



AWARE

Own Your Identity™

(NASDAQ: AWRE)

www.aware.com

Safe Harbor Statement

Portions of this release contain forward-looking statements regarding future events and are subject to risks and uncertainties, such as estimates or projections of future revenue, earnings and non-recurring charges, and the growth of the biometrics markets. Aware wishes to caution you that there are factors that could cause actual results to differ materially from the results indicated by such statements.

Risk factors related to our business include, but are not limited to: i) our operating results may fluctuate significantly and are difficult to predict; ii) we derive a significant portion of our revenue from government customers, and our business may be adversely affected by changes in the contracting or fiscal policies of those governmental entities; iii) a significant commercial market for biometrics technology may not develop, and if it does, we may not be successful in that market; iv) we derive a significant portion of our revenue from third party channel partners; v) the biometrics market may not experience significant growth or our products may not achieve broad acceptance; vi) we face intense competition from other biometrics solution providers; vii) our business is subject to rapid technological change; viii) our software products may have errors, defects or bugs which could harm our business; ix) our business may be adversely affected by our use of open source software; x) we rely on third party software to develop and provide our solutions and significant defects in third party software could harm our business; xi) part of our future business is dependent on market demand for, and acceptance of, the cloud-based model for the use of software; xii) our operational systems and networks and products may be subject to an increasing risk of continually evolving cybersecurity or other technological risks which could result in the disclosure of company or customer confidential information, damage to our reputation, additional costs, regulatory penalties and financial losses; xiii) our intellectual property is subject to limited protection; xiv) we may be sued by third parties for alleged infringement of their proprietary rights; xv) we must attract and retain key personnel; xvi) we rely on single sources of supply for certain components used in our hardware products; xvii) our business may be affected by government regulations and adverse economic conditions; xviii) we may make acquisitions that could adversely affect our results, xix) we may have additional tax liabilities; and xx) we believe the effects caused by the COVID-19 pandemic will likely have an adverse impact on our revenue over the next several quarters.

We refer you to the documents Aware files from time to time with the Securities and Exchange Commission, specifically the section titled Risk Factors in our annual report on Form 10-K for the fiscal year ended December 31, 2019 and other reports and filings made with the Securities and Exchange Commission.



AWARE

We apply proven and trusted adaptive authentication to solve everyday business challenges with biometrics.

Key Investment Highlights



Mobile Biometric Leadership

in a fast-growing market



Growing SaaS Business

high retention rates with significant upside



Market Trend Alignment

Increased demand for remote and contactless security offerings worldwide



World Renowned Customers

Rapidly expanding financial services + loyal government customers



Proven Track Record

new leadership team of industry experts

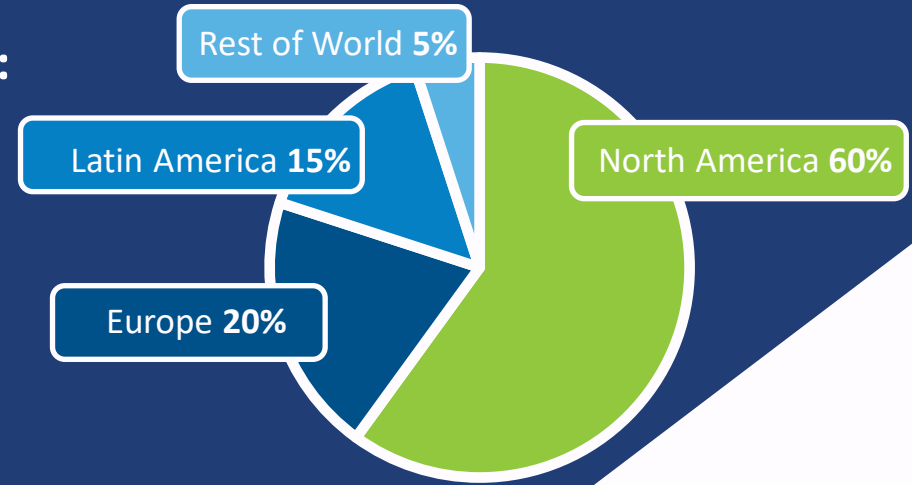


\$30M Cash

investing in growth

Company Snapshot

REVENUE BY GEOGRAPHY:



\$30M

in cash and cash equivalents

\$0 debt

84

Patents

\$71M

Market Capitalization
(As of Feb. 22, 2022)

75+

Years of collective
Industry-Expert
Leadership

38%

Insider Ownership

4

Industry-leading
technology platforms

TRUSTED BY:



20+

Countries



100+

Commercial
Leaders



20+

Industry Partners



80+

Government
Agencies

We apply **proven and trusted** **adaptive authentication** to solve everyday business challenges with **biometrics**.



