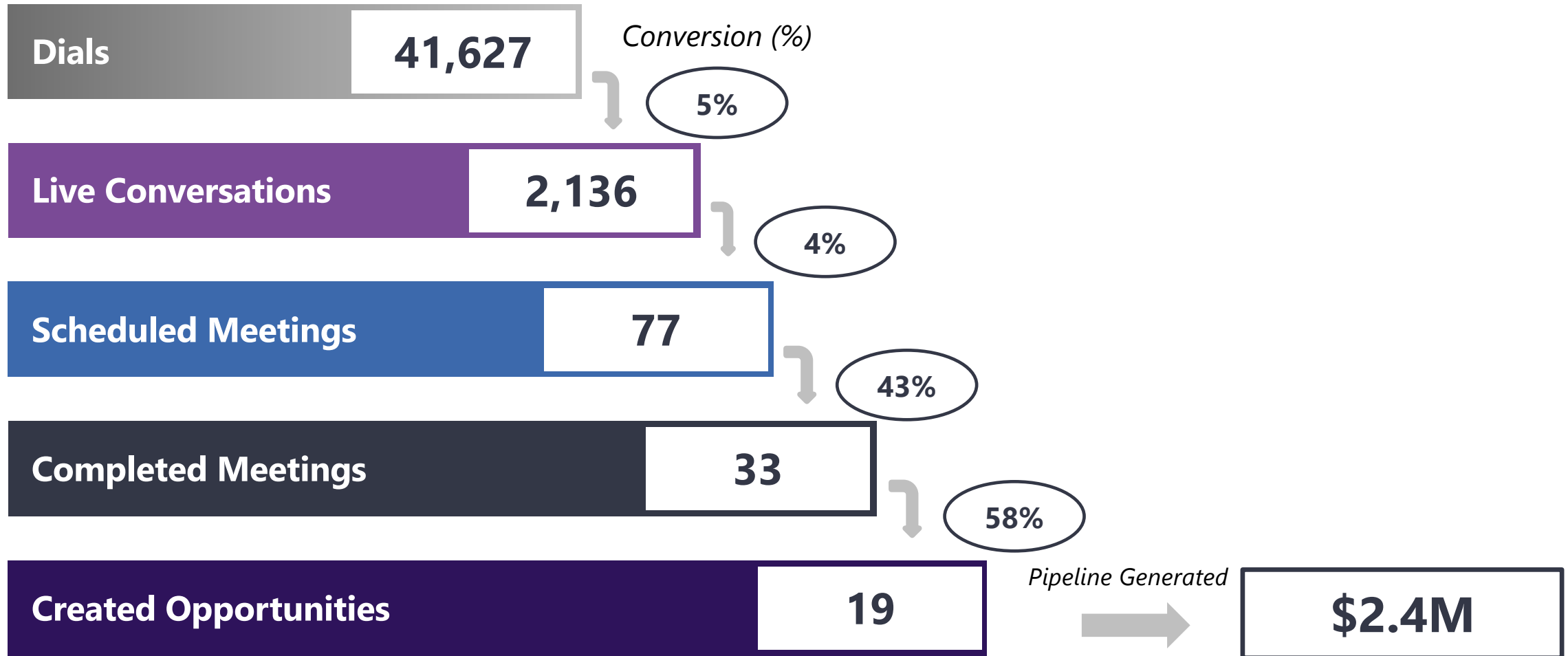
- Stop identity fraud
- Know its really your employee
- Add security with easy UX

Use Cases



Lead Generation Growth

June 20, 2023 – July 31, 2023



Business Pipeline Momentum

Right Market

- Growing TAM: \$116B by 2027*
- Expanding workforce & consumer use cases

*Forbes Technology Council Post 6/1/23

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Right Product

- Speed
- Accuracy
- User Experience

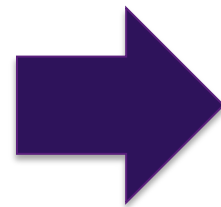


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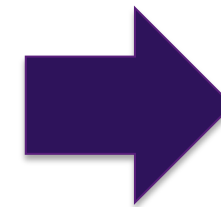
Right Team

- New Talent. Identity Domain & Sales Expertise. Built \$100M ARR Businesses
- Targeted Messaging
- Use Case and ROI Focus

30-Day New Pipeline
\$2.4 M



12 Month Pipeline Target
\$30 M



12 Month Target BARR
\$3M



Q&A

