authID.ai

Company Presentation

August 2021

New York | Bogota | London | Johannesburg
OTCQB: AUID

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Recognise
Your Customer

Tom Thimot
Chief Executive Officer, Director

- Joined authID June 2021
- Five-time CEO
- Created differentiated product strategy and profitable revenue engine at multiple high-growth technology firms, including Socure, Clarity Insights (now Accenture AI), Case Central (now part of Oracle) and GoRemote
- VP Sales at Oracle, Accenture & PwC Consultant

Tripp Smith
President & Chief Technology Officer

- Joined authID June 2021
- Proven CTO leadership building and scaling high impact AI teams and products
- Advisor to Socure. Led Clarity Insights in massive growth across clients like Facebook, Apple, Uber and FIs, leading to high valuation exit to Accenture AI in 2020

Grace de Fries
Chief of Staff

- Joined authID Feb 2017
- Significant experience in international business development, sales, marketing & product management in identity, payments and telecommunications sectors
- Vice President, Planet Payment; Director, Global Crossing & AT&T; Assistant to the Mayor, City of New York

Thomas Szoke
Founder & Chief Solution Architect

- Founder authID Sep 2011
- Extensive engineering, global sales and operations management experience. President, CEO of ID Global Solutions Inc. COO, Innovation In Motion Inc.
- Inventor of IIM Global Corps HDR Intelligent Accessory product lines, & authID IDaaS MFA solution. 23 years with Motorola

Peter Curtis
Chief Marketing Officer

- Joined authID June 2021
- Held several lead marketing roles and expert in innovative guerilla marketing programs
- VP of Growth Marketing at Socure, responsible for digital marketing programs which generated a 10x increase in leads and 700% ARR growth over 3 years

Recognise Your Customer

Vision

Recognise your customer instantly without friction or loss of privacy, powered by the most sophisticated biometric and artificial intelligence technologies

Mission

Eliminate passwords*, and* become the preferred platform for biometric identity authentication

Recognise Your Customer

The Password & Account Recovery Nightmare

Passwords Plague Enterprises[1]

- Compromised Passwords Cause 80% of Data Breaches

- ~ $70 Password Reset Costs

- 40% of IT Help Desk Calls

Consumers Hate Passwords

- Stolen Accounts
  - Consumer Nightmares

- KBA Data
  - Often Forgotten & Breached

- OTP
  - Weak Recovery Solution

[1]Forrester Research, Gartner

View Video

How big is the problem*?