ENROLLING

Register biometric identities into your secure database



IDENTIFYING

Utilize your biometric database to accurately identify individuals



AUTHENTICATING

Provide frictionless, passwordless access to accounts and venues



ENABLING

Manage the lifecycle of secure identities and transactions via optimized biometric interchanges

A Growing Need for Authentication



WHY BIOMETRICS?

Our offerings address the growing challenges that government and commercial enterprises face in knowing and authenticating and securing constituencies and clients, improving peace of mind for stakeholders at all levels.

COMMERCIAL



Spoofing & Synthetic identity fraud

- Synthetic ID Fraud accounts for 10 to 15 percent of charge-offs in a typical unsecured lending portfolio¹
- The largest synthetic ID ring to date resulted in \$200M in losses for banks¹



Growing Online Demand

- 50% surge in remote banking transactions
- KYC verification for next-generation healthcare management systems

GOVERNMENT



Impostor Scams

- \$15B in attempted fraudulent identity tax refund claims²
- Government impostor scams resulted in a \$667M loss²



National Security

- Border management and contactless travel surging
- 350K daily biometric transactions at DHS³

¹ McKinsey & Company: Fighting Back Against Synthetic Identity Fraud. ² Mobile and Online Banking Security During Covid-19: What You Need to Know. ³ Treasury Inspector General For Tax Administration

⁴ United States Department of Homeland Security

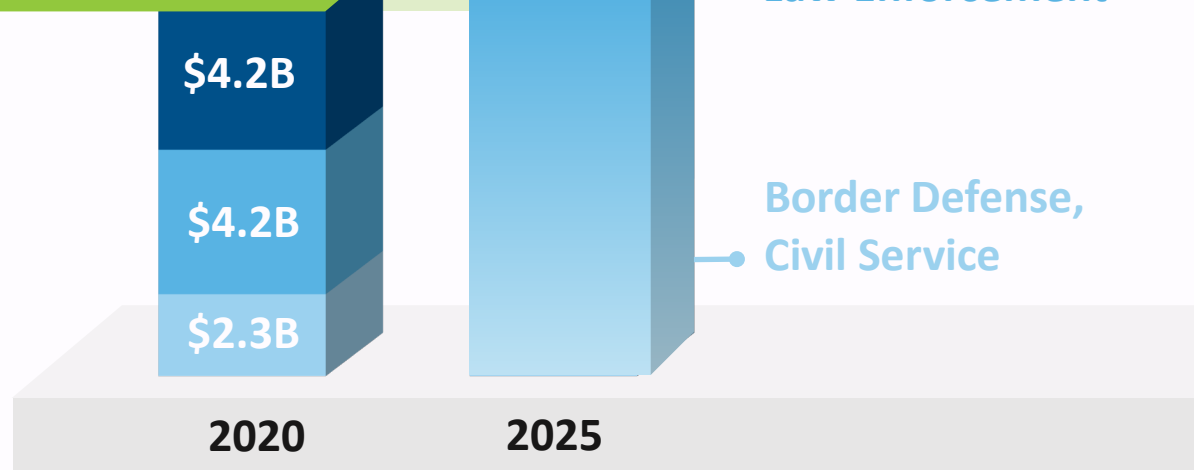
Compelling Market Profile

Addressable Market

\$11B in 2020

\$20B in 2025

CAGR = 13%¹



AWARE
PRIMARY SEGMENTS

• Banking, Payment Services, Retail

• Law Enforcement

• Border Defense, Civil Service



Use of biometric technology in enterprises



Demand for touchless biometric systems



Software expected to be fastest-growing market for biometric systems

¹ Biometric System Market by Authentication Type (Single-Factor: Fingerprint, Iris, Palm Print, Face, Voice; Multi-Factor), Offering (Hardware, Software), Functionality (Contact, Contactless, Combined), End User, and Region - Global Forecast to 2024 ² Global Biometrics Market 2019-2023

Transforming For Growth

1



Products

streamlining to
create focused
business offerings

2



SaaS

introducing
revolutionary
offerings

3



Partners

rapid market
share growth
with broader
distribution

1 Focused Offerings

BIOMETRIC FRAMEWORK

Knomi™

Mobile Authentication

using liveness detection, document verification, and biometric face and voice matching