100 Passwords Per Person

= 470B Passwords

4.7B
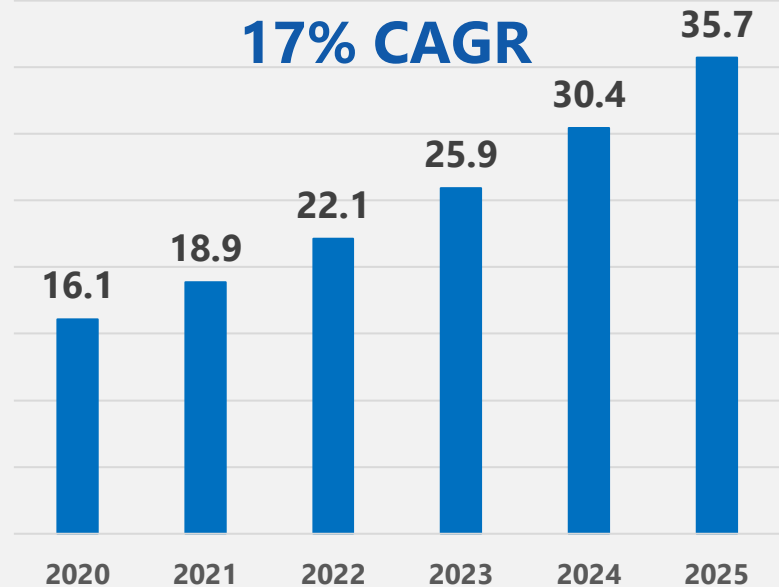Access to Internet

60 Password Resets Per Yr

= 280B Resets/Yr

*Source: authID.ai data

Identity Proofing & Authentication Markets

Global, Digital-Identity Market $36B by 2025

17% CAGR

- 2020: 16.1
- 2021: 18.9
- 2022: 22.1
- 2023: 25.9
- 2024: 30.4
- 2025: 35.7

Source: Markets And Markets

Identity Market Segments 2025

Digital Identity & Document Verification Services — $16B

Multi-Factor Authentication Services — $20B
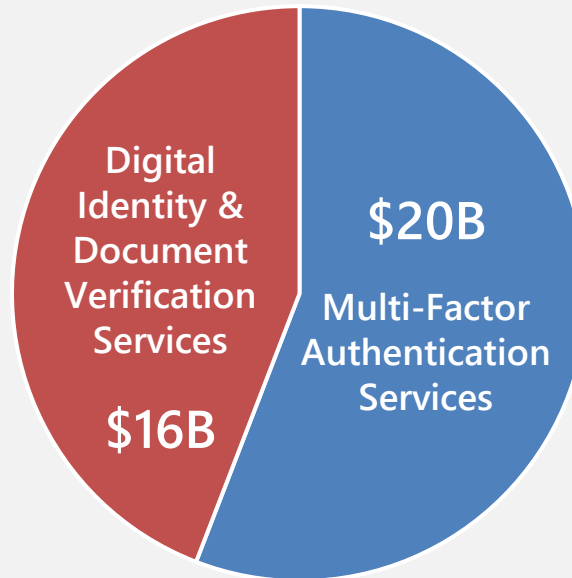
Source: Markets And Markets

Additional Market Data

- ~90% of mid-size organizations. 60% of large companies expected to begin phasing out passwords by 2022...will turn to digital ID solutions such as biometrics

- Global biometrics market to reach $55.5B globally by 2025, from ~$35.5B in 2020

- Facial biometric market to reach $10.9B by 2025

- Forecasted 1.4B software-based face biometric payments users by 2025, from 671M in 2020

Sources: Gartner, Biometric Research Group, Inc., Modor Intelligence, & Juniper

Recognise Your Customer

Recognise Your Customer. Whenever. Wherever.

authID.ai

Global Identity Services Platform

Proof™

Know Users Are Who They Say They Are

- ✓ *Stop Identity Fraud*
- ✓ *Increase "Good" Customer Conversions*
- ✓ *Supports ID Docs from around the world*

Scan ID

AuthentifID™

Eliminate Passwords. *Strong Customer Authentication*

- ✓ *Stop Phishing & Account Takeovers*
- ✓ *Device-based, FIDO2 Cryptographic Security*

AuthentifID™ — PASSWORDLESS LOGIN

Verified™

Biometric Identity. *Recognise Your Customer™*

- ✓ *Step-Up Assurance & Identity Recovery*
- ✓ *Eliminate One-Time Passwords & Knowledge Based Answers*
- ✓ *Biometric Audit Trails*

Take Your Selfie

Onboard → **$ One-Time Revenue**

Login — **Transact**
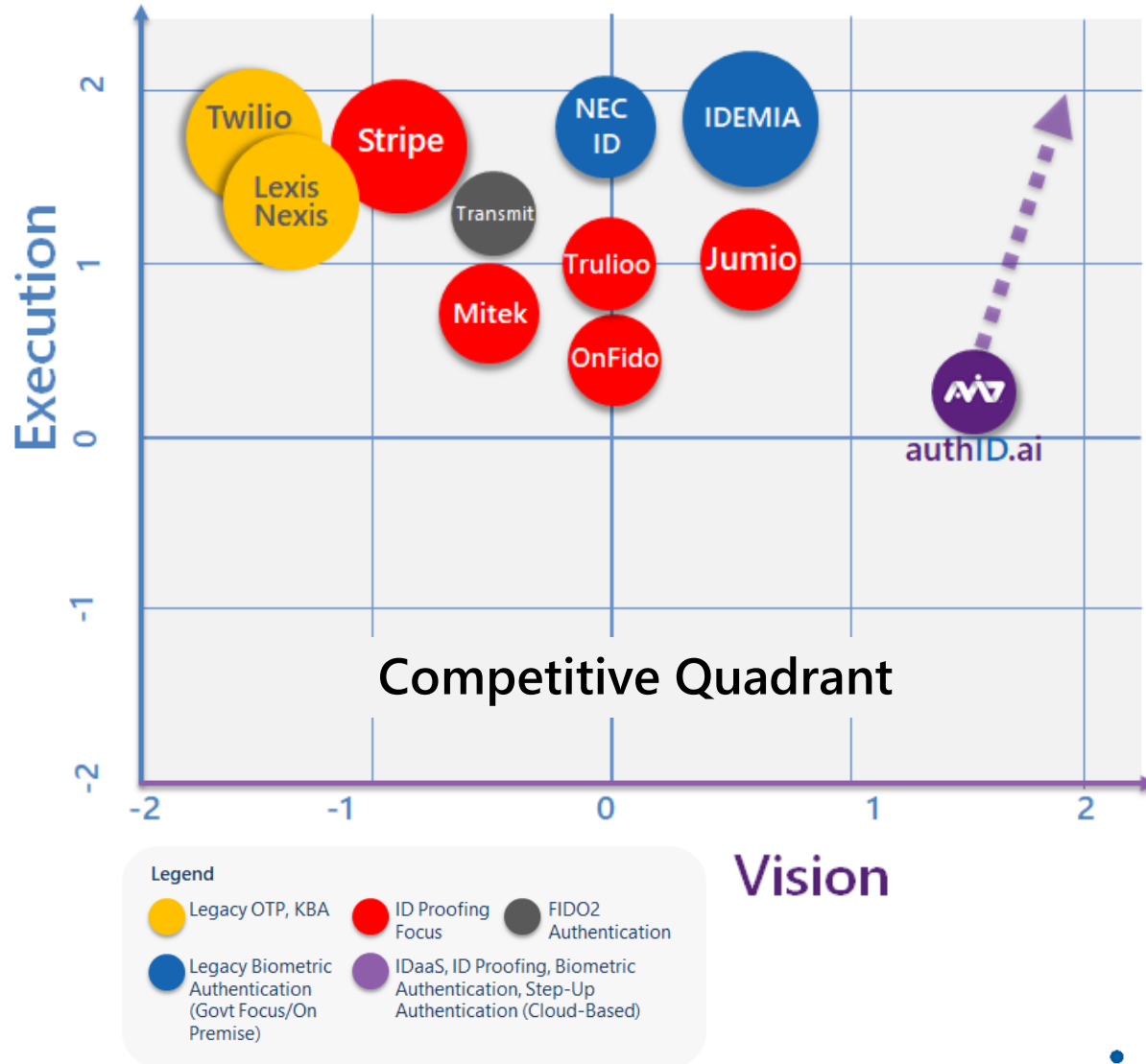
$ Recurring Revenue $

Recognise Your Customer

Biometric Identity Recovery Our Disruptive Wedge

Uses Who You Are. *Not* What You Have

- ✓ Recover account access with trusted biometrics
  - *Not* One-Time Password (OTP)
  - *Not* Knowledge-Based Authentication (KBA)
- ✓ Enhance existing Identity Access Management & Customer Identity Access Management solutions
- ✓ Reduce help-desk support costs
- ✓ Delight and protect customers

Recognise Your Customer

Competitive Quadrant

Legend
- Legacy OTP, KBA
- ID Proofing Focus
- FIDO2 Authentication
- Legacy Biometric Authentication (Govt Focus/On Premise)
- IDaaS, ID Proofing, Biometric Authentication, Step-Up Authentication (Cloud-Based)

## Comprehensive Identity Vision

Recognise Your Customer

- Global Identity Services Platform
- Global Identity Document Support
- FIDO2 Authentication & Binding
- Superior Liveness & Matching
- Root of Trust Assurance

✓ Cloud-Based IDaaS Platform
  ✓ Automated Proofing, Open API To Peers
  ✓ Bound to Trusted Identity, FIDO2 Authentication
  ✓ Step-Up Biometric Multi-Factor Authentication