- iBeta Level 1 and Level 2 compliant – the most prestigious industry designation

MARQUIS

Authenticating offenders in Arkansas



Onboarding banking customers in LATAM

BIOMETRIC SaaS

AwareID™

- Next generation **adaptive authentication** platform for onboarding and authentication
- Functional software-as-a-service offerings based on proven and trusted technology



Securing high-value assets in North America

MIDDLEWARE

BioSP™

- Workstation-based market-leading solution for browser-based biometric enrollment, **data and workflow management**
- Utilized by large employers for enrollment at scale



INTERPOL

Enabling international biometric search services

BIOMETRIC ID SYSTEM

AwareABIS™

- Enterprise-scale identification & deduplication system for civil & criminal applications **Fingerprint and Face Based-Search**
- National ID
- Border Management

SHERIFF
THOMAS COUNTY

Identification & deduplication in Georgia

Why We Are Chosen



Customer-managed and integration-ready implementations



Only provider that combines liveness and authentication, multi-modal automated biometric identification system, and integration-ready middleware

Distinguished From Its Competitors

Aware is leading the convergence of Identity, Biometrics, AI and Cybersecurity via an adaptive competitive methodology which senses and responds to **changing market needs** from **emerging** or **unexpected new challenges**

2

Our SaaS Transformation

Aware Biometrics Services - ABS™

TECHNOLOGY PROVIDED BY AWARE AND DELIVERED AS A SOLUTION BY OTHERS

Enrollment Services*

- Enrollment
- Proctored and un-proctored

Authentication Services*

- Individual Authentication

Trusted Registration Service

Core Services

Core Services

WE ARE SCALED

Capable of delivering solutions at any scale, whether its for local law enforcement agencies or the largest financial institutions

CONSUMPTION ORIENTED

Consumption-based services drive sustained growth across multiple verticals

BRAND RECOGNITION

Aware is recognized as the go-to partner for the largest and most trusted enterprises and agencies around the globe