✓ Global Identity Data Sources

✓ Privacy and Ethical AI

Recognise Your Customer

Competitive Fundraising and Valuations
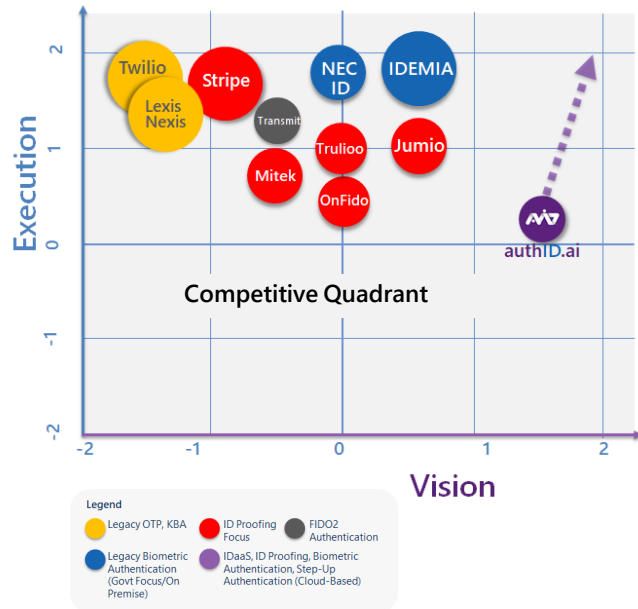
Twilio
- Leading provider of legacy one-time password technology that authID will replace
- Twilio's Verify authenticates the device owner <u>via SMS</u>, not by person's biometric
- ~$67B market cap (NYSE: TWLO)
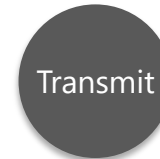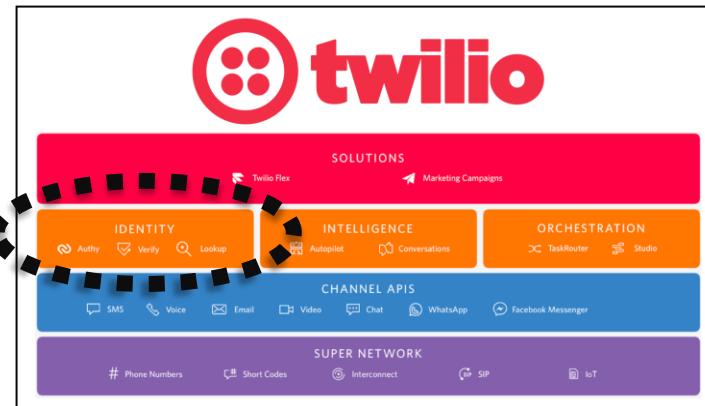
Transmit
- Device Biometric Authentication provider with goal to eliminate passwords
- Tied to the device...Not the Face
- Raised Series A $543MM at $2.2B

Passwordless Experiences

Device biometrics identifies each and every user. Ensures a delightful and seamless experience.

Competitive Quadrant

Legend
- Legacy OTP, KBA
- ID Proofing Focus
- FIDO2 Authentication
- Legacy Biometric Authentication (Govt Focus/On Premise)
- IDaaS, ID Proofing, Biometric Authentication, Step-Up Authentication (Cloud-Based)

Stripe
- $95.5B Valuation
- Payment platform
- Launched ID Proofing Q2

Trulioo
- Raised $394MM at $1.75B
- Proofing Focus

Recognise Your Customer

Artificial Intelligence & Biometrics are Frictionless

Guiding Principles

Biometric Dominance
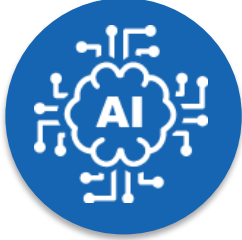
- Advanced SOTA biometric accuracy, model of models
- Adaptive, continuously extending and expanding our capabilities
- Forward-focused on new authentication contexts and modalities

Global Scale

- Scalable modular microservice architecture
- Cloud-native automated configuration, deployment and scale
- Engineered to replace passwords for the human race

Ethics

- Privacy-focused. Your biometric identity belongs to you
- Secure and trusted
- Conscientious and proactive. Avoiding bias and creating rewarding customer experiences

Frictionless

- Power innovative and differentiated consumer experiences to drive growth and revenue
- Self-service implementation for our customers and partners
- Comprehensive offering. Simple configuration and operation for clients

Core Features

- ✓ 99.995+% Accurate Facial Match Intelligent Capture
- ✓ Single-Frame PAD Level 2

- ✓ Fully Automated Sub-Second Processing
- ✓ Supporting countries around the globe

- ✓ Use-Case Specific User Consent
- ✓ One-to-One Match, Not Surveillance

- ✓ Cut & Paste API Integration
- ✓ One Simple UE for Web, Device, Kiosk, etc.

Recognise Your Customer

Elevate New Brand. Drive New Revenue

Build Marketing & Sales

Digital Demand Generation & Self-Service Fulfilment

Focus on Recurring Revenue

Win the US Market

Elevate authID as the leading offering in identity authentication with differentiated messaging

Key Activity

- Increase web traffic (unique visitors) via SEO, content marketing & targeted digital campaigns
- Implement key marketing automation tools for lead attribution, measurement and tracking
- Generate Direct & Channel Partner pipelines via multi-channel marketing blitz & SDR follow through
- Drive quicker customer conversion and revenue through self-service model

Broad Reach To Key Market Segments

FinTech, Financial Institutions & Payment Processors
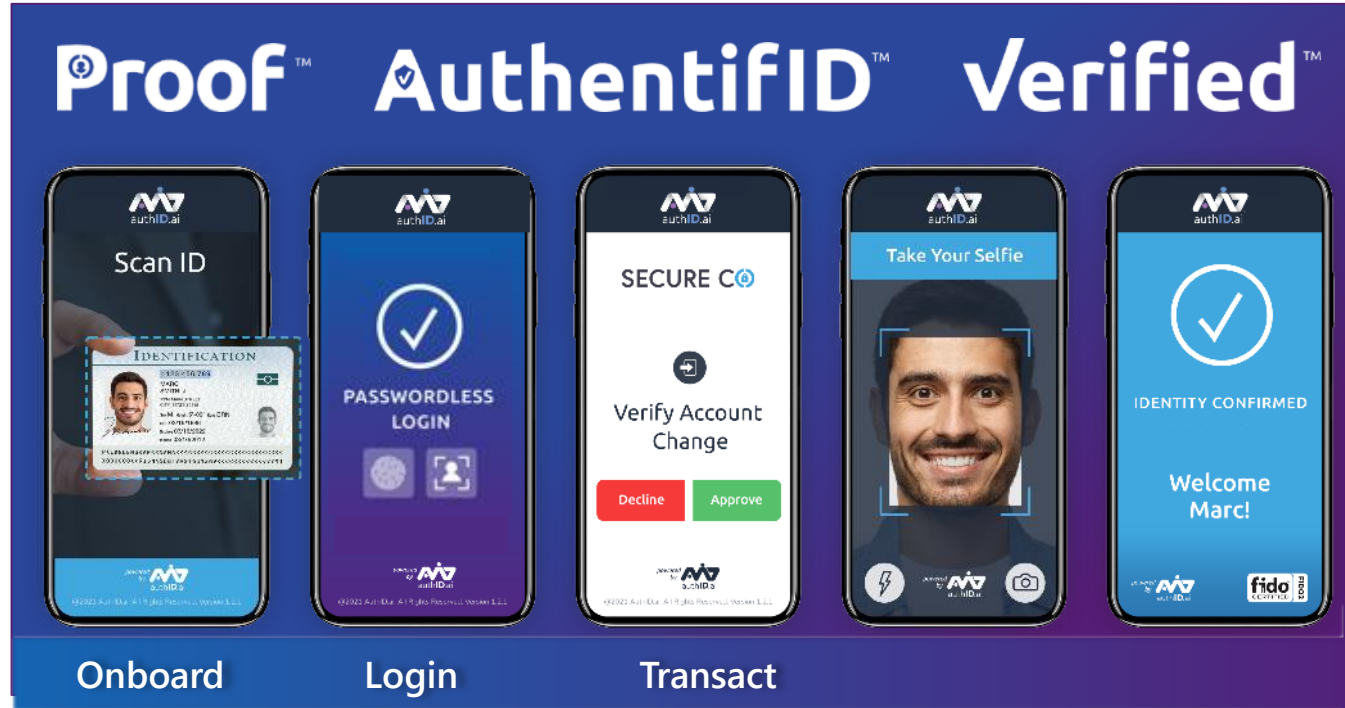
IAMs & CIAMs