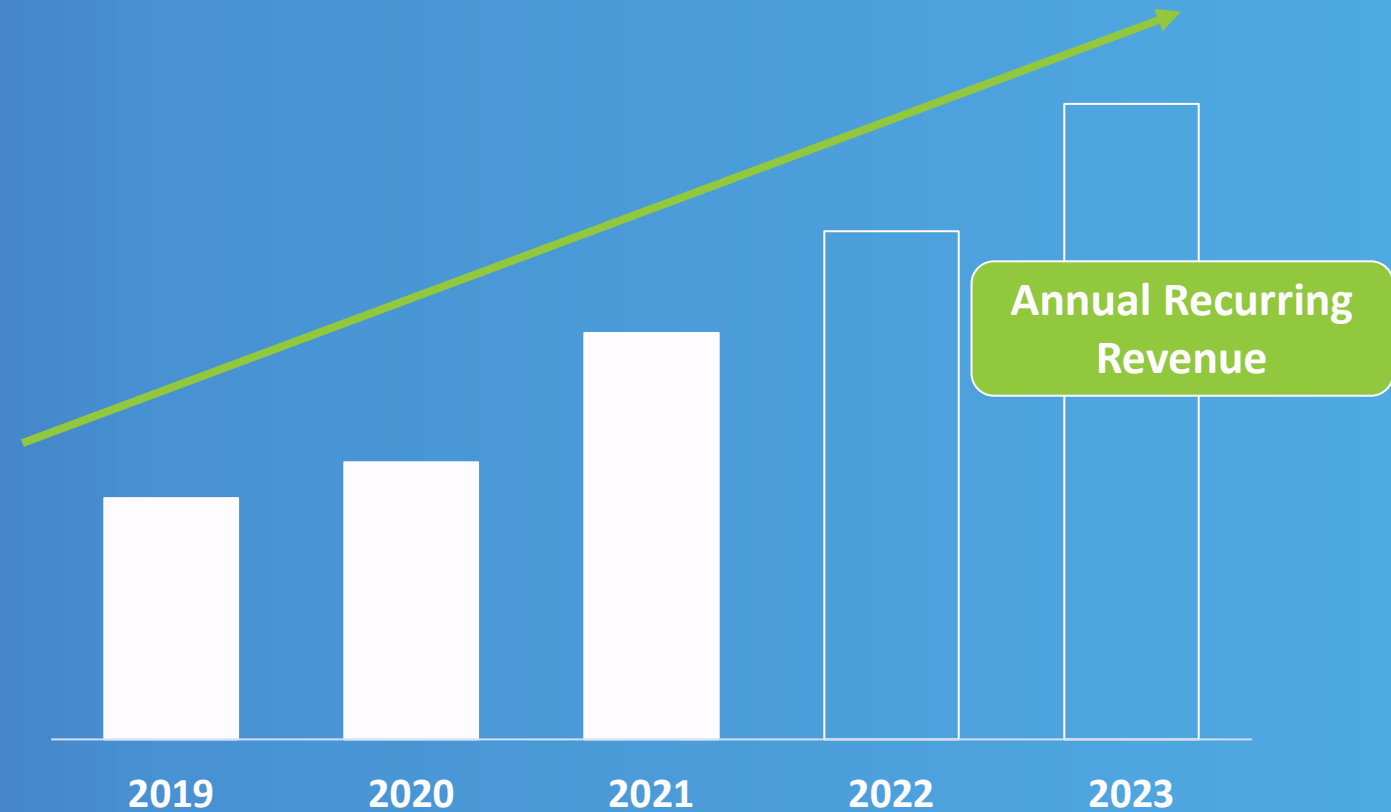
SaaS Offerings

- On-demand services
- Annuity business model
- Identity Proofing
- Online capture & enrollment
- AI based Anti-spoofing
- Scalable Multi-Modal search
- Role-based access rights
- Cloud-based, secure & flexible
- Turnkey Capability
- Rich Administrative features

* Liveness is part of services as needed, but may be a separate service

Recurring Growth

**CUSTOMERS AROUND THE
WORLD ARE USING AND
ADOPTING AWARE PRODUCTS
FOR DAY-TO-DAY
AUTHENTICATION**



CUSTOMER CASE STUDY: Latin American Banks

THE RESULTS

70 million+ transactions
protected by Knomi worldwide

THE CHALLENGE

Onboarding new customers is critical to bank's revenue growth, but onboarding is when banks are most vulnerable to fraud. Insiders and fraudsters impersonate existing identities and create synthetic identities to gain access to customer accounts.

THE SOLUTION

Aware implemented an early version of SaaS for liveness detection with Knomi's face and voice modalities for several of Latin America's largest banks. Adding voice matching and liveness detection makes the task of spoofing exponentially more complicated.



3

Leveraging Technology and Partnerships to Penetrate New Growth Markets

Markets are at different levels of adoption and acceptance



PARTNER CASE STUDY: Intercede

THE CHALLENGE

81% of data breaches are caused by weak or stolen passwords¹ and the average cost of a single breach is \$4m². Stronger methods of authentication exist but high costs, complexity of integration and the need for compliance with identity standards such as FIPS 201, can make them difficult to deploy.

THE SOLUTION

MyID[®] is a credential management system that provides integration, policy control and leverages Aware's biometric software to ensure that strong authentication credentials are delivered to known individuals, fully compliant with identity policies and best security practice, providing effective protection against the number 1 form of data breach.

THE RESULTS

The strongest authentication, deployed simply, securely and at scale.



¹ Verizon, Data Breach Investigations Report, 2019

² Ponemon Institute, Cost of Data Breach Study, 2018

Financial Foundation For Growth

Total Revenue

\$16.9M

2021

Total Debt

\$0

2021

**Cash & Cash
Equivalents**

\$30M

As of Dec. 31, 2021

Total Assets

\$48M

As of Dec. 31, 2021

**Tangible Book
Value/Share**

\$1.63

2021

Management Team

MORE THAN 75 YEARS OF BIOMETRIC EXPERTISE



Bob Eckel

Chief Executive Officer &
President



MorphoTrust USA



DIGIMARC |



Rob Mungovan

Chief Commercial Officer

20 + years with
AWARE



Mohamed Lazzouni, Ph.D.

Chief Technology Officer



MorphoTrust USA



Dave Barcelo

Chief Financial Officer



MorphoTrust USA





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AWARE

Appendix

Acquisition of Fortress Identity

December 22, 2021

The FortressID™ platform from Fortress Identity uses biometric multi-factor authentication to combine onboarding validation and due diligence for compliance and risk management.

The SaaS platform acquisition enables our penetration into the most attractive markets in North America and other geographies.

The acquisition is **immediately accretive**, strengthening our position in our core markets in Latin America and Europe and expanding our suite of offerings to include each link in the identity value chain