HealthCare Patient & Provider

Telcos

E-Commerce & Sharing Economy

Recognise Your Customer

Our Partners Are a Force-Multiplier

Global Identity Services Platform

Broad Reach To Key Market Segments

FinTech & Financial Institutions
Payment Processors

IAMs & CIAMs

HealthCare
Patient & Provider

Telcos

E-Commerce &
Sharing Economy

Fully Diluted Share Capital	As of Aug 4, 2021
Common Stock	21,391,257
Options[1] (WAEP $5.92)	9,134,309
Warrants (WAEP $4.41)	1,411,341
Total[2,3]	31,936,907

[1] ~ 44% of Options are: subject to Performance (32%), or at OOM prices up to $13.50 (12%)

[2] Excludes 117,529 shares reserved for conversion of Notes

[3] Would receive ~$60M cash from exercise of Options & Warrants

Consolidated Balance Sheet Data	As of June 30, 2021
(in thousands)	(Unaudited)
Cash and cash equivalents	$ 1,805
Total assets	11,665
Total liabilities	3,748
Additional paid-in capital	111,494
Accumulated deficit	(103,782)
Total stockholders' equity	$ 7,917

Statement of Operations Data (in thousands, except share and per share data)	Six months ended June 30,		Year Ended December 31,	
	2021 (Unaudited)	2020	2020	2019
Revenues:				
Total revenues, net	$ 1167	$ 1115	$ 2,141	$ 2,552
Operating Expenses:				
Cost of Sales	373	418	662	669
General and administrative	4,978	3,873	6,743	7,892
Research and Development	669	621	1,161	1,614
Impairment loss	-	1035	1,334	1,672
Depreciation and amortization	624	647	1,250	790
Total operating expenses	6644	6594	11,150	12,639
Loss from operations	(5,477)	(5,479)	(9,010)	(10,086)
Other Income (Expense):				
Interest expense - net	(554)	(489)	(969)	(376)
Debt extinguishment - gain/(loss)	486	(986)	(986)	
Warrant exercise inducement expense		(367)	(367)	-
Other income/(expense)	8	35	70	24
Other (expense), net	(61)	(1,807)	(2,252)	(352)
(Loss) before income taxes	(5,538)	(7,286)	(11,262)	(10,437)
Income Taxes	(10)	(12)	(36)	(63)
Net (loss)	$ (5,548)	$ (7,298)	$ (11,299)	$ (10,563)
Net (loss) per share - Basic and Diluted	$ (0.28)	$ (0.42)	$ (0.63)	$ (0.63)
Weighted Average Shares Outstanding - Basic and Diluted	20,003,913	17,473,583	18,067,603	16,624,913

Recognise Your Customer

The world with authID

No FRICTION, just FACE IT!!!

authID.ai

View Video
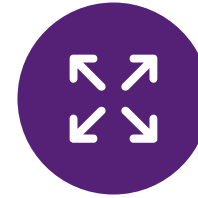
The Winning Formula

Talented Leaders

- Experienced management team
- Clear mission, laser focus and demonstrated success
- Deep biometric and AI domain knowledge

Visionary Technology

- Cloud-based, microservice architecture
- Fast, accurate and frictionless biometric authentication
- Digital and physical use-cases

Disruptive Wedge

- Proven marketing and six-sigma sales process
- Differentiate our market entry against legacy solutions
- Land, then expand

Recurring Value

- Optimal IDaaS products for a massive TAM
- Recurring value we create for enterprises and their customers drives recurring, high-margin revenue

Recognise Your Customer